MODERN INDIA LTD.

MODERN® INDIA
ENTERPRISE

P : + 91 22 6744 4200
F : + 91 22 6744 4300
E : info@modernindia.co.in
W : www.modernindia.co.in

30.08.2019

The Dy. General Manager
Corporate Relationship Department,
Bombay Stock Exchange Limited,
P.J. Towers, Dalal Street,
Mumbai - 400 001.

Dear Sir,

Re: Annual Report 2018-19

Ref: Scrip No. 503015

Please find enclosed herewith Annual Report for the year 2018-19 for your record and reference.

Thanking You,
Yours faithfully,

For **MODERN INDIA LIMITED**

(Parind Badshah)
Vice President & Company Secretary
Address: 1, Mittal Chambers, 228, Nariman Point, Mumbai -400 021.
FCS No: 5414

MODERN® INDIA LTD

85th Annual Report
2018 - 2019

MODERN® INDIA LTD

BOARD OF DIRECTORS

Mr. Vijay Kumar Jatia
Chairman & Managing Director

Mr. Anand Didwania
Director

Mr. Shivkumar Israni
Director

Mrs. Gauri Jatia
Director

Mr. Kaiwan Kalyaniwalla
Director

Mr. Pradip Kumar Bubna
Director

BANKERS

PUNJAB NATIONAL BANK

KOTAK MAHINDRA BANK LTD

YES BANK LTD

ICICI BANK LTD

AUDITORS

M/s. KHANDELWAL JAIN & CO.

CHARTERED ACCOUNTANTS

VICE PRESIDENT & COMPANY SECRETARY

PARIND BADSHAH

REGISTERED OFFICE

1, MITTAL CHAMBERS, 228, NARIMAN POINT,

MUMBAI 400 021. TEL: +91 (22) 6744 4200

Email: info@modernindia.co.in

SHARE TRANSFER AGENTS

SATELLITE CORPORATE SERVICES PVT. LTD.

Unit No. 49, Bldg No.13-A-B, 2nd Floor,

Samhita Commercial Co-Op. Soc. Ltd.,

Off Andheri Kurla Lane, MTNL Lane,

Sakinaka, Mumbai - 400 072.

Email: service@satellitecorporate.com

Tel. No. +91-22-28520461

CONTENTS

Page Nos.

NOTICE 1

BOARD'S REPORT 11

MANAGEMENT DISCUSSION AND ANALYSIS REPORT 25

CORPORATE GOVERNANCE REPORT 46

AUDITOR'S REPORT (STANDALONE) 69

BALANCE SHEET 79

STATEMENT OF PROFIT AND LOSS 80

CASH FLOW STATEMENT 81

STATEMENT OF CHANGES IN EQUITY 82

NOTES TO THE ACCOUNT 83

AUDITOR'S REPORT (CONSOLIDATED) 126

CONSOLIDATED BALANCE SHEET 135

CONSOLIDATED STATEMENT OF PROFIT AND LOSS 136

CONSOLIDATED CASH FLOW STATEMENT 137

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY 138

NOTES TO CONSOLIDATED ACCOUNTS 139

FROM THE DESK OF THE CHAIRMAN

My dear fellow Shareholders,

The Global economic scenario continues to be a cause of concern with factors such as Iran, North Korea, Brexit and the US-China trade war still looming large. It appears that this is the new normal and that conducting business will continue to remain challenging. On the domestic front, the NDA government has returned with an even larger mandate, thereby instilling confidence in the Modi government. There are several challenges that behold the new government and we are all confident that their policies will herald in a new era of growth for the Indian economy.

At the outset, the company would like to thank Mr Rajas Doshi our Director for his invaluable guidance that he has provided to the company. He has unfortunately resigned as Director of the company due to personal pre occupation.

The Company has experienced some setback in the NSEL crisis as the merger order has been set aside by the Hon'ble Supreme Court of India thereby dampening our chances of a quicker recovery of the dues owed to the company. The company is hopeful that the Representative suit filed by us in the Hon'ble High Court of Bombay will culminate in the company receiving its dues at the earliest.

This past year, the company has merged into itself two of its subsidiaries, M/s Modern India Property Developers Limited and M/s Modern India Free Trade Warehousing Pvt Ltd. The merger is expected to bring about better operational synergies for the company.

The construction activity at its South Mumbai location has commenced and is expected to bring in a big boost to the company's financials in the coming years.The Company is also in the process of taking clearances for its Boisar project.

The renewable energy sector is once again looking favourable and the company shall be evaluating whether or not it would like to once again initiate the development of the balance 2 MW capacity available at the Satara location.

Your company's subsidiary M/s Verifacts Services Pvt Ltd has achieved a turnover of ₹ 18.86 croresas against ₹18.45 croresin the corresponding previous year, up by 2.2 %. The company has brought about a change in the management of Verifacts and is confident of the growth story of Verifacts. Several new initiatives are in the pipeline and is expected to yield good results in the coming years. Verifacts is undertaking many new steps to retain its competitive advantage that it enjoys.

Your overseas subsidiary M/s Modern International (Asia) Ltd (MIAL) has registered a turnover of US $ 13.76 million for the year 2018-19 as against US$ 6.75 million for the year 2017-18.MIAL has set out aggressive growth plans and they are exploring opportunities in other emerging markets in Asia.

The company on a consolidated basis has achieved turnover of ₹ 206.06 crores as against ₹152.25 crores in the year 2017-18. Unfortunately the company has sustained a loss of ₹ 2.48 crores after tax in the past financial year; however we are optimistic that these losses will be contained and the Company will see a turnaround once the project commences.The Directors are pleased to recommend a dividend of 12 % for the year.

As always, we shall continue to strive to improve our performance.

Best Wishes,

Vijay Kumar Jatia

Chairman & Managing Director

NOTICE

NOTICE is hereby given that the **85th Annual General Meeting** of the Members of Modern India Limited will be held at Kamalnayan Bajaj Hall, Bajaj Bhavan, Ground Floor, Nariman Point, Mumbai-400021 on **Friday, the 27th day of September, 2019 at 4:00 pm** to transact the following business.

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements (including Audited Consolidated Financial Statements) for the year ended 31st March, 2019, along with the reports of the Board and the Auditors thereon.
2. To declare dividend on Equity Shares for the year ended 31st March, 2019.
3. To appoint a Director in place of Shri. Pradip Kumar Bubna (DIN:00135014) who retires by rotation, and being eligible, offers himself for re-appointment.

NOTES:

1) The Members would be aware that during the year 2018-19, the Company had made an application to the Hon'ble NCLT, Mumbai Bench for Merger of two wholly owned subsidiaries viz Modern India Free Trade Warehousing Private Limited and Modern India Property Developers Limited with the Company. The NCLT, Mumbai Bench vide its order dated 11th July 2019 has sanctioned the Scheme of Amalgamation of the two wholly owned subsidiaries viz Modern India Free Trade Warehousing Private Limited and Modern India Property Developers Limited with the Company with effect from the appointed date i.e. 1st April 2018. In view of this Order of Amalgamation the Management was required to restate the financial results (standalone and consolidated) of the Company, which were earlier adopted on 30th May, 2019. The Board of Directors at their meeting held on 13th August, 2019 have approved and adopted the restated financial statement (standalone and consolidated) for the year ended on 31st March, 2019.

2) The relevant details as required under Regulation 36 (3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and Secretarial Standard on General Meetings (SS 2) issued by The Institute of Company Secretaries of India, of persons seeking appointment/re-appointment as Director as set out at Item No. 3 of the Notice, is also annexed.

3) **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY/PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY/PROXIES NEED NOT BE A MEMBER OF THE COMPANY. A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in aggregate not more than ten percent of the total share capital of the Company.** In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder. The instrument appointing a proxy duly completed and signed should, however, be deposited at the Registered Office of the Company not less than forty-eight hours before the commencement of the meeting. Proxies submitted on behalf of the companies, societies etc., must be supported by certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting. A proxy form is sent herewith.

4) **The ISIN of the Equity Shares of ₹ 2/- each is INE251D01023.**

5) **As per Companies (Management And Administration) Rules, 2014 read with chapter VII of the Companies Act, 2013, the shareholders of the company have to furnish their information as per annexure attached herewith and shareholders who are yet to submit the same are requested to submit it to Satellite Corporate Services Private Limited – Registrar and Transfer Agent of Modern India Limited on or before 30th September, 2019.**

6) Members are requested to bring the Attendance Slip along with their copy of Annual Report to the Meeting.

7) The Register of Members and Share Transfer Books of the Company will remain closed from Friday, 13.09.2019 to Friday, 27.09.2019 (both days inclusive), for determining the names of Members eligible for dividend on Equity Shares, if declared at Annual General meeting (AGM)

8) The dividend on Equity Shares of the Company as recommended by the Board of Directors of the Company, when approved at the Annual General Meeting of the Company, will be made payable within 30 days of the date of declaration i.e. from **Friday, 27th September, 2019** to the Company's Equity Shareholders, whose names stand registered on the Company's Register of Members as under:

   a. As Beneficial Owners as at the end of business hours on **Friday, 13th September, 2019** as per the list provided by National Securities Depository Limited and Central Depository Services (India) Limited in respect of the shares held in the electronic form and

   b. As Members in the Register of Members of the Company after giving effect to valid transfers in physical form lodged with the Company upto **Friday, 13th September, 2019**

9) In order to provide protection against fraudulent encashment of dividend warrants, Members are requested to intimate the Company's Registrars & Transfer Agents **particulars of their Bank Account viz. Name of Bank, Name of Branch, Complete address of the Bank with Pin Code Number, Account type – whether Saving Account or Current Account and Bank Account Number.**

10) Members are hereby informed that Dividend which remains unclaimed/unpaid for a period of 7 years from the date of transfer to unpaid Dividend Account has to be transferred as per the provisions of Section 124 of the Companies Act, 2013, by the Company to The Investor Education & Protection Fund (IEPF) constituted by the Central Government under Section 125 of the Companies Act, 2013. The unclaimed Dividend amounting to ₹3,55,700.40 (approx) for the year 2011-2012 is due to be transferred to the IEPF w.e.f **06th September, 2019**. Members wishing to claim dividends, which remain unclaimed for the year 2011-12 onwards, are requested to correspond with the Company's Registrars & Transfer Agents, along with full particulars

11) Members desirous of making nomination as permitted under Section 72 of the Companies Act, 2013 in respect of the physical shares held by them in the Company, can make nominations in Form SH-13, which can be procured from the Registrar and Share Transfer Agent M/s Satellite Corporate Services Pvt. Ltd. The Members holding shares in demat form may contact their respective depository participants for such nominations.

12) Members who hold shares in physical form in multiple folios in identical names or joint accounts in the same order of names are requested to send the share certificates to the Company's Registrars and Transfer Agents, M/s. Satellite Corporate Services Private Limited (RTA), for consolidation into a single folio.

13) **Unclaimed Share Certificates:** Pursuant to Regulation 39(4) read with Schedule VI of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015, there are no unclaimed shares.

    It may be noted that there are 3,70,220 shares in 750 folios which are lying unclaimed **post sub-division** of shares from face value of ₹50/- to ₹10/- and subsequently from ₹10/- to ₹2/-, in spite of sending reminders.

    Furthermore, In terms of Section 124 of the Companies Act, 2013, read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, shares of the Company in respect of which dividend has been transferred to IEPF are required to be transferred by the Company to the Investor Education and Protection Fund (IEPF) of the Government of India.

    Communication was sent by the Company to the concerned Members who had not claimed their dividend for seven consecutive years or more providing them an opportunity to claim such dividend. 17,175 equity shares have been transferred to IEPF are required of 51 folios of shareholders upto 31st March 2019. The shares on which dividends is

due from the Financial year 2011-12 for seven consecutive years will be transferred to the demat account of the IEPF Authority in the month of September, 2019.

Shareholders may note that the shares/dividend transferred to IEPF can be claimed by making an application to the Authority in Form IEPF 5 (to be filed online) at the following link http://iepf.gov.in/IEPFA/refund.html

14) As per the General Exemption granted by the Central Government vide the General Circular No. 2/2011 dated 08.02.2011, copy of Balance Sheet, Statement of Profit and Loss, and Boards Report and the Report of the Auditors of the Subsidiary Companies are not attached with the Annual Report of the Company. However, the Annual Reports of all the Subsidiary Companies are available for inspection at the Registered Office of the Company to any Member of the Company. Further the Company will make available these documents to any Member upon request and the same is made available on the official website of the Company i.e www.modernindia.co.in

15) The Notice of the Annual General Meeting along with the Annual Report 2018-19 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories, unless any Member has requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode. Members may note that this Notice and Annual Report 2018-2019 will also be available on the Company's website, www.modernindia.co.in

16) In compliance with the provisions of Section 108 of the Companies Act, 2013 and the Rules framed thereunder, and Regulation 44 of Securities And Exchange Board of India (Listing Obligations And Disclosure Requirements) Regulations,2015 ,the Company is pleased to provide the Members the facility to exercise their right to vote at the 85th Annual General Meeting(AGM) by electronic means and the business may be transacted through Remote e-Voting Services provided by Central Depository Services Limited (CDSL).

17) For the convenience of the Members, the route map of the meeting venue from the nearest railway station is annexed to this Notice. Company's website www.modernindia.co.in will be uploaded with the above documents well before the mandatory period and the copies of the aforesaid documents will be available for inspection at the Registered Office of the Company also.

18) All documents referred to in the accompanying Notice shall be open for inspection at the Registered Office of the Company during normal business hours (10.00 a.m to 5.00 p.m) on all working days except Saturdays and Sundays (including Public Holidays) up to the date of the Annual General Meeting.

19) The business of ratification of Auditors, shall not be placed before the shareholders for their approval subsequent to notification of section 40 of the Companies (Amendment) Act, 2017 which corresponds to section 139 of the principal Companies Act, 2013 on 07th May, 2018 by which the Company shall no longer be required to ratify the appointment of auditors at every Annual General Meeting.

20) Pursuant to Regulation 40 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended (" SEBI Listing Regulations"), with effect from April 1, 2019, transfer of securities of the Company would be carried out in dematerialized from only, except in case of transmission or transpotions of securities.

By Order of the Board of Directors

Sd/-
PARIND BADSHAH
FCS 5414
Vice President & Company Secretary

Mumbai
Dated: 13th August, 2019

Registered Office: 1, Mittal Chambers, 228, Nariman Point, Mumbai-400 021.

ANNEXURE TO NOTICE

DETAILS AS REQUIRED UNDER REGULATION 36(3) OF THE SEBI (LORD) REGULATIONS, 2015.

Shri. Pradip Kumar Bubna (DIN:00135014) director of the Company would retire by rotation at the ensuing Annual General Meeting in terms of Section 152(3) of the Act and is eligible for re-appointment.

Name	Shri. Pradip Kumar Bubna
DIN	00135014
Date of Birth	13.05.1958
Nationality	Indian
Date of Appointment	Re-appointed on 08.08.2017
Qualifications	Bachelor of Commerce
Expertise in specific functional areas	Business
List of Other Directorship	NIL
Chairmanship/Membership of Committees of other Boards	NIL
The Attendance of meeting of Board and Committees	During the year Shri. Pradip Kumar Bubna attended all the meeting of Board of Directors of Modern India Limited
Company's Shares held (No of shares)	1230 -Equity shares of Modern India Limited
Relationship with other Directors ,Manager and other KMP	-

By Order of the Board of Directors
Sd/-
PARIND BADSHAH
FCS 5414
Vice President & Company Secretary

Mumbai
Dated: 13th August, 2019

Registered Office: 1, Mittal Chambers, 228, Nariman Point, Mumbai-400 021.

REMOTE E-VOTING INSTRUCTIONS

The instructions for shareholders voting electronically are as under:

i. In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules,2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide to its Members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting ("AGM") by electronic means and the business may be transacted through e-voting services arranged by Central Depository Services(India) Limited. The Members may cast their votes using an electronic voting system from a place other than the venue of the AGM ("remote e-voting").

ii. The facility of polling paper shall be made available at the AGM and the Members attending the AGM who have not cast their vote by remote e-voting shall be able to exercise their right at the AGM.

iii. 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.

iv. The instructions for shareholders voting electronically are as under: (i) The voting period begins on 23rd September, 2019 at 9:00 hrs and ends on 26th September, 2019 at 17:00 hrs. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 20th September, 2019 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter

v. The shareholders should log on to the e-voting website www.evotingindia.com.

vi. Click on Shareholders.

vii. 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.

viii. Next enter the Image Verification as displayed and Click on Login

ix. 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.

x. If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form

PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • 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.

	• 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
Dividend Bank Details or Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. • If both 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).

xi. After entering these details appropriately, click on "SUBMIT" tab.

xii. 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.

xiii. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

xiv. Click on the EVSN for MODERN INDIA LIMITED.

xv. 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.

xvi. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

xvii. 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.

xviii. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

xix. You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

xx. If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

xxi. **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. Please follow the instructions as prompted by the mobile app while voting on your mobile.**

xxii. **Note for Non – Individual Shareholders and Custodians**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporate.
- 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 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 linked in the login should be emailed 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.

xxiii. 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.

xxiv. The Board of Directors has appointed Shri. P.N.Parikh (FCS 327) or failing him Shri.Mitesh Dhabliwala(FCS 8331) or failing him Ms. Sarvari Shah(FCS 27572) of M/s Parikh & Associates, Practicing Company Secretaries, Mumbai as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner

xxv. The Scrutinizer shall after the conclusion of voting at the AGM, first count the votes at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of atleast two witnesses, not in employment of the Company, and make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman in writing, who shall countersign the same and declare the result of the voting forthwith.

xxvi. The Results declared alongwith the Scrutinizer's Report shall be placed on the Company's website www.modernindia.co.in and on the website of CDSL and communicated to the BSE Limited where the shares of the Company are listed. The results shall also be displayed on the Notice Board at the Registered Office of the Company.

xxvii. Please note the important dates

EVENT	DATE	TIME
CUT OFF DATE FOR VOTING	20.09.2019	17.00 hrs
EVOTING TO START	23.09.2019	09.30 hrs
EVOTING TO END	26.09.2019	17.00 hrs
AGM DATE	27.09.2019	16:00 hrs

ANNEXURE- FOR NOTE 5 OF THE NOTICE

Date:

To,
M/s. Satellite Corporate Services Pvt. Ltd.,
Unit: Modern India Limited,
Unit No. 49, Bldg No.13-A-B, 2nd Floor, Samhita Commercial Co-Op. Soc. Ltd.
Off Andheri Kurla Road, MTNL Lane, Sakinaka, Mumbai - 400 072

Dear Sir,

With reference to section 88(1) of the Companies Act, 2013 we give the following information.

Name	
Name of Joint Holder, if any	1.
	2.
Address	
Folio No.	
Contact No.	Res.: Mob:
Email Id	
CIN Registration No. (in case of companies)	
Unique Identification No.	
Father's/Mother's/Spouse Name	1. 2.
Occupation	
Date of Birth	
Pan No.	
Nationality	
Bank Name	
Branch Name	
Account Number	
MICR Number	
RTGS/NEFT/FSC Code (attach cancelled cheque)	

Thanking You
Yours faithfully

Signature
Name of the shareholder
Note: Shareholders holding shares in demat mode are requested to update their above details in their Demat account

ROUTE MAP
BY BUS/TAXI FROM CHURCHGATE TO VENUE

BY WALKING FROM CHURCHGATE TO VENUE

ROUTE MAP
BY BUS/TAXI FROM CST TO VENUE

BY WALKING FROM CST TO VENUE

REVISED BOARD'S REPORT

Dear Members,

Your Directors are pleased to present the Eighty Fifth Annual Report along with Audited Statement of Accounts for the Financial Year ended 31st March, 2019.

FINANCIAL RESULTS **(₹ in lakhs)**

	Financial year 2018-19*	Financial year 2017-18
Revenue from operations	**7658.17**	7239.10
Other Income	**1461.36**	1806.28
Total Income	**9119.53**	9045.92
EBITDA	**282.62**	544.24
Depreciation	**319.02**	279.90
Financial Expenses	**801.92**	1115.54
Profit /Loss before exceptional item and tax	**(838.32)**	(851.20)
Provision for taxes / Deferred tax	**(302.50)**	(247.20)
Profit/(Loss) after tax	**(535.82)**	(604.00)
Other comprehensive Income	**0.82**	1.75
Total comprehensive Income	**(535.00)**	(602.25)

***FIGURES OF 2018-19 ARE RE-STATED PURUSUANT TO SANCTION OF SCHEME OF AMALGAMATION OF MODERN INDIA FREE TRADE WAREHOUSING PRIVATE LIMITED, THE TRANSFEROR COMPANY NO. 1 AND MODERN INDIA PROPERTY DEVELOPERS LIMITED, THE TRANSFEROR COMPANY NO. 2 WITH MODERN INDIA LIMITED PASSED BY HONRBLE NATIONAL COMPANY LAW TRIBUNAL, MUMBAI BENCH ON 11TH DAY OF JULY, 2019**

**** FIGURES OF 2017-18 ARE RESTATED PURSUANT TO AMALGAMATION AND FOR COMPARITIVE ANALYSIS UNDER IND-AS.**

GENERAL INFORMATION ABOUT THE COMPANY

The Company has various business verticals inter alia Real Estate and Infrastructure Development, Power Generation, Background Verification, Commodities Trading, International procurement solutions amongst others.

PERFORMANCE

India has emerged as the fastest growing major economy in the world and is expected to be one of the top three economic powers of the world over the next 10-15 years, backed by its strong democracy and partnerships.

Numerous foreign companies are setting up their facilities in India on account of various government initiatives like Make in India and Digital India. Shri. Narendra Modi, Prime Minister of India, had launched the Make in India initiative with an aim to boost the manufacturing sector of Indian economy, to increase the purchasing power of an average Indian consumer,

which would further boost demand, and hence spur development, in addition to benefiting investors. Besides, the Government has also come up with Digital India initiative, which focuses on three core components: creation of digital infrastructure, delivering services digitally and to increase the digital literacy.

It has been observed that despite 2018 being filled with external vulnerabilities arising out of rising oil prices, trade wars between major global trading partners and US monetary tightening, India outshined as the world's fastest growing major economy.

With the resounding victory secured by the NDA, it is expected that a fresh impetus will be provided to make economy grow at a faster pace by more funds being pumped into various sectors by the Government to increase production and employment.

The real estate market in India is currently in the midst of fairly challenging times. In the last few years, there have been a few noticeable macro shifts that have challenged the realty sector. The demonetization exercise in November 2016 put brakes on the growth of the real estate market as it made the rampant use of cash in real estate transactions (prevalent earlier) more difficult. Further, the Real Estate Regulation Act (RERA) that was passed by the Centre in 2016 and most states in 2017 put a lot of onus on builders which further halted new offerings in the residential space.

In addition, the demand-supply gap has been an issue with most of the key real estate markets such as Mumbai, Bengaluru, and Gurugram facing a serious oversupply of properties. However, the big funding challenge came in 2018 after the IL&FS fiasco. It is in this context that the current real estate scenario in India needs to be understood.

EVENTS DURING THE YEAR UNDER REVIEW

Update on Construction at Modern Centre:

During the year under review, the shore piling activity has been completed and the excavation work is expected to be completed soon, after which the work of plinth and basement is expected to commence at Plot D-1,bearing C.S No.7/1895 of Byculla Division situated at Keshavrao Khadye Marg(Clerk Road), Mahalaxmi,Mumbai-400 011.

Update on NSEL crisis:

As informed earlier our Company along with three others had instituted a Representative Suit in the Hon'ble Bombay High Court inter alia against 63 Moons Technologies Limited (erstwhile Financial Technologies (India) Limited(FTIL)). Our suit is clubbed with other suits filed against 63 Moons Technologies Limited, NSEL and others. Furthermore, with the NSEL crises, the Company had received ₹ 11.03 lakhs and more is expected once the Committee formed by the Court agrees to distribute monies from the funds lying with the Court which has been collected due to sale of the assets of 63 Moons Technologies Limited. It maybe noted that the merger of NSEL with 63 Moons Technologies Limited has been set aside by the Supreme Court. The balance outstanding as on date is ₹1,348.48 lakhs.

Update on Solar Power Plant:

The government of India has been encouraging people and corporates to go Solar and this is giving a big fillip to the power sector especially solar power. With the increase in demand for Solar power our Company has been able to sell power at ₹4.21/unit during the year as against ₹2.50/unit earlier in 2017-18

Our company had planned to setup a 5MW Solar Power Plant at Satara of which 3MW Solar Power Plant was commissioned in April 2015 and is currently operational and generating power. All REC certificates in stocks and accrued in 2018-2019 were also traded out with an average rate of 1.5/unit. The installation of remaining 2MW plant will be commissioned in due course of time. The risk for the division lies in collections from third parties to whom power is sold.

Solar Power Plant in Satara is in good operational condition and power generation in the plant in 2018-19 is 42,05,108 units which is 0.39% higher than the guaranteed power generation of 3MW plant i.e. 41,02,308 units/pa

It must also be noted that that the company has to receive approx ₹1,43,16,884/- (including interest as applicable) from Global Energy Private Limited who were the Company's trader for transmitting the electricity generated through solar energy to various clients of GEPL. In spite of several follow ups there had been no response nor any signs of recovery of money and in view of the same a police complaint has filed by the Company along with other affected suppliers with the Economic Offence Wing(EOW), Mumbai. The Company has also initiated proceeding for Arbitration and all other necessary legal action is being taken under the requisite laws to recover the outstanding.

Update on Investments:

During the year under review Company made an investment of ₹ 3,00,00,315 in Crediwatch Informations Analytics Private Limited which is into "Authentication of Businesses" using amplified intelligence towards investment in 30,750 Class 6 CCPS of Crediwatch Information Analytics Private Limited. Likewise the Company has also acquired 50% stake in the newly formed LLP-Primo Tech Textiles Private Limited wherein Shri. Sidhant Jatia has been appointed as the Designated Partner of the LLP as a nominee of Modern India Limited. Primo Tech Textiles Private Limited will be engaged into the business of buying, selling, reselling, importing, exporting, transporting, storing, developing, promoting, marketing or supplying, trading, dealing in any manner whatsoever in all type of goods and commodities, which includes wound care products.

The Company during the year acquired the remaining 49% stake in Modern India Free Trade Warehousing Private Limited and 24% stake in Verifacts Services Private Limited, thereby making both the Companies, wholly-owned subsidiaries of Modern India Limited.

Update on Merger/Amalgamation:

The Board of Directors in their Board Meeting held on 02nd November, 2018 approved the draft Scheme of Amalgamation between Modern India Free Trade Warehousing Private Limited and Modern India Property Developers Limited ("Transferor Companies") with Modern India Limited ("Transferee Companies") considering the Companies future prospects and in the best interest of the Company to consolidate the assets and liabilities to have a synergistic effect in future.

Modern India Free Trade Warehousing Private Limited ("Transferor Company No. 1") and Modern India Property Developers Limited ("Transferor Company No. 2") with Modern India Limited ("Transferee Company" or "the Company") made an Application along with the Notice of Admission to the Hon'ble National Company Law Tribunal (NCLT), Mumbai Bench on the 29th January, 2019

Upon the submission and hearing of the Application an Order dated February 21, 2019 of the Hon'ble National Company Law Tribunal (NCLT), Mumbai Bench, in the matter of the Scheme of Amalgamation of Modern India Free Trade Warehousing Private Limited ("Transferor Company No. 1") and Modern India Property Developers Limited ("Transferor Company No. 2") with Modern India Limited ("Transferee Company" or "the Company") and their respective Shareholders ordered meeting of shareholders which was convened **on April 20,2019, thereafter the report of the meeting was submitted and petition was admitted on 27th June 2019 and at the final hearing, an Order favouring the scheme of Amalgamation was passed on 11th July 2019 of which the certified true copy of the Order was received on 23rd July 2019.**

Update on CSR activities:

Considering losses in financial year 2016-17, 2017-18 and 2018-19, no funds could be allocated for Corporate Social Responsibility for the financial year 2019-20. However, the Company intends to carry out Corporate Social Responsibility activities in due course of time.

EVENTS SUBSEQUENT TO THE DATE OF FINANCIAL STATEMENTS

The meeting of the shareholders of the Transferor Company no 1& 2 and Transferee Company were held on the **April 20, 2019** wherein the resolution was passed through requisite majority [majority of persons representing three-fourths in value]

The Joint Petition to obtain sanction of the Hon'ble Tribunal to an amalgamation embodied in the Scheme of Amalgamation of MODERN INDIA FREE TRADE WAREHOUSING PRIVATE LIMITED, the Transferor Company No. 1 and MODERN INDIA PROPERTY DEVELOPERS LIMITED, the Transferor Company No. 2 with MODERN INDIA LIMITED, the Transferee Company was filed on 3rd May, 2019.

The joint petition was admitted by the Hon'ble National Company Law Tribunal, Mumbai Bench on 27th day of June, 2019 and the said joint Petition was fixed for hearing before the Hon₹ble National Company Law Tribunal, Mumbai Bench on 11th day of July, 2019 and the Hon'ble National Company Law Tribunal approved and sanctioned the Scheme of Amalgamation.

CHANGE IN THE NATURE OF BUSINESS, IF ANY

There are no changes in the nature of Business during the year under review.

DIVIDEND AND RESERVES

Despite the losses incurred during the year and in the last few financial years, your directors are recommending dividend of ₹0.24 per share, i.e 12 % per equity share of ₹ 2/-each. The dividend for the year amounts to ₹90.10 lakhs excluding the dividend distribution tax. The proposed dividend is subject to the approval of shareholders in the ensuing Annual General Meeting. Pursuant to amendment in Accounting Standard (AS)–4,Contingencies and events occurring after the balance sheet date, declaration of dividends to shareholders after the balance sheet date is not required to be recognized as a liability as at the Balance sheet date. The Company has free reserves (including retained earning) of ₹1096.32 lakhs as on 31st March, 2019.

BOARD MEETINGS AND ATTENDANCE

Details of the Directors, their meetings, attendance etc have been given in the Corporate Governance Report **(ANNEXURE -6)** which forms a part of this Annual Report.

DIRECTORS AND KEY MANANGERIAL PERSONNEL

The tenure of the Independent Directors was ending on 22nd July 2019 and in view of this a postal ballot (including remote evoting) was conducted for the reappointment of the Independent Directors for a second term of five years commencing from 23rd July 2019.

Shri Anand Didwania, Shri S D Israni and Shri Kaiwan Kalyaniwalla were reappointed as Independent Directors with requisite majority through special resolution.

Shri. Pradip Kumar Bubna (00135014), Director of the Company, retires by rotation and being eligible, offers himself for re-appointment.

The Management recommends his re-appointment.

The Companies Act, 2013 requires that the Independent Directors of the Company meet at least once a year without the presence of Executive Directors, the Non Executive Director or the Management or the Promoters of the Company.

The Independent Directors of our Company have met once during the year on 28.03.2019.

The Nomination and Remuneration Committee and the Board of Directors have carried out the annual performance evaluation of all the Directors including Independent Directors, Non-executive non-Independent Directors and Chairman and Managing Director and the Board as a whole.

DECLARATION FROM INDEPENDENT DIRECTORS ON ANNUAL BASIS

The Company has received necessary declaration from each Independent Director of the Company under Section 149(7) of the Companies Act, 2013 and under Regulation 25(8) of the SEBI(Listing and Obligation Requirement) Regulations, 2015 stating that the Independent Director of the Company meet with the criteria of their Independence as laid down under Section 149(6) of the Companies Act, 2013 and are bound by the obligations as mentioned under Regulation 25(8) of the SEBI(Listing and Obligation Requirement) Regulations, 2015.

COMMITTEES OF THE BOARD

The Companies Act, 2013 provides for the formation and duties of various committees of the Board, the Company in compliance with the Act, already has the following Committees in existence as on 31st March, 2019 and all the committees have specific roles, duties and responsibilities.

The following are the various Committees of the Board viz.

Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee, Risk Management Committee and Investment and Finance Committee. Details of the meetings held and attendance at the various committee meetings are given in the Corporate Governance Report which forms a part of this Annual Report.

AUDIT COMMITTEE

The Audit Committee was constituted in January, 2001 and has been reconstituted from time to time. The current strength of the Audit Committee is four members. All the members of the Audit Committee are Non-Executive Directors. Two-thirds of the members of the Committee are Independent Directors. All the members of Audit Committee are financially literate and possess accounting and related financial management expertise.

The Audit Committee consists of:

Shri. Anand Didwania	Chairman
Shri. Pradip Kumar Bubna	Member
Shri. S. D. Israni	Member
Shri R. R Doshi	Member (Resigned with effect on 30.09.2018)
Shri. Kaiwan Kalyaniwalla	Member (Appointed on 03.11.2018)

The Chairman & Managing Director of the Company is a permanent Invitee of the Audit Committee. At the invitation of the Committee, representatives from various divisions of the Company, Internal auditors, Statutory Auditors and Chief Financial Officer also attend the Audit Committee meetings to respond to queries raised at the Committee meetings. Shri. Parind Badshah, Vice President and Company Secretary acts as the Secretary to the Audit Committee.

NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee was constituted in April, 2002 and has been reconstituted from time to time. The Committee currently comprises of four directors where majority are Independent Directors. The Nomination and

Remuneration Committee comprises:

Shri. S D Israni.	Chairman (Appointed w.e.f. 03.11.2018)
Shri R. R Doshi	Chairman (Resigned with effect on 30.09.2018)
Shri. Vijay Kumar Jatia	Member
Shri. Anand Didwania	Member
Shri. Kaiwan Kalyaniwala	Member

The terms of reference of the Nomination and Remuneration Committee include reviewing and recommending the terms of remuneration payable to the Executive Director, the Key Managerial Personnel (KMPs) based on the evaluation of their performance and senior management personnel including executives holding office of profit. The Committee also evaluates the performance of the Board of Directors. Shri. Parind Badshah, Vice President and Company Secretary acts as the Secretary to the Nomination and Remuneration Committee.

The Company has adopted a revised Remuneration Policy for Directors, Key Managerial Remuneration and other employee formulated by the Committee for determining Qualification, Positive Attributes and Independence of a Director and others which is available on the website of the Company www.modernindia.co.in

STAKEHOLDERS RELATIONSHIP COMMITTEE

According to the provisions of section 178(5) of the Companies Act, 2013 and the Companies (Meetings of Board and its Powers) Rules, 2014, every company having more than 1000 shareholders/ debenture holders/ deposit holders and any other security holders is required to have a "Stakeholders Relationship Committee". However the said committee was constituted in June, 2002.

The Stakeholders Relationship Committee considers and resolves the grievances of security holders of the Company. The Committee consists of the following directors:

Shri.Anand Didwania	Chairman (Appointed on 03.11.2018)
Shri R. R Doshi	Chairman (Resigned with effect on 30.09.2018)
Shri. Vijay Kumar Jatia	Member
Shri. Pradip Kumar Bubna	Member

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

As per the Provision of Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules 2014, the Company has formed a "Corporate Social Responsibility Committee" was constituted in May, 2014 consisting of the following Directors:

Shri. Vijay Kumar Jatia	Chairman
Smt Gauri Jatia	Member
Shri. Kaiwan Kalyaniwalla	Member
Shri. Pradip Kumar Bubna	Member

The Committee is authorized to do all such acts, deeds and things which may be necessary for performing the duties and responsibilities defined under section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility

Policy) Rules, 2014. They plan and execute the various CSR activities to be undertaken by the Company.

RISK MANAGEMENT COMMITTEE

The Company has formed a risk management committee (though not mandated) constituted in October, 2014, to evaluate the various risk factors faced by the organization and how the same can be mitigated. The Committee comprises of the following directors:

Shri.S.D. Israni	Chairman
Shri Vijay Kumar Jatia	Member
Shri Kaiwan Kalyaniwalla	Member

INVESTMENT AND FINANCE COMMITTEE

The Investment and Finance Committee was constituted in August, 2017. The Committee currently comprises of three directors and Presidents of the Company. The Investment and Finance Committee comprises:

Shri. Vijay Kumar Jatia	Chairman and Managing Director
Smt. Gauri Jatia	Director
Shri. Pradip Kumar Bubna	Director
Shri. Sidhant Jatia	President
Shri. Mudit Jatia	President

The terms of reference of the said Committee is to exercise powers of investment as per limits approved by the Board of Directors of the Company, review the Company's financial policies, risk assessment and minimization procedures, approve opening and operation of Investment Management Accounts with Banks, Financial Institutions, PMS, etc., Approve Opening, Closing and changes in signatories of the regular accounts with the banks for the purpose of carrying out business operations of the Company, exercise powers to borrow fund as per limits approved by the Board of Directors for the purpose of working capital requirements and strategic investments, Review regularly and give recommendations about changes to the charter of the Committee, to delegate Authority from time to time to the executives/ Authorized personnel to implement the Committee's decision, carry out any other functions as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modifications as may be applicable.

VIGIL MECHANISM:

The Companies Act, 2013 envisages a Vigilance Mechanism and accordingly keeping in view the above a Whistle Blower Policy ("the Policy") has been formulated with a view to provide a mechanism for employees of the Company to approach and report the Violation to :-

(i) immediate supervisor;

(ii) Chairman of Audit Committee

(iii) anonymously, by sending an e-mail to: vigilance@modernindia.co.in

All complaints / reports under this Policy will be promptly and appropriately investigated, and all information disclosed during the course of the investigation will remain confidential, except as necessary to conduct the investigation and take any remedial action, in accordance with applicable law.

During the year, the Company had not received any complaints

POLICY ON PREVENTION OF SEXUAL HARASSMENT:

To reinforce the Company's position as an equal opportunity employer and in the light of the increasing gender diversity it was felt necessary to articulate the Company's commitment by providing a workplace free of sexual harassment and therefore Company has adopted a policy statement on prevention of sexual harassment which is in Compliance with the Sexual harassment (Prevention, Prohibition and Redressal) Act, 2013 and Supreme Court Directives.

The Internal Complaints Committee comprises of the following members:

Smt. Reenu Kapoor	External Member
Smt. Seema Patil	Presiding Officer
Smt. Ranju Nair	Member
Shri. Shahid Bora	Member

The Committee organize awareness programmes within the organisation.

During the year, the Company had not received any complaints

DIRECTORS' RESPONSIBILITY STATEMENT

In pursuance of section 134 (5) of the Companies Act, 2013, the Directors hereby state that:

i) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departure.

ii) appropriate accounting policies have been selected and applied them consistently and the judgments and estimates made are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2019 and of its profit for the year ended as on that date;

iii) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

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

v) Internal Financial Control have been followed by the Company and that such Internal Financial Controls are adequate and are operating effectively.

vi) Directors have devised proper system to ensure Compliance with the provisions of all applicable laws and that such system are adequate and operating effectively.

INTERNAL FINANCIAL CONTROL

Detailed note on Internal Financial Control is given in the Management Discussion Analysis which a part of this report. The Statutory Auditors M/s. Khandelwal, Jain and Co., Chartered Accountants also carry out the Audit of Internal Financial Controls over Financial Reporting as required under the Act and the Auditors have given their report to the Board and based on which the Directors have stated in their Directors Responsibility Statement that the Internal Financial Control have been followed by the Company and that such Internal Financial Controls are adequate and are operating effectively.

REPLY TO AUDITORS QUALIFICATION

With reference to the amount of ₹1348.48 Lakhs (net of ₹ 104.64 lakhs recovered till date, ₹11.03 lakhs received during the year) is outstanding as receivables in respect of commodity trading transactions on NSEL, considering the uncertainties involved in making any reliable estimate of amount recoverable, provision, if any, will be considered at an appropriate time, other basis of resultant outcome. Until then the dues are considered good.

SUBSIDIARY COMPANIES

MODERN INTERNATIONAL (ASIA) LIMITED, HONG KONG (MIAL)

Modern International (Asia) Limited [MIAL] is actively involved in the B2B segment Business. MIAL sources products viz textile, machinery, furniture, luggage, building /construction material, gift articles etc primarily from China and other Countries and exports it to its clientele in other countries. The year 2018-19 has seen an increase in the revenue and profits earned by the Company despite the downturn in the Chinese economy. The Company achieved sales / turnover of **US $ 13.76 millions** for the year 2018-19 as against US$ 6.75 million for the year 2017-18 increase of 104% and it has recorded profit of **US $1,80,910** (previous year US $ 31,175). Efforts are being taken to further increase the turnover in the coming year.

MODERN INDIA PROPERTY DEVELOPERS LIMITED (MIPDL) AND MODERN INDIA FREE TRADE WAREHOUSING PRIVATE LIMITED (MIFTWPL The Company had filed a Joint Petition to obtain sanction of the Hon'ble Tribunal to an amalgamation embodied in the Scheme of Amalgamation of MODERN INDIA FREE TRADE WAREHOUSING PRIVATE LIMITED, the Transferor Company No. 1 and MODERN INDIA PROPERTY DEVELOPERS LIMITED, the Transferor Company No. 2 with MODERN INDIA LIMITED, the Transferee Company was filed on 3rd May, 2019.

The joint petition was admitted by the Hon'ble National Company Law Tribunal, Mumbai Bench on 27th day of June, 2019 and the said joint Petition was fixed for hearing before the Hon₹ble National Company Law Tribunal, Mumbai Bench on 11th day of July, 2019

The sanction of the National Company Law Tribunal, Mumbai Bench was sought under section 230 to 232 and other applicable provisions of the Companies Act, 2013 and the Company stands merged with Modern India Limited vide the Order of the Hon'ble National Company Law Tribunal dated 11th July 2019. The Scheme of Amalgamation is effective as of the appointed date that is 1st April 2018.

VERIFACTS SERVICES PRIVATE LIMITED

Verifacts Services Private Limited is a human resources consulting company providing background/ antecedents verification services. The Company has started various other essential services like online chat facility to interact with existing and prospective clients Moreover, the Company is under negotiations with some of the giant corporate entities for extending their services. During the year the Modern India Limited acquired remaining 24% stake in Verifacts Services Private Limited thereby making it a wholly- owned subsidiary of Modern India Limited.

During the year Verifacts has achieved a turnover of ₹ **1886.39 Lakhs** as against ₹ 1845.32 lakhs in the corresponding previous year, a marginal increase of 2.22 %. This business has immense potential to flourish in future. The Company has entered into agreements with, NSDL E-KYC, NSDL - PAN Verification, NSDL Database Management Ltd, Transunion CIBIL for providing better and more efficient verification services. The Company has earned a profit of **₹107.24 Lakhs** as compared to ₹82.09 Lakhs in the corresponding previous year, an increase of 30.63%

ASSOCIATE COMPANIES

The Company does not have any associate companies nor does it have any existing joint venture as on 31st March, 2019.

Details of the Companies which have become / ceased to be its Subsidiary/ JV/ Associate Company.

During the year no other company became / ceased to be the subsidiary / JV / Associate Company.

Details of existing subsidiaries are given below:

Form AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries

Sr No.	Information in respect of each subsidiary	Name of the subsidiaries	
		Modern International (Asia) Limited	Verifacts Services Private Limited
1	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	NA	NA
2	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	1USD= 69.20	NA
3	Share capital	USD 1280000	5000000
4	Reserves & surplus	1143925	101005496
5	Total assets	4340227	152656079
6	Total Liabilities	(1916302)	152656079
7	Investments	-	12132294
8	Turnover	13755023	188639184
9	Profit before taxation	180910	14781515
10	Profit after taxation	180910	10723553
11	Proposed Dividend	NIL	50%
12	% of shareholding	100%	100%

EXTRACT OF ANNUAL RETURN

As required pursuant to Section 92(3) of the Companies Act, 2013 and rules 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of Annual Return in MGT-9 is annexed herewith as ANNEXURE-1.

AUDITORS' APPOINTMENT/RATIFICATION

M/s. Khandelwal Jain and Company Chartered Accountants (FRN 105049W) the existing Statutory Auditor of the Company was appointed as auditor by the Members to hold office from conclusion of 83rd Annual General Meeting until conclusion of 88th Annual General Meeting.

SECRETARIAL AUDIT REPORT

Secretarial Audit Report as provided by M/s. Parikh & Associates, Practicing Company Secretaries is annexed to this Report as **ANNEXURE -2.**

CONSERVATION OF ENERGY, RESEARCH AND DEVELOPMENT, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGOINGS.

In compliance with the provisions of Section 134 read with Companies (Accounts) Rules, 2014, a statement giving requisite information is given in **ANNEXURE 'A'** forming part of this Report.

FIXED DEPOSITS: During the year under review, the Company has neither accepted nor renewed any Fixed Deposits, under Section 73 & 74 of the Companies Act, 2013.

SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS/ COURT OR TRIBUNALS

A joint petition to obtain sanction of the Hon'ble Tribunal to an amalgamation embodied in the Scheme of Amalgamation of MODERN INDIA FREE TRADE WAREHOUSING PRIVATE LIMITED, the Transferor Company No. 1 and MODERN INDIA PROPERTY DEVELOPERS LIMITED, the Transferor Company No. 2 with MODERN INDIA LIMITED was admitted by the Hon'ble National Company Law Tribunal, Mumbai Bench on 27th day of June, 2019 and the said joint Petition was fixed for hearing before the Hon'ble National Company Law Tribunal, Mumbai Bench on 11th day of July, 2019

The sanction of the National Company Law Tribunal, Mumbai Bench was sought under section 230 to 232 and other applicable provisions of the Companies Act, 2013

The said MODERN INDIA FREE TRADE WAREHOUSING PRIVATE LIMITED and MODERN INDIA PROPERTY DEVELOPERS LIMITED were amalgamated with the Company vide the Order of the Hon'ble National Company Law Tribunal dated 11th July 2019.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The Company have duly complied with the Provision of the Companies Act, 2013 and the Company has taken / given

SECURED LOANS (Taken)

Secured Borrowings (Non-Current):	₹ 115.72 Lakhs
Secured Borrowings (Current):	₹ 496.02 Lakhs
Current maturities of long –term debt :	₹ 42.88 Lakhs
TOTAL:	**₹ 654.62 lakhs**

SECURED LOANS(Given):	**₹ 57.75 Lakhs**
UNSECURED LOANS (Taken):	NIL
UNSECURED LOANS (given):	**₹380.58 Lakhs**
CURRENT INVESTMENTS:	**₹523.30 Lakhs**
NON CURRENT INVESTMENTS:	**₹10114.50 Lakhs**

GUARANTEES: Corporate Guarantee for USD 5 million given to Indian Overseas Bank for credit facility availed by overseas Subsidiary Modern International (Asia) Limited

SECURITIES EXTENDED: Secured by Hypothecation of investments in units of Mutual Fund.

RISK MANAGEMENT POLICY

Risk is an integral and unavoidable component of business and the Management is committed to managing the risk in a proactive and effective manner. The Board of Directors in its Meeting held on 18.05.2015 constituted the "Risk Management Committee" and adopted the Risk Management Policy. The objective is to identify and mitigate the risk. The Company has adopted a systematic approach to mitigate risk associated with accomplishment of objective, operations, revenues and regulations.

CORPORATE SOCIAL RESPONSIBILITY POLICY

The Board of Directors in its meeting held in May 2014, constituted "Corporate Social Responsibility Committee"(CSR) and adopted the Corporate Social Responsibility Policy.

In view of the losses incurred by the Company in the financial year 2016-17, 2017-18, 2018-19 for the year 2019-20, no amount is available for spending towards corporate social responsibility.

ANNUAL REPORT ON CSR is annexed in **ANNEXURE -3**

PARTICULARS OF CONTRACT AND ARRANGEMENTS WITH RELATED PARTIES

Details of contracts and arrangements with related parties is given in form AOC-2 as **ANNEXURE- 4**

FORMAL ANNUAL EVALUATION

The Board of Directors pursuant to Section 134 (3)(p) of the Companies Act, 2013 conducts an evaluation of the Board as a whole, its Committees as well as the performance of each individual director in the first meeting of the Board in the new financial year. The Independent directors at their meeting held in March 2015 had laid down the criteria / parameters for conducting the said evaluation which was accepted by the Board and thereafter the evaluation was conducted. The performance of the Directors and their role and the performance of the Committees were found satisfactory and in turn the overall performance of the Board was also satisfactory.

DISCLOSURE ABOUT COST AUDIT

Cost Audit is not Applicable to the Company.

RATIOS OF REMUNERATION TO EACH DIRECTOR

The Directors of the Board receive sitting fees for attending the meeting of the Board and its various Committees. Shri. Vijay Kumar Jatia who is the Chairman and Managing Director of the Company pursuant to Section 196, 197 and the Amended Schedule V of the Companies Act, 2013, is eligible to draw remuneration of upto ₹1.68 crores per annum. During the year Shri. Vijay Kumar Jatia drew a total remuneration of **₹1.57 crores**.

In view of this, only one ratio of remuneration of the director (Managing Director) with the median of the employees is possible which is enclosed as **ANNEXURE- 5.**

LISTING WITH STOCK EXCHANGE

The Company confirms that it has paid the Annual Listing fees for the year 2019-2020 to Bombay Stock Exchange where the Company's Shares are listed.

CORPORATE GOVERNANCE

In compliance of Regulation 34 and 53 read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Bombay Stock Exchange Limited, a Report on Corporate Governance, along with a Certificate of the Auditors on Corporate Governance is annexed to this Report marked as **ANNEXURE - 6.**

The Company follows Secretarial Standards I & II as per government notification well within the prescribed manner.

ISSUE OF SWEAT EQUITY SHARES/ISSUE OF SHARES WITH DIFFERENTIAL RIGHTS/ISSUE OF SHARES UNDER EMPLOYEES STOCK OPTION SCHEME.

The Company has not issued any sweat equity shares/ Issue of Shares with Differential Rights/Issue of Shares under Employee's stock option scheme during the year under review i.e 2018-19.

DISCLOSURE ON PURCHASE BY COMPANY OR GIVING OF LOAN BY IT FOR PURCHASE OF ITS SHARES.

The Company has neither purchased nor given any loan to anyone for purchase of its shares.

BUY BACK OF SHARES

The Company has not considered any proposal for buyback of shares during the year under review.

MANAGEMENT DISCUSSION AND ANALYSIS

As per the requirement of Regulation 34(2) and 53(f) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Management Discussion and Analysis of the events, which have taken place and the conditions prevailed, during the period under review, are enclosed in **ANNEXURE - B** to this Report.

GREEN INITIATIVE

Your Company has taken the initiative of going green and minimizing the impact on the environment. The Company has been circulating the copy of the Annual Report in electronic format to all those Members whose email addresses are available with the Company. Your Company would encourage other Members also to register themselves for receiving Annual Report in electronic form.

ACKNOWLEDGMENT

Your Directors wish to place on record their sincere thanks to the Valued Customers, Suppliers, Bankers, Central Government, State Governments and various Consultants and Business Associates for their continued support, co-operation and guidance during the year under review. Your Directors also wish to thank their employees and executives at all levels for their valuable contributions.

For and on behalf of the Board of Directors

Sd/-

Vijay Kumar Jatia

Chairman & Managing Director

Mumbai

Date: 13.08.2019

Registered Office: 1, Mittal Chambers, 228, Nariman point, Mumbai-400021.

ANNEXURE 'A' TO THE BOARDS' REPORT

INFORMATION AS PER SECTION 134 READ WITH COMPANIES (ACCOUNTS) RULES, 2014 AND FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH, 2019

1. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND RESEARCH & DEVELOPMENT:

As the Company has no manufacturing activities, the provisions of Companies (Accounts) Rule, 2014 relating to Conservation of Energy, Technology Absorption and Research & Development do not apply to your company.

2. FOREIGN EXCHANGE EARNINGS AND OUTGO:

(a)	Activities relating to exports	:	The Company exported books during the period under review.
	Initiatives taken to increase exports	:	Continuous efforts to identify new markets for existing and new products are being made by the Company.
	Development of new markets for products & services & Export plans	:	Efforts are being made to develop market for various products of the subsidiary company in the USA, South East Asia & Middle East of the subsidiary company.
(b)	Total Foreign Exchange:		
	(i) Earnings	:	₹ 12,303
	(ii) Outgoing	:	₹ 28,39,259

ANNEXURE -B

MANAGEMENT DISCUSSION AND ANALYSIS

INDUSTRY STRUCTURE, DEVELOPMENTS AND OUTLOOK

Global economic activity has been losing pace. In perspective of the United States of America, the subdued performance in the final quarter of 2018 appears to have continued into 2019 as reflected by the declining factory activity. The European markets slowed down in 2018 on soft domestic demand and contracting manufacturing activity. In the United Kingdom, growth slowed down on Brexit uncertainty. Economic activity also slowed down in some major emerging market economies (EMEs). The Chinese economy decelerated in 2018 on subdued domestic and global demand impacting industrial activity. Much of this weakness seems to have continued into 2019 as reflected in low factory output in 2019, though the purchasing managers' index (PMI) moved into expansion zone in March after three months of contraction. The latest data on manufacturing activity and business confidence suggest that overall growth lost momentum in the year 2018-19 and the trend seems to be continuing.

The Indian economy decelerated at a faster pace than anticipated in the December quarter of 2018-19 to 6.6%, increasing chances of another round of rate cuts by the Reserve Bank of India (RBI) to support growth. The revised downward full-year growth forecast for the current fiscal year is 7% from the 7.2% estimated earlier. The economy is implicitly assumed to decelerate to 6.4%. Nevertheless, the International Monetary Fund (IMF) had projected India's growth at 7.5% in 2019-20 amid slower global expansion though it expected that they may revise the forecast downwards. Risks to global growth tilt to the downside, with IMF cutting 2019 growth projection by 20 basis points (bps) to 3.5%.

The results of the general election have given a majority mandate to the NDA which will go all out to promote and push growth as the Prime Minister has assured that the economy will touch the 5 trillion mark in the coming five years. In the last one month itself we have witnessed that the new government has introduced bills which are reformative especially in the labour laws and incentives are being given for digital gateways and the budget for the year 2019-20 has promised a push for various sectors, defence productions, housing, electric vehicles, etc.

India still remains the fastest growing economy in the world. India is steadily moving towards greater formalisation of the informal economy.

OPPORTUNITIES AND THREATS

THE REAL ESTATE BUSINESS

Real estate is one of the most dynamic sectors. It is the second largest employer in India after agriculture. The year 2018-19 brought some good news for the sector. It saw the biggest changes in decades, especially on the policy front. Some of the biggest game-changing policies like GST and RERA cleared hurdles and settled down on the wagon wheel.

The increasing incomes, urbanization and economic growth are driving commercial and residential realty demand in India. It has also become a preferred asset class for people. Segments like warehousing, hospitality and residential houses are growing at fast pace in India. Government of India's aim "Housing for all by 2022" is driving residential activity, while the Real Estate (Regulation and Development) Act, (RERA) is making the sector more transparent.

The Indian real estate sector has witnessed high growth in recent times with the rise in demand for office as well as residential spaces. Between 2009-18, Indian real estate sector attracted institutional investments worth US$ 30 billion. Private Equity and Venture Capital investments in the sector reached US$ 4.47 billion in 2018 and US$ 546 million in Jan-Feb 2019.

According to data released by Department of Industrial Policy and Promotion (DIPP), the construction development sector in India has received Foreign Direct Investment (FDI) equity inflows to the tune of US$ 24.91 billion in the period April 2000-December 2018.

The Securities and Exchange Board of India (SEBI) has given its approval for the Real Estate Investment Trust (REIT) platform which will help in allowing all kinds of investors to invest in the Indian real estate market. It would create an opportunity worth ₹ 1.25 trillion (US$ 19.65 billion) in the Indian market over the years. Responding to an increasingly well-informed consumer base and, bearing in mind the aspect of globalisation, Indian real estate developers have shifted gears and accepted fresh challenges. The most marked change has been the shift from family owned businesses to that of professionally managed ones. Real estate developers, in meeting the growing need for managing multiple projects across cities, are also investing in centralised processes to source material and organise manpower and hiring qualified professionals in areas like project management, architecture and engineering.

The growing flow of FDI into Indian real estate is encouraging increased transparency. Developers, in order to attract funding, have revamped their accounting and management systems to meet due diligence standards.

TRADING

Overall economic scenario worldwide is showing a slowdown but India is pushing its limits and trading activity has been brisk and is expected to show upward trend in FY 2019-20. Fabrics, yarn, luggage, furniture, building material and other merchandise are the drivers for improved operations. During the year under review we have achieved sales of US $13.76 million in our subsidiary Modern International (Asia) Limited which is based in Hongkong, inspite of China facing a slowdown in its economic activities.

BACKGROUND VERIFICATION

With emphasis now expected to be on employment generation, it is expected that this business too would increase as all corporate now prefer to get the verifications of their most valued resource i.e the people. All corporate irrespective of size are inquiring and sounding out verification companies about requirements. Our wholly owned subsidiary Verifacts Services Private Limited will definitely benefit from this development.

SOLAR POWER

The government of India has been encouraging people and corporate to go Solar and this is giving a big fillip to the power sector especially solar power. With prevailing weather conditions and the high cost of other conventional power, the Demand for solar power is on the rise. This can be borne out by the fact that our Solar division which had sold power at ₹ 2.50/unit in 2017-18 has been able to procure a rate of ₹ 4.21/unit in 2018-19.

Our company had planned to setup a 5MW Solar Power Plant at Satara of which 3MW Solar Power Plant was commissioned

in April 2015 and is currently operational and generating power. All REC certificates in stocks and accrued in 2018-2019 were also traded out with an average rate of ₹1.5/unit. The installation of remaining 2MW plant will be commissioned in due course of time. The risk for the division lies in collections from third parties to whom power is sold.

Segment wise Performance

Revenue and expenses have been identified to segments on the basis of their relationship to the operating activities of the segment.

Revenue and expenses which relate to the enterprise as a whole and are not allocable to segments on a reasonable basis have been included under "Un-allocable/Corporate".

There are no inter-segment revenues and, therefore, the basis of their measurement does not arise.

(₹ In Lakhs)

Sr. No.	Particular	Real Estate	Trading	Renewable Energy	Unallocated/ Corporate	Total
i	Segment Revenue	1.50	7389.59	253.93	13.15	7658.17
ii	Segment Result	(203.38)	12.55	(138.21)	-	(329.04)
iii	Segment Assets	3670.59	2471.44	1346.84	12808.21	20297.08
iv	Segment Liabilities	16265.07	1103.57	12.15	835.27	18216.56

FINANCIAL PERFORMANCE CONSOLIDATED

The Company, in its standalone position, has total comprensive income of ₹ **(534.99) Lakhs** whereas on consolidated basis it is ₹**(247.63) Lakhs**. The Consolidated income from operations is ₹ **19161.72** Lakhs (previous year ₹. 13436.52 Lakhs). Consolidated Other Income is ₹**1444.20 Lakhs** (Previous year ₹ 1788.53 lakhs).The Company continues its thrust in promoting its subsidiaries which will soon reflect in top line growth and also lead to a substantial increase in the bottom line.

RISK MANAGEMENT

The Company can be exposed to various business risks which might threaten its business continuity if not identified promptly and addressed on time. Therefore the company follows a proactive risk management policy, aimed at protecting its investor's, employees, assets and the environment while at the same time ensuring growth and continuity of its business. Regular updates of perceived risks are made available to the Board at the Board Meeting and in special cases on ad-hoc basis. The Risk Management Committee is entrusted with the responsibility of evaluating the various risk faced by the organization and also consider the ways and means to mitigate the same.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

Modern India Limited has a well defined organization structure, documented policy guidelines, predefined authority levels, and an extensive system of internal controls which helps in ensuring optimal utilization and protection of resources,

IT security, accurate reporting of financial transactions and compliance with applicable laws and regulations.

- We have adequate systems of internal control in place. This is to ensure that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are authorized, recorded, and reported correctly.
- Company has an exhaustive budgetary control system. Actual performance is reviewed with reference to the budget by the management on an on-going process basis.
- The internal audit function is empowered to examine the adequacy, relevance and effectiveness of control systems, compliance with policies, plans and statutory requirements.
- The top management and the Audit Committee of the Board review the findings and recommendations of the internal auditor.
- As required by the Companies Act, 2013, an audit of the Internal Financial Control was also carried out by the Statutory Auditor of the Company for the year 2018-19.

HUMAN RESOURCE /INDUSTRIAL RELATIONS

Your Company firmly believes that success of a company comes from good Human Resources. Employees are considered an important asset and key to its success. HR Department has been strengthened for sourcing and developing high caliber employees providing them relevant training for encashment of their competence and facilitating their assessment process through an effective Performance Management System (PMS) and by conducting monthly presentation which helps develops the overall personality of the employees and helps to maintain inter-personal relations between the employees. Company aims to remain lean and dynamic in a continuing de-layered structure. The employee relations continued to be satisfactory.

OUTLOOK

The Company has diversified itself into various businesses and aims to make optimum utilization of the opportunities that it shall come across during the conduct of its business activities thereby eliminating or avoiding the threats posed before it with a view to ensure maximum utilization of the investor's wealth.

CAUTIONARY STATEMENT

Statement in the Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectation may be "forward looking statements" within the meaning of applicable statutory laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions and price conditions in the domestic and overseas markets in which company operates, changes in the Government regulations, tax laws and other statutes and other incidental factors.

ANNEXURE - 1

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31ST March, 2019

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

I. REGISTRATION AND OTHER DETAILS :

1. CIN: L17120MH1933PLC002031
2. Registration Date: 24.10.1933
3. Name of the Company: Modern India Limited
4. Category/Sub- Category of the Company: Business and Commercial
5. Address of the Registered Office of the Company: 1, Mittal Chambers, 228, Nariman Point, Mumbai-400021.
6. Email: info@modernindia.co.in Ph no: 022-67444200; Fax:67444300; website: www.modernindia.co.in
7. Whether listed Company: Yes
8. Name, Adress and Contact details of Registrar and Transfer Agents, if any:

   Satellite Corporate Services Private Limited

   Unit No. 49, Bldg No.13-A-B, 2nd Floor, Samhita Commercial Co-Op. Soc. Ltd.

   Off Andheri Kurla Road, MTNL Lane, Sakinaka, Mumbai - 400 072.

   CIN: U65990MH1994PTC077057

   Email: service@satellitecorporate.com ; Ph. No. 022-28520461/62.

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:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the Company
1	Trading	46411	96.66
2	Real Estate	68100	0.02
3	Renewable Energy	35105	3.32

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

S. NO	NAME AND ADDRESS OF THECOMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1	Verifacts Services Private Limited	U74140KA2005PTC035878	SUBSIDIARY	100.00	2(87)
2	Modern International (Asia) Limited	-	SUBSIDIARY	100.00	2(87)

The sanction of the Hon'ble National Company Law Tribunal, Mumbai Bench was sought under the Scheme of Amalgamation of MODERN INDIA FREE TRADE WAREHOUSING PRIVATE LIMITED, and MODERN INDIA PROPERTY DEVELOPERS LIMITED, with MODERN INDIA LIMITED under section 230 to 232 and other applicable provisions of the Companies Act, 2013 and the same was approved on 11th July 2019.

It may be noted that the Company has 50% investment in Primo Tech Textiles, LLP in the year 2018 -19

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

(i) Category-wise share holding

STATEMENT SHOWING - SHAREHOLDING PATTERN 31.03.2019

MODERN INDIA LTD									
Category of Shareholder	No of shares held at the beginning of the year (as on 01.04.2018)				No of shares held at the end of the year (as on 31.03.2019)				% Change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	(9-5)
1	2	3	4	5	6	7	8	9	10
Promoters									
Indian									
Individuals / Hindu									
Undivided Family	152855	0	152855	0.41	152855	0	152855	0.41	0.00
Central Government	0	0	0	0.00	0	0	0	0.00	0.00
State Governments(s)	0	0	0	0.00	0	0	0	0.00	0.00
Bodies Corporate	28004207	0	28004207	74.59	28004207	0	28004207	74.59	0.00
Financial Institutions / Banks	0	0	0	0.00	0	0	0	0.00	0.00
Any other (specify)	0	0	0	0.00	0	0	0	0.00	0.00
Directors & their relatives	0	0	0	0.00	0	0	0	0.00	0.00
Sub-Total (A) (1)	**28157062**	**0**	**28157062**	75.00	**28157062**	**0**	**28157062**	75.00	0.00
Foreign									
Non-Resident Individuals	0	0	0	0.00	0	0	0	0.00	0.00
Other Individuals	0	0	0	0.00	0	0	0	0.00	0.00
Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
Any Other (specify)	0	0	0	0.00	0	0	0	0.00	0.00
Sub-Total (A) (2)	**0**	**0**	**0**	**0.00**	**0**	**0**	**0**	**0.00**	**0.00**
Total Shareholding of Promoter (A) = (A)(1)+(A)(2)	**28157062**	**0**	**28157062**	75.00	**28157062**	**0**	**28157062**	75.00	0.00
Public Shareholding									
Institutions									
Mutual Funds	0	0	0	0.00	0	0	0	0.00	0.00
Financial Institutions / Banks	803200	51475	854675	2.28	806203	48475	854678	2.28	0.00
Cental Government	0	0	0	0.00	0	0	0	0.00	0.00
State Governments(s)	0	0	0	0.00	0	0	0	0.00	0.00
Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
Insurance Companies	1124041	0	1124041	2.99	1124041	0	1124041	2.99	0.00
Foreign Institutional Investors	4461519	0	4461519	11.88	4461519	0	4461519	11.88	0.00

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

(i) Category-wise share holding

STATEMENT SHOWING - SHAREHOLDING PATTERN 31.03.2019

MODERN INDIA LTD									
Category of Shareholder	**No of shares held at the beginning of the year (as on 01.04.2018)**				**No of shares held at the end of the year (as on 31.03.2019)**				**% Change during the year**
	Demat	**Physical**	**Total**	**% of total shares**	**Demat**	**Physical**	**Total**	**% of total shares**	**(9-5)**
1	**2**	**3**	**4**	**5**	**6**	**7**	**8**	**9**	**10**
Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
Any Other (Specify)	0	0	0	0.00	0	0	0	0.00	0.00
Sub-Total (B) (1)	**6388760**	**51475**	**6440235**	**17.15**	**6391763**	**48475**	**6440238**	**17.15**	**0.00**
Non-Institutions									
Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
i) Indian	973154	**1175**	974329	2.60	975982	**1175**	977157	2.60	0.00
ii) Overseas	0	0	0	0.00	0	0	0	0.00	
Individuals	0	0	0	0.00	0	0	0	0.00	
Individual Shareholders holding nominal Share Capital upto Rs.1 Lakh	736189	404512	1140701	3.04	787919	362830	1150749	3.07	0.03
Individual Shareholders holding nominal Share Capital in excess of Rs.1 Lakh	0	0	0	0.00	0	0	0	0.00	0.00
Any Other (Specify)	0	0	0	0.00	0	0	0	0.00	0.00
Clearing Member	0	0	0	0.00	0	0	0	0.00	0.00
Overseas Corporate Bodies	0	0	0	0.00	0	0	0	0.00	0.00
Non Resident Indians	5306	0	5306	0.01	4093	0	4093	0.01	0.00
HUF	65210	0	65210	0.17	36154	0	36154	0.10	(0.08)
IEPF	757427	0	757427	2.02	776067	0	776067	2.07	0.05
Foreign National	1250	0	1250	0.00	0	0	0	0.00	0.00
Directors & their relatives	1230	0	1230	0.00	1230	0	1230	0.00	0.00
Sub-total (B) (2)	2539766	405687	2945453	7.85	2581445	364005	2945450	7.85	0.00
Total Public Shareholding (B) = (B)(1)+(B)(2)	**8928526**	**457162**	**9385688**	25.00	**8973208**	**412480**	**9385688**	25.00	0.00
TOTAL (A)+(B)	**37085588**	**457162**	**37542750**	100.00	**37130270**	**412480**	**37542750**	100.00	0.00
Shares held by Custodians									
Custodian for GDRs & ADRs	0	0	0	0.00	0	0	0	0.00	0.00
GRAND TOTAL (A)+(B)+(C)	37085588	457162	37542750	100.00	37130270	412480	37542750	100.00	0.00

ii) Shareholding of Promoters

Sr. No.	Name of the shareholders	Shareholding at the beginning of the year 01st April 2018		Shareholding at the end of the year 31st March 2019	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	Vijaykumar Mahabirprasad Jatia	90005	0.24	90005	0.24
2	Gauri Jatia	17850	0.05	17850	0.05
3	Vedant Jatia	15000	0.04	15000	0.04
4	Sidhant Vijaykumar Jatia	15000	0.04	15000	0.04
5	Mudit Vijaykumar Jatia	15000	0.04	15000	0.04
6	Shree Rani Sati Investment & Finance Private Limited	8299108	22.11	8299108	22.11
7	Sarat Leasing And Finance Private Limited	7707500	20.53	7707500	20.53
8	F Pudumjee Investment Private Company Limited	5772008	15.37	5772008	15.37
9	Camellia Mercantile Private Limited	1635591	4.36	1635591	4.36
10	Alcyone Trading Company Private Limited	1530000	4.08	1530000	4.08
11	Candescent Traders Private Limited	1530000	4.08	1530000	4.08
12	Ignatius Trading Company Private Limited	1530000	4.08	1530000	4.08

(iii) Change in Promoters Shareholding

There are no changes in promoter shareholding

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS(OTHER THAN DIRECTORS,PROMOTERS AND HOLDERS OF GDRS AND ADRS)								
		SHAREHOLDING AT THE YEAR BEGINNING OF (01.04.2018)					SHAREHOLDING AT THE END OF THE YEAR (31.03.2019)	
SR. NO	NAME	NO. OF SHARES	% OF TOTAL SHARES OF THE COMPANY	DATE	(+) INCREASE/ (-) DECREASE IN SHARE HOLDING	REASON	NO OF SHARES	% OF TOTAL SHARES OF THE COMPANY
1	Eriska Investment Fund Ltd	1765000	4.70	01.04.2018		-	1765000	4.70
				31.03.2019	0	-	1765000	4.70
2	Lts Investment Fund Ltd	1716519	4.57	01.04.2018		-	1716519	4.57
				31.03.2019	0	-	1716519	4.57
3	Apms Investment Fund Ltd	980000	2.61	01.04.2018		-	980000	2.61
				31.03.2019	0	-	980000	2.61
4	United India Insurance	824041	2.19	01.04.2018		-	824041	2.19
	Company Limited			31.03.2019	0	-	824041	2.19
5	Investor Education And	757427	2.02	01.04.2018		-	757427	2.02
	Protection Fund Authority			09.11.2018	17390	Iepf	774817	2.06
	Ministry Of Corporate Affairs			31.03.2019	0	-	774817	2.06
6	State Bank Of India Samb Bangalore	753200	2.01	01.04.2018		-	753200	2.01
				31.03.2019	0	-	753200	2.01
7	Millennium Commercial Private Ltd	552142	1.47	01.04.2018		-	552142	1.47
				31.03.2019	0	-	552142	1.47
8	General Insurance Corporation	300000	0.80	01.04.2018		-	300000	0.80
	Of India			31.03.2019	0	-	300000	0.80
9	Eclat Developers Private Ltd	238092	0.63	01.04.2018		-	238092	0.63
				31.03.2019	0	-	238092	0.63
10	Eclat Mercantile Private Ltd	147656	0.39	01.04.2018		-	147656	0.39
				31.03.2019	0	-	147656	0.39
11	Central Bank Of India	50000	0.13	01.04.2018		-	50000	0.13
				31.03.2019	0	-	50000	0.13
12	Farokh N Pavri	36237	0.10	01.04.2018		-	36237	0.10
				31.03.2019	0	-	36237	0.10

(v) Shareholding of Directors and Key Managerial Personnel:

SI NO		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
1	Shri. Vijay Kumar Jatia	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	90005	0.24	90005	0.24
	Date wise Increase/Decrease in Shareholding during the yearspecifying the reasons for increase / decrease (e.g.allotment / transfer / bonus/sweatequity etc):	-	-	-	-
	At the End of 31.03.2019 the year	**90005**	**0.24**	**90005**	**0.24**

SI NO		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
2	Smt. Gauri Jatia	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	17850	0.05	17850	0.05
	Date wise Increase/Decrease in Shareholding during the yearspecifying the reasons for increase / decrease (e.g.allotment / transfer / bonus/sweatequity etc):	-	-	-	-
	At the End of 31.03.2019 the year	**17850**	**0.05**	**17850**	**0.05**

SI NO		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
3	Shri. Pradip Kumar Bubna	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	1230	0.003	1230	0.003
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
	At the End of 31.03.2019 the year	**1230**	**0.003**	**1230**	**0.003**

SI NO		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
4	Shri. Nawal Kishore Deora	No. of shares	% of total shares of thecompany	No. of shares	% of total shares of the company
	At the beginning of the year	25	0.00	25	0.00
	Date wise Increase/Decrease in Shareholding during the yearspecifying the reasons for increase / decrease (e.g.allotment / transfer / bonus/sweatequity etc):	-	-	-	-
	At the End of 31.03.2019 the year	**25**	**0.00**	**25**	**0.00**

V. INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits* (Security Deposit)	Total Indebtedness
Indebtedness at the beginning of the financial year				
Principal Amount	611.91	0	13132.78	13744.69
Interest due but not paid	0	0	0	0
Interest accrued but not due	0	0	0	0
TOTAL (A)	**611.91**	**0**	**13132.78**	**13744.69**
Change in Indebtedness during the financial year				
Addition (net)	42.71	0	0	42.71
Deduction	0	0	(422.96)	(422.96)
Net Change	**42.71**	**0**	**(422.96)**	**(380.25)**
Indebtedness at the beginning of the financial year				
Principal Amount	654.62	0	12709.82	13364.44
Interest due but not paid	0	0	0	0
Interest accrued but not due	0	0	0	0
TOTAL (B)	**654.62**	**0**	**12709.82**	**13364.44**

*Deposits have included amount of refundable security deposit received from K.Raheja Corp Pvt Ltd for re-development of property of Mahalaxmi

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. no.	Particulars of Remuneration	Name of MD/WTD/ Manager Shri Vijay Kumar Jatia
1.	**Gross salary**	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act,1961	₹ 8400000
	(b) Value of perquisites u/s 17(2) Income-tax Act,1961	₹ 6341089
	(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: Contribution to Provident Fund**	₹ 1008000
	Total (A)	**₹ 15749089**
	Ceiling as per the Act	**₹ 16800000**

B. Remuneration to other directors:

Sl. no.	Particulars of Remuneration	Name of Directors					Total Amt
		Independent Directors			Non Executive Directors		
		Shri Anand Didwania	Shri S D Israni	Shri Kaiwan Kalyaniwala	Shri Pradip Bubna	Smt Gauri Jatia	
1	**Fee for attending board / committee meetings**	**600000**	**600000**	**440000**	**560000**	**280000**	**2760000**
	Commission	–	–	–	–	–	–
	Others, please specify	–	–	–	–	–	–
	Total	**600000**	**600000**	**440000**	**560000**	**280000**	**2760000**
	Overall Ceiling as per Act	As per Section 197 of the Companies Act, 2013					

Shri. Rajas Doshi, Independent Director has drawn sitting fees of ₹ 2,80,000 during the year and resigned w.e.f. 30th September 2018.

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sr. No.	Particulars of Remuneration	Company Secretary	CFO	Total
1.	**Gross salary**			
	(a) Salary as per provisions contained in section 17(1) of the Income-taxAct, 1961	₹ 2846880	₹ 3368000	₹ 6214880
	(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			
2.	**Stock Option**	_	_	_
3.	**Sweat Equity**	_	_	_
4.	**Commission**			
	- as % of profit			
	- others, specify...	_	_	_
5.	**Others, please specify**	115200	115200	230400
	Total	**₹ 2962080**	**₹ 3483200**	**₹ 6445280**

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

No penalties / punishment/ compounding of offences were levied on the Company.

For Modern India Limited

Sd/-

Vijay Kumar Jatia

Chairman and Managing Director

DIN:00096977

Add: 1, Mittal Chambers, 228,Nariman Point, Mumbai-400021.

FORM No. MR-3 **ANNEXURE - 2**

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2019

(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 India Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Modern India 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 our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company, the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2019, generally 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:

We have examined the books, papers, minute books, forms and returns filed and other records made available to us and maintained by the Companyfor the financial year ended on 31st March, 2019 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contract (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'):

  (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 and amendments from time to time;

  (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amendments from time to time;(Not applicable to the Company during the audit period)

  (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (Not applicable to the Company during the audit period)

  (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the Company during the audit period)

  (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; (Not applicable to the Company during the audit period)

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable to the Company during the audit period) and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (Not applicable to the Company during the audit period)

(vi) Other laws applicable specifically to the Company namely:-

1. Shops and Commercial Establishment Act;
2. Transfer of Property Act,1882;
3. Indian Contract Act,1872;
4. Municipal Local Laws;
5. Electricity Act,2003 along with Government of Maharashtra,Industries,Energy and Labour Department –Government resolution No:-NCE-2015/C.R.49/Energy-7

We have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to board and general meetings.

(ii) The Listing Agreements entered into by the Company with BSE Limited read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, standards etc. mentioned above except the compliance of Rule 6 (3)(a) of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund)Rules, 2016 and Regulation 30 of SEBI (LODR), 2015 in respect of re-appointment of the Managing Director of the Company.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, 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 was given to all directors to schedule the Board Meetings. Agenda and detailed notes on agenda were 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.

Decisions at the Board Meetings were taken unanimously;

We 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.

We further report that during the audit period the Company had following event which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

For Parikh & Associates
Company Secretaries
Sd/-
Sarvari Shah
Partner
FCS No: 9697 CP No: 11717

Place: Mumbai
Date: 30/05/2019

This Report is to be read with our letter of even date which is annexed as Annexure A and Forms an integral part of this report.

'Annexure A'

To,

The Members

Modern India Limited

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and process 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. We believe that the process and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Where ever required, we have obtained the 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 is the responsibility of management. Our examination was limited to the verification of procedure 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 Parikh & Associates
Company Secretaries
Sd/-
Sarvari Shah
Partner
FCS No: 9697 CP No: 11717

Place: Mumbai
Date: 30/05/2019

ANNEXURE-3

FORMAT FOR THE ANNUAL REPORT ON CSR ACTIVITIES TO BE INCLUDED IN THE BOARD'S REPORT

- A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs :

  The Company has adopted the CSR Policy which will undertake activities as specified in Schedule VII of the Companies Act, 2013 with emphasis on promoting education, gender equality, reducing child mortality, ensuring environmental sustainability, social business projects, etc.

  The policy can be accessed on the company's website: www.modernindia.co.in

- The Composition of the CSR Committee : The Committee consist of 4 Directors as follows :

  Shri. Vijay Kumar Jatia

  Smt. Gauri Jatia

  Shri. Pradeep Bubna

  Shri. Kaiwan Kalyaniwala

Average net Profit/Loss of the company for last three financial years: ₹ (524.16) Lakhs

- Prescribed CSR Expenditure(two per cent of the amount as in item 3 above) : NIL
- Details of CSR spent during the financial year 2018-19 : NIL
- Total amount to be spent for the financial year 2019-20 : NIL
- Amount unspent, if any: NIL
- Manner in which the amount spent during the financial year : NOT APPLICABLE

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
S. No	CSR project oractivity identified.	Sector inwhich the Project iscovered	Projects or programs (1)Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project orprograms-wise	Amount spent on the projects or Programs Sub-heads: (1)Direct expenditure on projects or programs. (2) Overheads:	Cumulative expenditure up to there porting period	Amount spent: Direct or through implementing agency
	NIL	NIL	NIL	NIL	NIL	NIL	NIL

Sd/-
Shri Vijay Kumar Jatia
(Chairman CSR Committee)

ANNEXURE-4

FORM NO. AOC.2

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

1. Details of contracts or arrangements or transactions not at arm's length basis

   All the material Related Party Transaction were on an arm's length basis and in due course of business.

2. Details of material contracts or arrangement or transactions at arm's length basis

Sr. No.	Name(s) of the related Party and nature of relationship	Nature of the transaction/ contract/ arrangement	Duration of the contract/ transaction	Salient terms of the contract/arrangement/ transaction including the value, if any	Date(s) of the approval by Board, if any	Amount paid as advance, if any
1	Shri. Sidhant Jatia son of Shri. Vijay Kumar Jatia, Chairman and Managing Director and Smt. Gauri Jatia, Director	Remuneration paid to the President of the Company	During the period under review	The remuneration paid to President of the Company for the period of 3 years w.e.f 1st October, 2017	19.05.2017 at Board Meeting and passed through special Resolution at AGM held on 08.08.2017	₹75,89,064/-
2	Shri. Mudit Jatia son of Shri. Vijay Kumar Jatia, Chairman and Managing Director and Smt. Gauri Jatia, Director	Remuneration paid to the President of the Company	During the period under review	The remuneration paid to President of the Company for the period of 3 years w.e.f 1st October, 2017	19.05.2017 at Board Meeting and passed through special Resolution at AGM held on 08.08.2017	₹75,89,216/-
3	Modern International (Asia) Limited - 100%Subsidiary of Modern India Limited	Guarantee given	With effect from 31.03.2016	Agreement providing Corporate Guarantee to Indian Overseas Bank	23.03.2017	US $ 5 Million
4	Shri. Vijay kumar Jatia husband of Smt. Gauri Jatia	Payment of Salary	During the year under review	Payment of salary	Passed through Special Resolution at the AGM dt:08.08.2017	₹1,57,49,089/-
5	Smt. Gauri Jatia wife of Shri. Vijay Kumar Jatia	Payment of Sitting fees	During the year under review	Payment of sitting fees for being non-executive Director	23.01.2015	₹2,80,000/-
6	Shri Nawal Kishore Deora Sr Vice President and Chief Financial Officer	Remuneration paid to the KMP of the Company	During the period under review	The remuneration paid to KMP of the Company	24.05.2018	₹34,83,200/-
7	Shri Parind Badshah Vice President and Company Secreatry	Remuneration paid to the KMP of the Company	During the period under review	The remuneration paid to KMP of the Company	24.05.2018	₹29,62,080/-
8	Maneksha SethnaLaw firm	Legal Fees paid	During the period under review	Payment of professional fees for services rendered	08.08.2017	₹9,14,730/-
9	SD Israni Law Chambers	Legal fees paid	During the period under review	Payment of professional fees for services rendered	10.08.2018	₹75,000/-

Sd/-
Shri Vijay Kumar Jatia
(Chairman CSR Committee)

ANNEXURE – 5

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

a) The ratio of the Remuneration of each Director to the median Remuneration of the employees of the Company for the financial year.

Directors are entitled to sitting fees and commission. However it may be noted that the directors were not paid commission in the last three financial years. The median remuneration is ₹ 801837.

b) The percentage increase in Remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year. The remuneration of the Chief Financial Officer and Company Secretary was increased as per the percentage increase in the remuneration of all employees.

c) The percentage increase in the median remuneration of employees in the financial year was 5%

d) The number of permanent employees on payroll of the Company was **32** in number.

e) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;

There is no increase or decrease in average percentile in the year 2018-19.

l) Affirmation that the remuneration is as per the remuneration policy of the company.

The Remuneration paid is as per the remuneration policy adopted by the Company.

STATEMENT SHOWING DETAILS OF EMPLOYEES OF THE COMPANY:

(i) designation of the employee;	Mr Vijay Kumar Jatia – Chairman and Managing Director
(ii) remuneration received;	₹ **1,57,49,089**
(iii) nature of employment, whether contractual or otherwise;	3 years contract
(iv) qualifications and experience of the employee;	B Com – 44 years experience
(v) date of commencement of employment;	Re-appointed on 01.08.2018
(vi) the age of such employee;	61 years
(vii) the last employment held by such employee before joining the company;	Pudumjee Pulp &Paper Industries Ltd.
(viii) the percentage of equity shares held by the employee in the company within the meaning of clause (iii) of sub-rule (2) above; and	0.24%
(ix) whether any such employee is a relative of any director or manager of the company and if so, name of such director or manager:	Smt Gauri Jatia -DirectorShri Sidhant Jatia- President Shri Mudit Jatia - President
The employee, if employed throughout the financial year, was in receipt of remuneration for that year which, in the aggregate, was not less than sixty lakh rupees;	Yes
The employee, if employed for a part of the financial year, was in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than five lacs rupees per month;	NA
The employee, if employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company.	NA

Note : *Chairman and Managing Directors employment is contractual and terminable on each side, other terms of employment as per the rules of the company.*

Gross Remuneration includes salary, allowances, commission, monetary value of perquisites, leave travel allowance and company's contribution to provident fund and super annuation funds

Age, experience and qualifications is as on 31st March 2019.

Smt Gauri Jatia, Director is wife of Shri. Vijay Kumar Jatia and Shri. Sidhant Jatia, President and Shri. Mudit Jatia, President are sons of Shri. Vijay Kumar Jatia and Smt. Gauri Jatia and they are all related.

STATEMENT SHOWING DETAILS OF EMPLOYEES OF THE COMPANY DRAWING REMUNERATION MORE THAN ₹ 1.02 CRORES PER ANNUM.

NAME OF THE EMPLOYEE	DESIGNATION/ NATURE OF DUTIES	NATURE OF EMPLOYMENT	GROSS REMUNERATION	QUALIFICATIONS	EXPERIENCE	DATE OF COMMENCEMENT OF EMPLOYMENT	AGE	LAST EMPLOYMENT HELD	% OF EQUITY SHARES HELD
			(₹)		(YEARS)		(YRS)		
EMPLOYED THROUGHOUT THE YEAR									
VIJAY KUMAR JATIA	CHAIRMAN AND MANAGING DIRECTOR	CONTRACT AS PER RESOLUTION PASSED AT AGM	1.57 crores	BCOM	44	30.12.1994	61	PUDUMJEE PULP &PAPER INDUSTRIES LTD.	0.24%

ANNEXURE-6

REPORT ON CORPORATE GOVERNANCE

As per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

At Modern India Limited, we believe in best management practices, compliance of law in true letter and spirit, adherence of ethical standard for effective management and distribution of wealth and discharge of social responsibility for sustainable development of all stakeholders. In keeping with our commitment to ensure compliance our Company has adopted in letter and spirit the new Regulations and is striving to be compliant in all aspects.

Securities and Exchange Board of India ("SEBI") vide notification no. SEBI/LAD-NRO/GN/2018/10 dated May 9, 2018 has issued the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018. The Amendment implements several recommendations made by the Committee on Corporate Governance under the Chairmanship of Shri Uday Kotak ("Kotak Committee") in its committee report published on October 5, 2017 ("Kotak Committee Report") (available here), regarding corporate governance standards for listed companies.

The Corporate Governance report for the year ended 31st March, 2019 is as under:

I. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company's philosophy on Corporate Governance is aimed at attainment of the highest level of transparency, accountability and equity in all facets of its operations and in all interaction with its shareholders, employees, customers and the Government. The Company has the commitment to do business with strong corporate governance and openness by working across all organizational boundaries and strives to break down internal barriers and accept the accountability for their own actions and results.

The Board of Directors acknowledges that it has a fiduciary relation and a corresponding duty towards the stakeholders to ensure that their rights are protected. Through the Governance mechanism in the Company, the Board along with its Committees endeavours to strike a right balance with various stakeholders.

II. BOARD OF DIRECTORS

Composition of Board

The current strength of the Board of Directors of the Company is Six. The Board has an optimum combination of executive and non-executive directors, it consist of the Chairman and Managing Director who is an executive director along with two non-executive directors and three Independent Directors. This combination helps the Company to take benefit of the experience and expertise of the directors, in their core area of competence. There are no nominee directors on the Board of the Company. The Board has an Executive Chairman and the number of Independent Directors is half of the total strength of the Board.

The Company has complied with the requirements of Regulation 17 SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 and the Companies Act, 2013 with regards to the composition of the Board and includes one woman Director on the Board.

Board Meetings and attendance

During the year Six Meetings of Board were held viz; on 24th May, 2018, 10th August, 2018, 03rd September, 2018, 25th October, 2018, 03rd November, 2018 and 04th February, 2019 and the gap between two Board meetings did not exceed 120 days.

The information pertaining to attendance of each director at the Board Meetings and at the last Annual General Meeting (AGM) and the number of companies and committees where he/she is a director/committee member are as under:

Names of the Director	Category	No. of other Directorhip #	No. of Other Committees @		No. of Board Meetings	Last AGM Attendance Attended (Yes/No)	Name of the listed Entities & Categories of Directorship
			Chairman	Membership			
Shri Vijaykumar Jatia	Promoter Executive	2	-	1	6	Yes	Indian Hume Pipe Company Limited Independent Director
Shri Anand Didwania	Independent Non Executive	1	1	-	6	Yes	-
Shri P. K. Bubna	Non-Independent Non Executive	-	-	-	6	Yes	-
Smt. Gauri Jatia	Promoter Non Executive	-	-	-	6	Yes	-
Shri.S.D. Israni	Independent Non Executive	4	-	2	6	Yes	Cravatex Limited -Director Advani Hotels And Resorts (India) Limited-Director
Shri. Kaiwan Kalyaniwala	Independent Non Executive	4	4	-	6	Yes	$ Allcargo Logistics Limited -Director Gokak Textiles Limited. Forbes & Company Limited
Shri Rajas Doshi*	Independent Non Executive	3	1	3	3	No	The Indian Hume Pipe Company Limited IHP Finvest Limited Hindustan Construction Company Limited.

***Shri Rajas Doshi resigned as an Independent Director of the Company with effect from 30.09.2018.**

$ Resigned with effect from 1st April 2019

Excluding foreign companies, companies registered under Section 8 of the Companies Act, 2013 and Private Companies.

@Committee includes Audit Committee and Stakeholders Relationship Committee.

Directors who could not attend the meetings have obtained leave of absence from the Board/Committee.

Board Procedure

The Board meets at least once a quarter to review the quarterly performance and the financial results. The Board

Meetings are generally scheduled well in advance and the notice of each Board Meeting is given in writing to each Director. All the items in the agenda are accompanied by notes giving comprehensive information on the related subject and in certain matters such as financial/business plans, financial results, detailed presentations are made. The agenda and the relevant notes are sent in advance separately to each Director and only in exceptional cases; the same is tabled at the meeting. The Board is also free to recommend the inclusion of any matter for discussion in consultation with the Chairman.

The information as specified in Schedule II of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 is regularly made available to the Board.

To enable the Board to discharge its responsibilities effectively, the Members of the Board are briefed at every Board Meeting, on the overall performance of the Company, with presentations by functional heads. Senior management is invited to attend the Board Meetings so as to provide additional inputs to the items being discussed by the Board. The Company provides video conferencing facility to the Directors of the Company to ensure their presence in case of their not being able to attend the meeting personally.

The Board's role, functions, responsibility and accountability are clearly defined. In addition to matters statutorily requiring Board's approval, all major decisions involving policy formulation, strategy and business plans, annual operating and capital expenditure budgets, new investments, compliance with statutory/ regulatory requirements, major accounting provisions, legal issues, approval of capital expenditure and write-offs are considered by the Board.

The Board takes on record the declaration made by the Chairman and Managing Director, the Chief Financial Officer and Company Secretary regarding Compliances of all laws on quarterly basis.

The draft minutes of the Board / Committee Meetings are circulated well within the time permitted as per the Secretarial Standards to all Directors and the same are confirmed at the subsequent Meeting.

DISCLOSURE OF RELATIONSHIP BETWEEN DIRECTORS INTER-SE:

The Chairman and Managing Director is related to Smt. Gauri Jatia who is also the promoter of the Company. Furthermore, the Presidents Shri. Sidhant Jatia and Shri. Mudit Jatia are related to the Shri. Vijay Kumar Jatia, Chairman and Managing Director and Smt. Gauri Jatia.

There is no other relationship between the Directors.

Skills/Expertise/Competence of the Board of Directors

Sr. No.	Name of the Director	
1	Shri Vijaykumar Jatia	Shri Vijay Kumar Jatia (61) is the Chairman and Managing Director of the Company. He is also the Main Promoter of the Company. Shri Vijay Kumar Jatia is a Director of the Company since 1994 and the Managing Director of the Company since 2001.He has extensive experience of over 44 years in industry and business and he is an ideal person to lead the Company as he has been involved in the affairs of the Company right from the time it was taken over from the previous owners and through the BIFR process and it is he who has brought the Company to the forefront after the said BIFR process was over and has ensured its growth, therefore in view of the Board, he is the ideal person to lead the Company.
2	Shri. Anand Didwania	He has over 41 years of experience in shipping and the clearing & forwarding business; he is also the President of the Air Cargo Association of India. His vast knowledge and technical know-how on Import-Export matter has been invaluable to the Company.
3	Shri. P.K.Bubna	Shri. Bubna has more than a decade of experience in textiles and allied industries. He is associated with various other reputed textile firms, and brings a wealth of knowledge to the Company.

4	Smt. Gauri Jatia	Smt. Gauri Jatia has been involved with various committees of the Ladies Wing of the Indian Merchant Chambers and the Inner Wheel Club of Bombay. Smt. Jatia has over 25 years experience in business, and is a valuable advisor and member of the Board.
5	Shri.S.D. Israni	Shri. S. D. Israni (70) is an Advocate and Partner of S.D.Israni Law Chambers, Advocates & Solicitors (UK). He is qualified in the field of Law, Company Secretaryship and Management. Has over 37 years' experience as a practitioner in the field of Corporate Laws, Securities Laws and Business Advisory services. Started in the Chambers of late Shri D.M.Harish, renowned tax advocate. He has held many coveted positions in various Committees formed by the Central Government and Professional and Statutory Institutions. He is also Author of various books meant for his profession. Oratory is his obsession. He is also director in various other companies.
6	Shri. Kaiwan Kalyaniwala	Shri. Kaiwan Kalyaniwalla, aged 55 years, is a Solicitor and Advocate of the Bombay High Court and a Partner in the law firm of Maneksha & Sethna in Mumbai. He has been in practice for over 25 years. Shri. Kalyaniwalla is enrolled as a Solicitor of the Supreme Court of England and Wales. He is on the board of listed public and private Indian and foreign companies and advises private sector corporates, multinational banks, transport and logistics companies and some of India's largest property development companies and business houses. He is also on the Board of Trustees of public trusts. His practice is predominantly in the field of corporate laws, property laws, tax laws and general

In the opinion of the Board it is confirmed that the Independent Directors fulfil the criteria of independence, as applicable and as laid down under Section 149 (6) of the Companies Act, 2013 read with Regulation 16(1)(b) and Regulation 25(8) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended by SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2018.

RESIGNATION OF INDEPENDENT DIRECTORS

Shri Rajas Doshi who was independent Director on the Board of our Company has resigned from the organisation w.e.f 30.09.2018 due to personal pre occupation.

III. AUDIT COMMITTEE

Terms of reference

The terms of reference of the Audit Committee are wide enough to cover the matters specified in Regulation 18 read with Part C of Schedule II of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 as well as in Section 177 of Companies Act, 2013. In brief, the Audit Committee of the Company, inter-alia, provides assurance to the Board on the adequacy of the internal control systems, financial disclosures and ensures that generally accepted accounting principles are observed by the Company. The Committee also provides guidance and liaises with the Internal Auditors as well as the Statutory Auditors of the Company.

Composition, Meeting and Attendance

The Audit Committee was constituted in January, 2001 and has been reconstituted from time to time. The current strength of the Audit Committee is four members. All the members of the Audit Committee are Non-Executive Directors. Two-thirds of the members of the Committee are Independent Directors. All the members of Audit Committee are financially literate and possess accounting and related financial management expertise. The Managing Director of the Company is a permanent invitee of the Audit Committee. At the invitation of the Committee, representatives from

various divisions of the Company, Internal Auditors, Statutory Auditors and Chief Financial Officer also attend the Audit Committee meetings to respond to queries raised at the Committee meetings. The Company Secretary acts as the Secretary to the Audit Committee.

During the year under review Six meetings were held on 24th May, 2018, 10thAugust, 2018, 03rd September, 2018, 25th October, 2018, 03rd November,2018 and 04th February,2019 and the gap between two meetings did not exceed 120 days.

The information pertaining to attendance of each member at the meetings of the Audit Committee is as under:

Composition	Designation	Category of Directorhip	Attendance out of 6 Meetings
Shri. Anand Didwania	Chairman	Non-executive Independent Director	6
Shri. S.D.Israni	Member	Non-Executive Independent Director	6
Shri Rajas Doshi*	Member	Non-Executive Independent Director	3
Shri. Kaiwan Kalyaniwalla**	Member	Non-Executive Independent Director	1
Shri. P. K. Bubna	Member	Non-executive Non-Independent Director	6

*Shri Rajas Doshi resigned as an Independent Director and Member of Audit Committee of the Company with effect from 30.09.2018.

**Shri Kaiwan Kalyaniwalla Appointed as Member of Audit Committee with effect from 03.11.2018.

Internal Auditors: The Company has appointed M/s. M. L. Sharma & Co., a firm of Chartered Accountants as Internal Auditors to review the internal control systems of the Company and to report thereon. The quarterly report of the Internal Auditors is reviewed by the Audit Committee.

Vigilance Mechanism:

The Company has established a mechanism under Regulation 22 of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 called 'Whistle Blower Policy' for employees to report to the management, the instances of unethical behaviour, actual or suspected fraud or violation of the company's code of conduct or ethics policy. All Employees of the Company are eligible to make Protected Disclosures under the Policy. The Protected Disclosures may be in relation to matters concerning the Company or its subsidiaries. The detailed Policy can be viewed on the website of the Company

http://modernindia.co.in/pdf/Whistleblower%20policy.pdf

IV. NOMINATION AND REMUNERATION COMMITTEE:

Composition, Meeting and Attendance

The Nomination and Remuneration Committee was constituted in April, 2002 and has been reconstituted from time to time and the terms of reference of the Nomination and Remuneration Committee are wide enough to cover the matters specified in Regulation 19 read with Part D of Schedule II of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015. Currently, the Committee comprises of four directors of which three are Independent Non-executive directors. The Nomination and Remuneration Committee comprises of Shri S D Israni (Chairman), Shri. Anand Didwania, Shri. Kaiwan Kalyaniwalla and Shri. Vijaykumar Jatia, Chairman and Managing Director of the Company.

The terms of reference of the Nomination and Remuneration Committee include reviewing and recommending the terms of remuneration payable to the Executive Director, the Key Managerial Personnel (KMPs) and senior management personnel including executives holding office of profit. The Committee also evaluates the performance of the Board of Directors.

The Company Secretary acts as the Secretary to the Nomination and Remuneration Committee.

During the year under review one meeting was held on 24th May, 2018. The meeting was attended by all the members of the Committee.

The Chairman of the Nomination and Remuneration committee was present at the 84th Annual General Meeting held on 10th August, 2018

The information pertaining to attendance of each member at the meetings of the Nomination remuneration committee is as under:

Composition	Designation	Category of Directorship	Attendance
Shri S D Israni**	Chairman	Non-executive Independent Director	1
Shri. Vijaykumar Jatia	Member	Promoter Executive Director	1
Shri Rajas Doshi*	Member	Non Executive Independent Director	1
Shri. Anand Didwania	Member	Non-executive Independent Director	1
Shri. Kaiwan Kalyaniwalla	Member	Non-Executive Independent Director	1

* Shri Rajas Doshi resigned as an Independent Director and Member of Nomination and Remuneration Committee of the Company with effect from 30.09.2018.

**Shri S D Israni appointed as Chairman of the Committee.

Details of Remuneration/Sitting Fees paid to the Director:-

Shri. Vijaykumar Jatia, Chairman and Managing Director of the Company was re-appointed as Managing Director of the Company for a term of 3 years commencing from 1st August, 2018 to 31st July, 2021 at a remuneration of ' 1.68 Crore per annum.

Details of the sitting fees paid to Independent / non-executive Directors during the financial year 2018-2019

Name of the Director	Board Meeting	Audit Committee meeting	Nomination and Remuneration committee Meeting	Stakeholder Relationship committee Meeting	Corporate Social Responsibility Committee Meeting	Risk Management Committee Meeting	Independent Director Committee Meeting	Total
Shri. A Didwania	240000	240000	40000	40000	-	-	40000	600000
*Shri. R Doshi	120000	120000	40000	-	-		-	280000
Shri. P Bubna	240000	240000	-	40000	40000		-	560000
Smt. G Jatia	240000	-	-	-	40000	-	-	280000
Shri. S. D Israni	240000	240000	40000	-	-	40000	40000	600000
Shri. K. Kalyaniwalla	240000	40000	40000	-	40000	40000	40000	440000

*Shri Rajas Doshi resigned w.e.f 30.09.2019

The details of payment of sitting fees/Commission paid and their Shareholding are as under:

Sr. No.	Name of the Director	Sitting Fees	No of Shares	Commission
1	Shri Vijaykumar Jatia	-	90005	-
2	Shri. Anand Didwania	600000	-	-
3	Shri Rajas.R.Doshi*	280000	-	-
4	Shri. P.K.Bubna	560000	1230	-
5	Smt. Gauri Jatia	280000	17850	-
6	Shri.S.D. Israni	600000	-	-
7	Shri. Kaiwan Kalyaniwala	440000	-	-

*Shri Rajas Doshi resigned w.e.f 30.09.2019

REMUNERATION POLICY:

Salient Features of the Remuneration Policy:

1. To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel (KMP) and Senior Management Personnel one level below the Board and other employees.
2. To formulate criteria for evaluation of the Directors and the Board.
3. To recommend to the Board on remuneration payable to the Directors, KMP and Senior Management Personnel one step below the Board and other employees.
4. To provide to KMP and Senior Management reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.
5. To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.
6. To devise a policy on Board diversity.

Criteria on Performance evaluation:

The Nomination and Remuneration Committee has finalized the criteria on the basis of which the Board as whole is evaluated and the Independent Directors have formulated the criteria based on which the Chairman and other non-Executive Directors are evaluated. The main criteria are as follows:

a) Attendance / Presence at Meetings of the Board and Committees.

b) Well prepared on the issues to be discussed.

c) Provide meaningful and constructive contribution and inputs in meetings.

d) Display Independent judgment.

e) Built effective working relationships with other Board Members.

f) Accessible to the senior management of the Company and have built effective working relationships with them.

g) Provide a good degree of direction/guidance to senior management outside of meetings.

h) Display a good degree of understanding of the company, industry, sector, geography (including risks, current operational and environment context, emerging trends).

V. STAKEHOLDERS RELATIONSHIPS COMMITTEE

Composition, Meeting and Attendance

The Stakeholders Relationships Committee was constituted in January, 2002 and has been reconstituted from time to time and the terms of reference of the Stakeholder Relationship Committee are wide enough to cover the matters specified in Regulation 20 read with Part D of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015. The Committee comprises of three directors; one of them being independent Director. Shri Rajas Doshi, Independent Director, resigned from the Stakeholders Relationships Committee of the Company with effect from 30.09.2018 and Shri Anand Didwania appointed as Chairman of the Committee w.e.f 03.11.2018.

Shri. Parind Badshah, Vice-President & Company Secretary acts as Secretary to the Committee.

During the year, the Committee met once, on 03rd November, 2018. The information pertaining to attendance of each member at the meeting of the Committee is as under:

Composition	Designation	Category of Directorship	Attendance in Meeting
Shri Anand Didwania	Chairman	Non-executive Independent Director	1
Shri Vijaykumar Jatia	Member	Executive Director	1
Shri. P.K.Bubna	Member	Non-Executive Director	1

Compliance Officer Details for Redressal of Grievances of Shareholders:

Name of the Compliance Officer: Shri.Parind Badshah

Designation- Vice-President & Company Secretary

Contact No: 022-67444200

Email id- investorsgrievances@modernindia.co.in

Complaints received during the year

Sr. No.	Nature of Complaint	Number of Complaints received	Resolved during the year	Number of Complaints pending
1.	Regarding Annual Report	**NIL**	**NIL**	**NIL**
2.	Revalidation of dividend Warrant	**NIL**	**NIL**	**NIL**
3.	Issue of duplicate share certificate	**NIL**	**NIL**	**NIL**
4.	Procedure for transmission	**NIL**	**NIL**	**NIL**
5.	General Queries	**NIL**	**NIL**	**NIL**
6.	Non receipt of Dividend	**NIL**	**NIL**	**NIL**
7.	Correction in share certificate	**NIL**	**NIL**	**NIL**
8.	Change in address	**NIL**	**NIL**	**NIL**
9.	Unclaimed Dividend	**NIL**	**NIL**	**NIL**
10.	Correction in dividend Cheques	**NIL**	**NIL**	**NIL**
	TOTAL	**NIL**	**NIL**	**NIL**

VI. MEETING OF INDEPENDENT DIRECTORS:

The Independent Directors of the Company met once during the year on 28th March, 2019 to review the performance of non-independent Directors , the Board of Directors as a whole and Chairman of the Company and also accessed the quality, quantity and timeliness of flow of information between the Company management and the Board.

The Company conducts familiarization programmes for Independent Directors of the Company as and when required in which, detailed presentations and allied activities are conducted.

VII. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

Composition, Meeting and Attendance

The Corporate Social Responsibility Committee was constituted in May, 2014. The Committee comprises of four directors; one of them being independent and Non-executive. Shri. Vijay Kumar Jatia is the Chairman of the Corporate Social Responsibility Committee. Shri. Parind Badshah, Vice-President & Company Secretary acts as Secretary to the Committee.

During the year, the Committee met once, on 24th May, 2018 in which all the members were present. The Committee acts within the terms of reference stated in the Corporate Social Responsibility Policy; the same can be viewed on the website of the Company

http://modernindia.co.in/PDF/Policy%20on%20Corporate%20Social%20Responsibility.pdf

Composition	Designation	Category of Directorship	Attendance in Meeting
Shri Vijaykumar Jatia	Chairman	Executive Director	1
Shri. Kaiwan Kalyaniwalla	Member	Non-executive Independent Director	1
Smt. Gauri Jatia	Member	Non-Executive Director	1
Shri. P.K.Bubna	Member	Non-Executive Director	1

VIII. RISK MANAGEMENT COMMITTEE:

Composition, Meeting and Attendance

The Risk Management Committee has been constituted to cover the matters specified in Regulation 21 of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015

The Company recognizes that the risk is an integral and unavoidable component of business and is committed to managing the risk in proactive and effective manner. The Company believes that risk may not be fully eliminated, however, it can be controlled or transferred or reduced or shared, etc.

In the today's challenging and competitive environment, strategies for mitigating inherent risks in accomplishing the growth plans of the Company are imperative. The common risks inter alia are changing regulations, competition, business risks, technology obsolescence, investment risks, and retention of talent and expansion of facilities. For managing risks more efficiently, the Company has constituted the Committee on Risk Management in October, 2014. (though not applicable to our Company as it is applicable to top 100 companies as per listing regulations but as a good practice we have adopted and constituted this committee)

Shri. Parind Badshah, Vice President and Company Secretary acts as Secretary to the Committee.

During the year, the Committee met once on 24th May, 2018. The Board of Directors has framed the Risk Management Policy stating Roles and Responsibilities and delegation power for monitoring and reviewing the Risk Management plan for the Committee to follow. The attendance of the Committee Meeting is as follows:

Composition	Designation	Category of Directorship	Attendance in Meeting
Shri Vijaykumar Jatia	Chairman	Executive Director	1
Shri. Kaiwan Kalyaniwalla	Member	Non-executive Independent Director	1
Shri. S.D. Israni	Member	Non-executive Independent Director	1

IX INVESTMENT AND FINANCE COMMITTEE

Purpose, Composition, Meeting and Attendance

Purpose

The Investment and Finance Committee (the "Committee") is constituted by the Board of Directors (the "Board") in their Meeting held on 08th August, 2017 to oversee the Board's responsibilities relating to the financial affairs of the Company and to Exercise powers of investment as per limits approved by the Board of Directors of the Company

The terms of reference of the Investment and Finance Committee include

- Review the Company's financial policies, Risk Assessment and Minimization procedures.
- Approve opening and operation of Investment Management Accounts with Banks, Financial Institutions, PMS, etc.
- Approve Opening, Closing and changes in signatories of the regular accounts with the banks for the purpose of carrying of business operations of the Company.
- Exercise powers to borrow fund as per limits approved by the Board of Directors for the purpose of working capital requirements and strategic investments.
- Review regularly and give recommendations about changes to the charter of the Committee.
- To delegate Authority from time to time to the executives/ Authorized personnel to implement the Committee's decision.
- Carry out any other functions as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modifications as may be applicable.
- the quorum of the Finance and Investment Committee shall be any two members of the Committee including one director during the Meeting of the Committee.
- any member of this committee may be removed or replaced at any time by the Board and any member of the Finance and Investment Committee ceasing to be a Director or official of the Company shall also cease to be a member of the Finance and Investment Committee.
- the Committee shall meet as when necessary and that minutes of the said Committee Meeting will be placed before the Board of Directors for their record.

The Investment and Finance Committee comprises of Shri Vijay Kumar Jatia- Chairman and Managing Director, Smt. Gauri Jatia- Non- Executive Director, Shri. P.K.Bubna Non- Executive Director, Shri. Sidhant Jatia- President and Shri. Mudit Jatia- President.

During the year under review 4(four) meeting were held on 25.07.2018, 24.10.2018, 27.11.2018 and 18.03.2019.

Composition	Designation	Category of Directorship	Attendance in Meeting out of 4
Shri Vijaykumar Jatia	Chairman	Executive Director	4
Smt Gauri Jatia	Member	Non- Executive Director	4
Shri. P.K.Bubna	Member	Non- Executive Director	4
Shri Sidhant Jatia	Member	President	4
Shri Mudit Jatia	Member	President	4

No Sitting fees are being paid to the members of Investment and Finance Committee.

X ANNUAL GENERAL MEETINGS/EXTRA –ORDINARY GENERAL MEETING:

Details of Last Three Annual General Meetings/Extra-Ordinary General Meeting are given hereunder:

Financial Year	Date of Meeting	Time	Location
2015-16	22.07.2016	4.00 p.m.	M.C.Ghia Hall, 4th Floor, K. Dubash Marg, Kala Ghoda, Mumbai-400 001
2016-17	08.08.2017	4.00 p.m.	Kamalnayan Bajaj Hall, Bajaj Bhavan,NarimanPoint, Mumbai-400021
2017-18	10.08.2018	4.00 p.m	Kamalnayan Bajaj Hall, Bajaj Bhavan,NarimanPoint, Mumbai-400021

Details of Special Resolutions/Ordinary Resolution passed in the last three Annual General Meetings and Extra Ordinary General Meetings:

No.	AGM & FY	Section under the Companies Act, 1956/2013	Particulars
1	83rd AGM 2016-17	Section 188	1.Consent for Re-appointment and payment of remuneration of Shri Sidhant Jatia,**(Passed as ordinary Resolution)**2. Consent for Re-appointment and payment of remuneration of Shri Mudit Jatia. **(Passed as ordinary Resolution)**
		Section 20	3. To charge a fee from members of the Company for Service of Documents in a particular Mode. **(Passed as ordinary Resolution)**
2.	84th AGM 2017-18	196, 197,198 and 203 read with schedule XIII	Re-appointment of Shri Vijaykumar Jatia as Managing Director for a period of 3 years w.e.f. 1st August, 2018 to 31st July, 2021.

During the year no Resolutions were passed through Postal Ballot.

XI SUBSIDIARY COMPANIES

Post the merger the Company now has two wholly owned subsidiaries of which one is a Foreign Subsidiary Company (earlier the Company had four wholly owned subsidiaries of which one is a Foreign Subsidiary Company incorporated in Hong Kong and had three Indian Subsidiary Companies, of these two wholly owned subsidiaries were merged with the Company vide the Order of Amalgamation dated 11th July 2019 given by the Hon'ble NCLT, Mumbai Bench) The Indian subsidiary is a material non listed subsidiary of the Company whose net worth (i.e. paid-up capital and free reserves) exceed 10% of the consolidated net worth of the listed holding Company and its subsidiaries in the immediately preceding accounting year. Shri S. D. Israni, Independent Director was appointed as a Director in Verifacts Services Private Limited(Indian Subsidiary) w.e.f. 4th February, 2014.

The SEBI (LODR) Regulation 2015 were amended and the amended regulation has widened the ambit of material subsidiary to mean a subsidiary whose income or net worth exceeds 10% (erstwhile the same was 20%) of the consolidated income or networth, respectively, of the listed entity and its subsidiaries in the immediately preceding accounting year. However, it is to be noted that for the purpose of appointment of an independent director of a listed entity as a director on the board of an unlisted material subsidiary, whether incorporated in India or not, material subsidiary shall still be considered on the 20% threshold.

In view of this the Company will be required to appoint an independent Director of Modern India Limited on the board of Modern International (Asia) Limited (MIAL) (Foreign Subsidiary) to comply with the amended regulation and in compliance of the same Shri Anand Didwania has been appointed as Director on the Board of MIAL on 5th June 2019.

The Company has framed the Policy on determination of material Subsidiary and the Board of Directors and Audit Committee acts within purview of the terms and conditions stated therein. The policy on determination of Material Subsidiary can be viewed on the website of the Company http://modernindia.co.in/pdf/Policy%20on%20Material%20Subsidiary.pdf

Details of the Company's Wholly Owned Subsidiary Companies (WOS)/ Subsidiary as on March 31, 2019 are as under:

Name of the WOS/ Subsidiary	Date of becoming WOS/Subsidiary	Country in which Incorporated
Foreign Subsidiary:		
Modern International (Asia) Limited - Hongkong (WOS)	August 2, 2004	Hong Kong
Indian Subsidiary:		
*1. Modern India Property Developers Ltd. – (WOS)	September 7, 2000	India
*2. Modern India Free Trade Warehousing Pvt. Ltd. (WOS)	September 3, 2018	India
3. Verifacts Services Private Limited. (WOS)	October 25, 2018	India

***Modern India Free Trade Warehousing Pvt. Ltd. and Modern India Property Developers Ltd. wholly owned subsidiaries of the Company were merged with the Company as of appointed date 1st April, 2018, vide the Order of Amalgamation of the Hon'ble National Company Law Tribunal, Mumbai Bench, dated 11th July 2019.**

Subsidiary Monitoring Framework

All the Subsidiary Companies are Board managed with their Boards having the rights and obligations to manage such companies in the best interest of their stakeholders. As a majority Shareholder, the Company monitors the performance of such Companies, inter alia, by the following means:

a) All minutes of the meetings of the subsidiary companies are placed before the Company's Board regularly;

b) A statement containing all significant transactions and arrangements entered into by the unlisted subsidiary companies are placed before the Company's Board;

c) Independent directors of the Company have been appointed as director on the Board of one Indian wholly owned subsidiary and one subsidiary.

d) Investments made or any dis-investment made by the Subsidiary Company is reviewed by the Audit Committee of the Holding Company and the same is also placed before the Board of Directors of the Holding Company.

XII DISCLOSURES

a) All the related party transactions arising in the ordinary course of business are placed periodically before the audit committee in summary form. The Related Party Transactions are disclosed in Note No 31 of the Annual Report. All the material related party transactions were on an arm's length basis and in the due course of business.

b) All Indian Accounting Standards (IND AS) mandatorily required have been followed in preparation of financial statements and no deviation has been made in following the same.

c) Risk assessment and its minimization procedures have been laid down by the Company and the same have been informed to the Directors. These procedures are periodically reviewed to ensure that the executive management controls risks through means of a properly defined framework.

d) No money was raised by the Company through public issue, rights issue, preferential issues, etc. in the previous financial year and hence not applicable for compliance by the Company.

e) i) All pecuniary relationship or transactions of the non-executive Directors vis-à-vis the Company have been disclosed in **ANNEXURE IV** of this report;

The Company has only one Managing Director, whose appointment and remuneration has been fixed by the Board on the recommendation of the Remuneration Committee duly approved by the Members

The remuneration paid was as follows:

Managing Director's Remuneration	(in ₹)
i) Salary	84,00,000
ii) Contribution to Provident Fund	10,08,000
iii) Perquisites	63,41,089
iv) Commission	-
TOTAL	**1,57,49,089**

(ii) The service of the Managing Director is on contractual basis for a period of three (3) years up to 31st July, 2021.

Shri Vijay Kumar Jatia has been re-appointed by the Board of Directors at their meeting held on 24th May, 2018 for a further period of 3 years as Managing Director with effect from 1st August, 2018 upto 31st July,2021,

Management Discussion and Analysis forms part of the Annual Report to the shareholders and it includes discussion on matters as required under the provisions of Regulations 34 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015

f) There is no material financial and commercial transactions by Senior Management as defined in Regulation 26(5) SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015 of the where they have personal interest that may have a potential conflict with the interests of the Company at large requiring disclosure by them to the Board of Directors of the Company.

g) No penalty or strictures have been imposed on the Company by Stock Exchanges or SEBI or any Statutory Authority on any matter related to Capital Markets during the last three years.

XIII DISCLOSURE TO SHAREHOLDERS REGARDING APPOINTMENT OR RE-APPOINTMENT OF THE DIRECTORS

Details of director seeking re-appointment as Rotational Director at the ensuing Annual General Meeting fixed on 27th September, 2019.

Name of Director	*Date of Birth*	*Date of Appointment*	*Qualifications*	*Expertise in specific functional area*	*List of Other Directorships held excluding foreign companies, Companies under sec 8 of the Companies Act, 2013 & Private Companies*	*Chairman/Member of the committees of the Board of other Companies in which he/she is a Director*	*Company's Shares held (No. of Shares)*
Shri Pradip Bubna	13.05.1958	29.04.2002	B.Com	Business	-	-	1230

XIV MEANS OF COMMUNICATION

a) Quarterly, Half Yearly and Annual Results: Quarterly, Half Yearly and Annual results were published in Business Standard and Mumbai Lakshadeep and the same were displayed on the website of the Company.

b) News Release, Presentation, etc: Official news releases detailed presentations made to media, analysts, institutional investors, if any, are displayed on the Company's website www.modernindia.co.in.

c) Website: The Company's website www.modernindia.co.in contains a separate section on "Investor Relations" where shareholders information is available. The information pertaining to Financial Results, Shareholding Pattern, Corporate Governance, unclaimed dividend and the Annual Report and the Policies and Code of Conduct is also available on the website in a user friendly and downloadable form.

d) Annual Report: Annual Report containing, inter alia, Audited Annual Accounts, Consolidated Financial Statements, Board's Report, Auditors' Report and other important information is circulated to the Members and others entitled thereto.

e) BSE Website: Annual Report, Quarterly Results, Shareholding Pattern, etc. of the Company were also filled and uploaded on the BSE website www.bseindia.com.

XV CODE OF BUSINESS CONDUCT AND ETHICS FOR DIRECTORS AND SENIOR MANAGEMENT

The Board at its meeting held on 26th May, 2016 adopted the revised Code of Business Conduct and Ethics for Directors and Senior Management ('the Code'). The Code is a comprehensive Code applicable to all Directors, Executive as well as Non-Executive and also to the members of Senior Management. The Code while laying down, in detail, the standards of business conduct, ethics and governance, centres on the following theme –"The Company's Board of Directors and Senior Management are responsible for and are committed to setting the standards of conduct contained in the Code and for updating these standard, as appropriate, to ensure their continuing relevance, effectiveness and responsiveness to the needs of local and international investors and all other stakeholders as also to reflect corporate, legal and regulatory developments."

A copy of the Code is available on the Company's website http://modernindia.co.in/pdf/Code%20of%20Conduct_2015.pdf The Code has been circulated to all the members of the Board and Senior Management and the compliance of the same has been affirmed by them. The said code is revised from time to time to comply with the change in statues and regulations.

Pursuant to Regulation 34(3) and 53(f) read with schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 a declaration signed by the Chairman & Managing Director has been given below:

I hereby confirm that:

The Company has obtained from all the Members of the Board and Senior Management, affirmation that they have complied with the Code of Business Conduct and Ethics for Directors and Senior Management in respect of financial year 2018-19.

Sd/-

Vijay Kumar Jatia

Chairman & Managing Director

In the opinion of the Board it is confirmed none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of the Companies by the Board/Ministry of Corporate affairs or any such statutory authority. A certificate from a Company Secretary in Practice has also been received in this regard.

XVI GENERAL SHAREHOLDER INFORMATION

AGM: Date, time and venue	**27th September, 2019, 4.00p.m.** Kamalnayan Bajaj Hall, Bajaj Bhavan,NarimanPoint,Mumbai-400021
Financial Calendar (Tentative)	Unaudited Financial Results for quarter ending 30th June, 2019 On or before 14th August, 2019
Unaudited Financial Results for quarter ending 30th September, 2019	On or before 14th November, 2019
Unaudited Financial Results for quarter ending 31st December, 2019	On or before 14th February, 2020
Results for the year ending 31st March, 2020	Audited Financial Results - on or before 30th May, 2020

Date of Book closure	End of business hours on 13.09.2019 to 27.09.2019 (Both days inclusive), for payment of Dividend and 85th Annual General Meeting.
Dividend payment	On or before 01.10.2019
Listing on Stock Exchanges	The Bombay Stock Exchange Limited, Mumbai. The Company has paid the Listing Fees for the year 2019-2020 to the Exchange.
Stock Code	BSE- 503015
Demat ISIN No. for NSDL & CDSL	INE251D01023
Registrar & Share Transfer Agents:	Satellite Corporate Services Pvt. Ltd. Unit No. 49, Bldg No.13-A-B, 2nd Floor Samhita Commercial Co-Op. Soc. Ltd Off Andheri Kurla Lane, Mtnl Lane Sakinaka, Mumbai - 400 072 E-mail: scs_pl@yahoo.co.in Alternate Email: service@satellitecorporate.com Tel. No. +91-22-28520461

Share Transfer System:

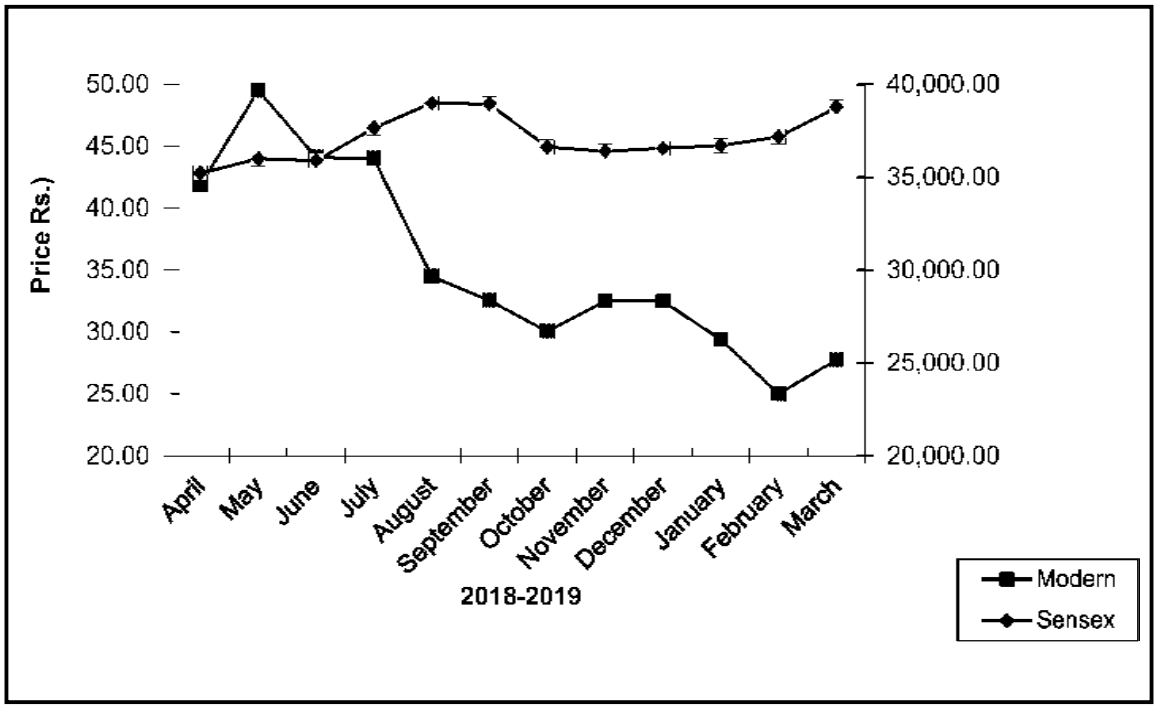
All the applications for transfer of shares in physical form are first processed by the Company's Share Transfer Agents M/s Satellite Corporate Services Pvt. Ltd. Thereafter the same are approved by the Managing Director/Company Secretary. The duly approved transfers are registered and the relevant certificates are returned to the Transferees within the stipulated period. The dematerialized shares are transferred/ transmitted through NSDL and CDSL, the Depositories.

A summary of transfer/transmission of shares of the Company as approved by the Managing Director/Company Secretary is placed at every Board Meeting. The Company obtains from a Company Secretary in Practice half-yearly certificate of compliance with regards to share transfer/transmission, deletion of name, etc. under Regulation 40(9) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Stock Market Data

Source: BSE website

MONTHS	Low(₹)Stock Price	High(₹)Stock Price	High(₹)BSE Sensex
APRIL,2018	31.6	41.85	35213.3
MAY ,2018	38	49.5	35993.53
JUNE,2018	41	44.1	35877.41
JULY,2018	31.3	44	37644.59
AUGUST,2018	30.4	34.5	38989.65
SEPTEMBER,2018	28.65	32.55	38934.35
OCTOBER,2018	22.9	30.05	36616.64
NOVEMBER,2018	23.1	32.5	36389.22
DECEMBER,2018	30.9	32.5	36554.99
JANUARY,2019	24.05	29.4	36701.03
FEBRUARY,2019	25	25	37172.18
MARCH,2019	22.8	27.75	38748.54



The nominal and paid-up value of Equity Shares is ₹2/-per share

Distribution of shareholding as on 31st March, 2019

Sr. No.	Shareholding of Nominal Value ₹	Number of Shareholders	Percentage	Face Value Amount in ₹	Amount in Percentage
1	Up to 2500	1906	94.22	1394188	1.86
2	2501 to 5000	53	2.62	358434	0.48
3	5001 to 10000	26	1.29	367090	0.49
4	10001 to 20000	15	0.74	441414	0.59
5	20001 to 30000	1	0.05	54720	0.07
6	30001 to 40000	2	0.10	138774	0.18
7	40001 to 50000	1	0.05	100000	0.13
8	50001 to 100000	2	0.10	326362	0.43
9	100001 and above.	17	0.84	71904518	95.76
	TOTAL 2023	**100**	**75085500**	**100**	

Statement Showing Shareholding Pattern 31.03.2019

SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)									
Category-wise share holding									
MODERN INDIA LTD									
Category of Shareholder	**No of shares held at the beginning of the year (as on 01.04.2018)**				**No of shares held at the end of the year (as on 31.03.2019)**				**% Change during the year**
	Demat	**Physical**	**Total**	**% of total shares**	**Demat**	**Physical**	**Total**	**% of total shares**	**(9-5)**
1	**2**	**3**	**4**	**5**	**6**	**7**	**8**	**9**	**10**
Promoters									
Indian									
Individuals / Hindu									
Undivided Family	152855	0	152855	0.41	152855	0	152855	0.41	0.00
Central Government	0	0	0	0.00	0	0	0	0.00	0.00
State Governments(s)	0	0	0	0.00	0	0	0	0.00	0.00
Bodies Corporate	28004207	0	28004207	74.59	28004207	0	28004207	74.59	0.00
Financial Institutions / Banks	0	0	0	0.00	0	0	0	0.00	0.00
Any other (specify)	0	0	0	0.00	0	0	0	0.00	0.00
Directors & their relatives	0	0	0	0.00	0	0	0	0.00	0.00
Sub-Total (A) (1)	**28157062**	**0**	**28157062**	75.00	**28157062**	**0**	**28157062**	75.00	0.00
Foreign									
Non-Resident Individuals	0	0	0	0.00	0	0	0	0.00	0.00
Other Individuals	0	0	0	0.00	0	0	0	0.00	0.00
Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
Any Other (specify)	0	0	0	0.00	0	0	0	0.00	0.00
Sub-Total (A) (2)	**0**	**0**	**0**	**0.00**	**0**	**0**	**0**	**0.00**	**0.00**
Total Shareholding of									
Promoter (A) = (A)(1)+(A)(2)	**28157062**	**0**	**28157062**	75.00	**28157062**	**0**	**28157062**	75.00	0.00
Public Shareholding									
Institutions									
Mutual Funds	0	0	0	0.00	0	0	0	0.00	0.00
Financial Institutions / Banks	803200	51475	854675	2.28	806203	48475	854678	2.28	0.00
Cental Government	0	0	0	0.00	0	0	0	0.00	0.00
State Governments(s)	0	0	0	0.00	0	0	0	0.00	0.00
Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
Insurance Companies	1124041	0	1124041	2.99	1124041	0	1124041	2.99	0.00
Foreign Institutional Investors	4461519	0	4461519	11.88	4461519	0	4461519	11.88	0.00

Statement Showing Shareholding Pattern 31.03.2019

SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)									
Category-wise share holding									
MODERN INDIA LTD									
Category of Shareholder	**No of shares held at the beginning of the year (as on 01.04.2018)**				**No of shares held at the end of the year (as on 31.03.2019)**				**% Change during the year**
	Demat	**Physical**	**Total**	**% of total shares**	**Demat**	**Physical**	**Total**	**% of total shares**	**(9-5)**
1	**2**	**3**	**4**	**5**	**6**	**7**	**8**	**9**	**10**
Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
Any Other (Specify)	0	0	0	0.00	0	0	0	0.00	0.00
Sub-Total (B) (1)	**6388760**	**51475**	**6440235**	**17.15**	**6391763**	**48475**	**6440238**	**17.15**	**0.00**
Non-Institutions									
Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
i) Indian	973154	**1175**	974329	2.60	975982	**1175**	977157	2.60	0.00
ii) Overseas	0	0	0	0.00	0	0	0	0.00	
Individuals	0	0	0	0.00	0	0	0	0.00	
Individual Shareholders holding nominal Share Capital upto Rs.1 Lakh	736189	404512	1140701	3.04	787919	362830	1150749	3.07	0.03
Individual Shareholders holding nominal Share Capital in excess of Rs.1 Lakh	0	0	0	0.00	0	0	0	0.00	0.00
Any Other (Specify)	0	0	0	0.00	0	0	0	0.00	0.00
Clearing Member	0	0	0	0.00	0	0	0	0.00	0.00
Overseas Corporate Bodies	0	0	0	0.00	0	0	0	0.00	0.00
Non Resident Indians	5306	0	5306	0.01	4093	0	4093	0.01	0.00
HUF	65210	0	65210	0.17	36154	0	36154	0.10	(0.08)
IEPF	757427	0	757427	2.02	776067	0	776067	2.07	0.05
Foreign National	1250	0	1250	0.00	0	0	0	0.00	0.00
Directors & their relatives	1230	0	1230	0.00	1230	0	1230	0.00	0.00
Sub-total (B) (2)	2539766	405687	2945453	7.85	2581445	364005	2945450	7.85	0.00
Total Public Shareholding (B) = (B)(1)+(B)(2)	**8928526**	**457162**	**9385688**	25.00	**8973208**	**412480**	**9385688**	25.00	0.00
TOTAL (A)+(B)	**37085588**	**457162**	**37542750**	100.00	**37130270**	**412480**	**37542750**	100.00	0.00
Shares held by Custodians									
Custodian for GDRs & ADRs	0	0	0	0.00	0	0	0	0.00	0.00
GRAND TOTAL (A)+(B)+(C)	37085588	457162	37542750	100.00	37130270	412480	37542750	100.00	0.00

Share Ownership Pattern as on 31.03.2019

		NO. OF SHARES	FACE VALUE	%
(i)	Directors			
	Promoter	107855	215710	0.29
	Non-Promoter	1230	2460	0.00
	Total	109085	218170	0.29
(ii)	Shareholdings of Directors'			
	(a) Relatives	45000	90000	0.12
	(b) Companies/Firms in which Directors are interested	28004207	56008414	74.59
(iii)	Nationalised Banks/ Financial Institutions	854678	1709356	2.28
(iv)	Insurance Co	1124041	2248082	2.99
(v)	Other Bodies Corporate/IEPF	1753224	3506448	4.67
(vi)	Non-Residents /Foreign Nationals	4093	8186	0.01
(vii)	Overseas Body Corporate	0	0	0.00
(viii)	Foreign Institutional Investors	4461519	8923038	11.88
(ix)	Public (Others)	1186903	2373806	3.16
	TOTAL	**37542750**	**75085500**	**100.00**

Minimum Public Shareholding The Company has maintained the minimum Public Shareholding as per SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015.

Information in respect of unclaimed dividends due for the remittance into Investor Education and Protection Fund (IEPF) is given below:

Under the Provisions of the Companies Act 2013, dividends that remain unclaimed for the period of seven years from the date of declaration are required to be transferred to the IEPF administered by the Central Government. The unclaimed dividend as on March 31, 2019 is as follows:

Financial Year	Unpaid/Unclaimed Dividend as on 31.03.2019	Date of Declaration	Date of Transfer to IEPF
2011-12	355700.40	08.08.2012	06.09.2019
2012-13	437513.50	23.07.2013	21.08.2020
2013-14	466865.00	23.07.2014	21.08.2021
2014-15	115598.04	08.08.2015	06.09.2022
2015-16	290388.60	22.07.2016	20.08.2023
2016-17	302244.00	08.08.2017	06.09.2024
2017-18	71969.10	10.08.2018	08.09.2025

Shareholders are advised by the Company well in advance before transferring the unclaimed dividends in IEPF.

Shareholders holding shares in the electronic form are requested to deal only with their Depository Participant in respect of change of address, Nomination facility and furnishing bank account number, etc.

Furthermore, In terms of Section 124 of the Companies Act, 2013, read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, shares of the Company in respect of which dividend entitlements have remained unclaimed or unpaid for seven consecutive years or more, were required to be transferred by the Company to the Investor Education and Protection Fund (IEPF) of the Government of India. And the same shall be transferred by the Company on or after 06.09.2019 after sending necessary reminders/communication to the members intimating about transfer.

The shares on which dividends were due from the Financial year 2010-11 for seven consecutive years were transferred to the demat account of the IEPF Authority respectively on 05.09.2019 AND 06.09.2019 (CDSL) and (NSDL).

Shareholders may note that the shares/dividend transferred to IEPF can be claimed by making an application to the Authority in Form IEPF 5 (to be filed online) at the following link http://iepf.gov.in/IEPFA/refund.html

Dematerialization of shares and liquidity:

As on 31.03.2019, 37130270 Equity Shares of the Company had been dematerialized, which represent 98.77% of the Paid up Capital of the Company.

Outstanding GDRs/ ADRs/ Warrants or any Convertible instruments, conversion date and likely impact on equity.

There are no GDRs/ ADRs / Warrants or any Convertible instruments outstanding as on 31st March 2019.

Equity Share in the Demat Suspense Account:

Pursuant to Regulation 39(4) read with Schedule VI of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, there are no shares Unclaimed. However, there are 370225 shares under 750 folios undelivered after sub-division of shares from face value of ₹50 to ₹10 and subsequently from ₹10 to ₹2, in spite of sending reminders.

Plant Location:

Solar Power Plant: Aundh Village, Satara District, Maharashtra

Address for correspondence:

Registered Office:	**Registrar & Share Transfer Agents**
1, Mittal Chambers,	Satellite Corporate Services Pvt. Ltd.
228, Nariman Point,	Unit No. 49, Bldg No.13-AB,
Mumbai-400021	2nd Floor, Samhita Commercial Co-Op. Soc. Ltd,
Ph. No. +91(22) 67444200	Off Andheri Kurla Rd, MTNL Lane, Sakinaka, Mumbai - 400 072
Fax Nos. +91(22) 67444300	Tel. No.: 28520461/28520462
Email: info@modernindia.co.in	Email: service@satellitecorporate.com

XVII OTHER INFORMATION

(a) The Sexual Harassment Policy:

To reinforce the Company's position as an equal opportunity employer and in the light of the increasing gender diversity it was felt necessary to articulate the Company's commitment by providing a workplace free of sexual harassment and therefore Company has adopted a policy statement on prevention of sexual harassment which is in Compliance with the Sexual harassment (Prevention, Prohibition and Redressal) Act, 2013 and Supreme Court Directives. The same can be seen on:

http://modernindia.co.in/PDF/Policy%20on%20Prevention%20of%20Sexual%20Harassment.pdf.

Complaints received during the year

Sr. No.	Nature of Complaint	Number of Complaints received	Resolved during the year	Number of Complaints pending
	Sexual Harassment	**NIL**	**NIL**	**NIL**
		NIL	**NIL**	**NIL**
		NIL	**NIL**	**NIL**
	TOTAL	**NIL**	**NIL**	**NIL**

(b) Related Party Transaction:

In adherence to the Corporate Governance standards with transparency, the Company has framed Related Transaction Policy in consistency with listing regulations and the Companies Act, 2013. The details of Material Related party Transactions are given in Note No.31 in conformity and with omnibus approval of Audit Committee and Shareholder's approval wherever necessary.

The Board of Directors of the Company acts within the framework of the Related Party Transaction Policy. The detailed policy can be viewed on the official website of the Company http://modernindia.co.in/pdf/Related%20Party%20Transaction%20Policy.pdf

XVIII NON MANDATORY REQUIREMENTS DISCRETIONARY REQUIREMENTS UNDER REGULATION 27(1) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIRMENTS) REGULATIONS,2015

- The Board

Since our Company has an Executive Chairman, he is entitled to an office and a salary which is approved by the Members of the Company.

The Company ensures that every Director has the requisite qualification to be on the Board and proves to be an asset to the Organization.

- Shareholders Right

Annual declaration of financial performance is sent to all the Shareholders. Quarterly results are also published in the newspapers. Shareholder's approval is sought whenever it is required as per the provisions of the Companies Act, 2013.

- Modified opinion(s) in audit report

In case of any qualification, the same are be responded/replied to in the Report of the Board of Directors.

- Reporting of internal auditor

The internal auditor M/s. M.L.Sharma reports directly to the audit committee.

XIX CEO/CFO CERTIFICATION

Pursuant to the provisions of Regulation 34(3) and 53(f) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchange, the Managing Director (CEO) has issued a certificate to the Board of Directors, for the year ended 31st March, 2019.

XX COMPLIANCE CERTIFICATE

Compliance Certificate for Corporate Governance from Practising Company Secretary is given as Annexure to this Report

For and on behalf of the Board of Director

Sd/-

Vijay Kumar Jatia

Mumbai, 13th August, 2019 **Chairman & Managing Director**

CERTIFICATION BY CHAIRMAN AND MANAGING DIRECTOR (CMD) and CHIEF FINANCIAL OFFICER (CFO) TO THE BOARD

We, Shri. Vijaykumar Jatia, Chairman and Managing Director and Shri. Nawalkishore Deora, Sr. Vice President & Chief Financial Officer of Modern India Limited, certify that:

1. We have reviewed the Balance Sheet, Statement of Profit and Loss, the Statement of Changes in Equity and the Statement of Cash flows and a summary of the significant accounting policies and other explanatory information of the Company and the Board's report.

2. These statements do not contain any materially untrue statement or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report.

3. The financial Statements, and other financial information included in this report, present in all material respects a true and fair view of the state of affairs of the company, the financial condition, results of operations and cash flows of the Company as at, and for, period presented in this report, and are in compliance with the existing accounting standards and/or applicable laws and regulations.

4. There are no transactions entered into by the company during the year that are fraudulent, illegal or violative of the company's code of conduct.

5. We are responsible for establishing and maintaining internal control for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting of the Company. This is monitored by the internal audit function, which encompasses the examination and evaluation of the adequacy and effectiveness, of internal control. The internal auditor works with all levels of management and statutory auditors and reports significant issues to the audit committee of the Board. The auditors and audit committee are appraised of any corrective action taken with regard to significant deficiencies in the design or operation of internal controls.

6. We indicate to the auditors and to the audit committee:

   a) There are no Significant changes in internal control over financial reporting during the year;

   b) There are no Significant changes in accounting policies during the year; and that the same have been disclosed in the notes to the financial statements; and

   c) Instances of significant fraud of which we have become aware of and which involve management or other employees having significant role in the company's internal control system and financial reporting. However, during the year there was no such instance.

Place: Mumbai

Date: 13th August 2019

Sd/-	Sd/-
Chairman and Managing Director	Sr. Vice president and Chief Financial Officer

CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of

Modern India Limited

1. We have examined the compliance of the conditions of Corporate Governance of **Modern India Limited** ("the Company") for the year ended March 31, 2019, as stipulated in Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations-2015").

Management Responsibility

2. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design,implementation and maintenance of internal controland procedures to ensure the compliance with theconditions of the Corporate Governance stipulatedin the Listing Regulations- 2015.

Auditors Responsibility

3. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
4. We have examined the books of account and other relevant records and documents maintained by the Company for the purpose of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
5. We conducted our examination of the relevant records of the Company inaccordance with theguidance note on Reports or Certificates for special purposes (Revised 2016) issued by theInstitute of Chartered Accountants of India. The Guidance Note requires that we comply with theethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.We have complied with the relevant applicable requirements of the Standard on Quality (SQC) 1,Quality Control for Firms that perform Audits and Reviews of Historical Financial information, andother Assurance and related service engagements.
6. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by theManagement, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27, clauses (b) to(i) of Regulation 46 (2) and paragraphs C, D and E of Schedule V of the Listing Regulations-2015, as applicable, during the year ended March 31, 2019.
7. We further state that such compliance is neither an assurance as to the future viability of the Company nor as to the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Restrictions on use

8. The certificate is addressed and provided to themembers of the Company solely for the purposeof complying with the requirement of the ListingRegulations- 2015, and it should not be used by anyother person or for any other purpose. Accordingly,we do not accept or assume any liability or any dutyof care for any other purpose or to any other personto whom this report is shown or into whose hands itmay come without our prior consent in writing.

For M/s Ashok Patel & Associates

Company Secretary

Sd/-

Ashok Patel

Partner

Membership No.:37323

COP No.: 15326

Place: Mumbai

Date: August 13, 2019

INDEPENDENT AUDITORS' REPORT

To the Members of Modern India Limited

Report on the Audit of the Standalone Financial Statements

This Report is issued in supersession of our earlier report dated May 30, 2019 on the standalone financial statements for the year ended March 31, 2019, to the extent of matter stated in Emphasis of Matters paragraph below.

Qualified Opinion

We have audited the accompanying standalone financial statements of **Modern India Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (including Other Comprehensive Income/(loss)), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, and based on the consideration of report of the other auditors on separate financial statements of subsidiaries which are amalgamated as were audited by the other auditors, 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, 2019, the loss and total comprehensive loss, changes in equity and its cash flows for the year ended on that date.

Basis for Qualified Opinion

An amount of Rs. 1348.48 lakhs (net of Rs. 104.64 lakhs recovered till date) is outstanding as trade receivables as at March 31, 2019 in respect of commodities trading transaction done on National Spot Exchange Limited (NSEL). The Company has filed a representative suit in the Hon'ble Bombay High Court for recovery of the same. Ministry of Corporate Affairs (MCA) had ordered merger of 63 Moons Technologies Limited with NSEL which has been set aside by the Hon'ble Supreme Court of India. Pending outcome of the legal suit and resolution of uncertainties involved, the management has considered the receivable as good for recovery. However, in the absence of appropriate audit evidence, we are unable to determine the extent of recovery possible in this case. (Refer note 8(i) of the standalone financial statements).

We conducted our audit in accordance with 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 [ICAI] together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Emphasis of Matters

i) We draw attention to Note 38 to the standalone financial statements regarding standalone financial statements for the year ended March 31, 2019 which were earlier approved by the Board of Directors in its meeting held on May 30, 2019 and are now restated by the company to give effect to the Scheme of Amalgamation. The accompanying standalone financial statements have been prepared by the Company consequent to amalgamation of Modern India Property Developers Limited (MIPDL) and Modern India Free Trade Warehousing Private Limited (MIFTWPL), wholly owned

subsidiaries of the Company (collectively referred as 'amalgamated subsidiaries'), with the Company pursuant to a Scheme of Amalgamation, approved by the Hon'ble National Company Law Tribunal, Mumbai Bench vide order dated July 11, 2019 more fully described therein, with an appointed date of April 1, 2018. We further report that our audit procedures on the subsequent events in so far as those relate to the updation of the standalone financial statements (as amended) are restricted solely to the matters related to the Scheme and no effect has been given for any other events, if any, occurring after May 30, 2019 (being the date on which standalone financial statements were earlier approved by the Board of Directors of the Company and reported upon by us in our report of that date).

ii) The financial statements of wholly owned subsidiaries of the Company viz. Modern India Property Developers Limited (MIPDL) for the year ended March 31, 2019 which reflects total assets Rs.841.00 lakhs and total net assets Rs.840.75 lakhs as at March 31, 2019, total revenues Rs.26.92 lakhs and net cash inflow/(outflow) Rs.1.79 lakhs and Modern India Free Trade Warehousing Private Limited (MIFTWPL) for the year ended March 31, 2019 which reflects total assets Rs.453.93 lakhs and total net assets as at March 31, 2019 Rs.320.22 lakhs, total revenues Rs.0.19 lakhs and net cash inflow/(outflow) Rs.0.03 lakhs included in these audited standalone financial statements, used for the purpose of giving effect of the implementation of Scheme of Amalgamation, prepared in accordance with the Companies (Accounting Standards) Rules, 2006 (as amended) audited by the other auditors whose report for the year ended March 31, 2019 dated May 22, 2019 and May 22, 2019 respectively expressed an unmodified opinion on the financial statements of MIPDL and MIFTWPL respectively which have been furnished to us. Our opinion in so far as it relates to the amount and disclosures as included in respect of such companies is based solely on the report of such other auditors.

iii) The adjustments made to the previously issued standalone financial statements of the Company for the year ended March 31, 2018 as restated by the management to give effect of the above mentioned Scheme of Amalgamation as explained in note 38 to the standalone financial statements, have been audited by us.

Our opinion on the standalone financial statements is not modified in respect of the above matters.

Information Other than the Standalone 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 and Corporate Governance Report, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone 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 standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. As described in the Basis for Qualified Opinion section above, we are unable to obtain sufficiant approriate audit evidance to determine the extent of recovery possible in NSEL matter. Accordingly, we are unable to conclude whether or not the information is materially misstated with respect to NSEL matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the

standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matters described in the Basis for Qualified Opinion and Emphasis of Matter sections, we have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	How our audit addressed the key audit matter
Impairment assessment of long-term investments in subsidiaries The Company has long-term investments in subsidiaries aggregating Rs 3616.25 lakhs as at March 31, 2019. The Company records its long-term investments at cost less any provision for impairment loss. Changes in business environment could have a significant impact on the valuation of these investments. These long-term investments are tested for impairment periodically. If triggers of impairment exist, the recoverable amounts of the investment in subsidiaries are adjusted for any impairment loss. The impairment loss is recognised in the statement of profit and loss. Refer note 2.4(i) for impairment of equity instrument in subsidiary.	**Our audit procedures included:** Comparison of the carrying amount of investment in with subsidiary's balance sheet as at March 31, 2019 to identify whether their net assets, being an approximation of their minimum recoverable amount, were in excess of their carrying amount and assessing whether this subsidiary have historically been profit-making. For the investment in Verifacts Services Private Limited, subsidiary company where the carrying amount exceeded the net assets value, comparing the carrying amount of the investment with the expected value of the business based on latest valuation report of the said subsidiary obtained by the company from a Valuer, Obtained and verified the latest audited financial statment of the said subsidiary and relied on managment representations/ judgments.

Responsibilities of Management and Those Charged with Governance for the Standalone 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/(loss), changes in equity and cash flows of the Company in accordance with the Indian Accounting Standards (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.

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

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone 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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone 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.
- We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the standalone financial statements of which we are the independent auditors. For the other entities amalgamated with the Company included in the standalone financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in para (ii) of the section titled 'Emphasis of Matters' in this audit report.

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 believe that the audit evidence obtained by us along with the consideration of audit reports of the other auditors referred to in paragraph (ii) of the 'Emphasis of Matters' paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the standalone 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 sub-section (11) of section 143 of the Companies Act, 2013, we give in the **Annexure 'A'**, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of amalgamated subsidiaries, as noted in the 'emphasis of matters' paragraph, we report, to the extent applicable, that:

   a) We have sought and, except for the matters described in the Basis for Qualified Opinion paragraph, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

   b) Except for the possible effects of the matter described in the Basis for Qualified Opinion section above, in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books and records of the Company and in respect of amalgamated subsidiaries the reports of the other auditors;

   c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income/(loss), Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account;

   d) Except for the effects of the matters described in the Basis for Qualified Opinion paragraph above, in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards prescribed under Section 133 of the Act, read with relevant rules issued there under;

   e) The matter described in the Basis for Qualified Opinion paragraph above, in our opinion, may have an adverse effect on the functioning of the Company;

   f) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act;

   g) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph;

   h) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **Annexure 'B'**. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls

over financial reporting;

i) 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; and

j) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the amalgamated subsidiaries, as noted in the 'Emphasis of Matters' paragraph:

i. The Company has disclosed the impact of pending litigations as at March 31, 2019 on its financial position in its standalone financial statements – Refer Note 8(i) to the standalone financial statements;

ii. The Company did not have any long term contracts including derivatives contracts for which there were any material foreseeable losses - Refer Note 35 to the standalone financial statements; and

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For **Khandelwal Jain & Co.**
Chartered Accountants
Firm Registration No. 105049W

Narendra Jain
Partner
Membership No. 048725
UDIN: 19048725AAAAAZ6919

Place: Mumbai
Date: August 13, 2019

Annexure 'A' referred in the Independent Auditor's Report of even date to the members of Modern India Limited on the standalone financial statements as of and for the year ended March 31, 2019

(i) (a) The Company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets.

(b) The fixed assets have been physically verified by the management during the year. In our opinion the frequency of verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties as disclosed in note no. 3 to the financial statments are held in the name of the Company.

(ii) (a) The inventory has been physically verified during the year by the management at reasonable intervals.

(b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.

(c) In our opinion and according to the explanations given to us, the Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material and properly dealt with in the books of account

(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 the Act. Therefore, the provisions of Clause 3(iii), (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 complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of the loans and investments made and guarantees and security provided by it.

(v) According to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.

(vi) As informed to us by the management, the Central Government of India has not specified the maintenance of cost records under sub-section (1) of section 148 of the Act for any of the products of the Company.

(vii) (a) According to the information and explanations given to us and records of the Company examined by us, in our opinion, the Company is generally regular in depositing the undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Cess, Goods and Service Tax, duty of custom, duty of excise, Value Added Tax and other material statutory dues, as applicable, with the appropriate authorities.

According to the records of the Company, there were no undisputed amounts payable in respect of above in arrears, as at March 31, 2019 for a period of more than six months from the date they became payable.

(b) According to the records of the Company, there are no dues of income tax, sales tax, service tax, goods and service

tax, duty of custom, duty of excise and cess which have not been deposited on account of any dispute.

(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted during the year in repayment of dues to bank, financial institution and government. The Company did not have any outstanding dues to government or debenture holders during the year.

(ix) The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) and term loans. Accordingly, provisions of clause 3(ix) of the Order are not applicable to the Company.

(x) Based upon the audit procedures performed and according to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

(xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid / provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

(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 to the Company.

(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 the Act where applicable and details of such transactions have been disclosed in the standalone financial statements as required by the applicable Ind AS.

(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. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company.

(xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with them. Accordingly, the provisions of clause 3(xv) of the Order are not applicable to the Company.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of clause 3(xvi) of the Order are not applicable to the Company.

For **Khandelwal Jain & Co.**
Chartered Accountants
Firm Registration No. 105049W

Narendra Jain
Partner
Membership No. 048725
UDIN: 19048725AAAAAZ6919

Place: Mumbai
Date: August 13, 2019

Annexure 'B' referred in the Independent Auditor's Report of even date to the members of Modern India Limited on the standalone financial statements for the year ended March 31, 2019

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act

We have audited the internal financial controls over financial reporting of **Modern India Limited** ("the Company") as of March 31, 2019 in conjunction with our audit of the standalone 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 issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the 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 on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act 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 judgement, 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 and evidence obtained by the other auditors of amalgamated subsidiaries in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes

those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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 March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to separate financial statements of amalgamated subsidiaries, since the reports of the auditors of respective amalgamated companies states that the requirement of reporting on the internal financial controls over Financial Reporting is not applicable to this amalgamated subsidiaries in terms of notification dated June 13, 2017 issued by Ministry of Coporate Affairs for amending the erlier notification no. GSR464(E) dated June 5, 2015.

Our opinion is not modified in respect of this matter.

For **Khandelwal Jain & Co.**
Chartered Accountants
Firm Registration No. 105049W

Narendra Jain
Partner
Membership No. 048725
UDIN: 19048725AAAAAZ6919

Place: Mumbai
Date: August 13, 2019

BALANCE SHEET AS AT 31st MARCH, 2019

(₹ in Lakhs)

	Particulars	Note No.	As at March 31, 2019	As at March 31, 2018
A	**ASSETS**			
	1 **Non-current assets**			
	(a) Property, Plant and Equipment	3 (a)	1,908.48	1,979.60
	(b) Capital work-in-progress	3 (a)	365.87	355.89
	(c) Investment Property	3 (b)	473.25	461.51
	(d) Intangible assets	4	13.80	20.00
	(e) Financial Assets			
	(i) Investments	5 (a)	10,114.50	10,107.81
	(ii) Others Financial Assets	6 (a)	410.08	303.40
	(f) Non Current Tax Assets (Net)	25	51.39	77.98
	(g) Deferred tax assets (net)	25	994.73	692.63
	(h) Other non-current assets	6 (b)	169.69	208.21
			14,501.79	**14,207.03**
	2 **Current assets**			
	(a) Inventories	7	1,565.47	1,245.61
	(b) Financial Assets			
	(i) Investments	5 (b)	523.30	2,118.21
	(ii) Trade receivables	8	2,530.64	2,572.60
	(iii) Cash and cash equivalents	9	26.36	56.91
	(iv) Bank balances other than (iii) above	10	30.40	23.46
	(v) Loans	11 (a)	440.51	415.13
	(vi) Other Financial Assets	11 (b)	56.56	26.91
	(c) Current Tax Assets (Net)	25	56.83	-
	(d) Other current assets	11 (c)	565.22	537.90
			5,795.29	**6,996.72**
	TOTAL ASSETS		**20,297.08**	**21,203.74**
B	**EQUITY AND LIABILITIES**			
	1 **Equity**			
	(a) Equity Share capital	12	750.86	750.86
	(b) Other Equity	13	1,330.16	1,997.03
	TOTAL		**2,081.02**	**2,747.89**
	2 **Liabilities:**			
	Non-current liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	14 (a)	115.72	4.43
	(ii) Other financial liabilities	15 (a)	12,709.82	13,132.78
	(b) Provisions	16 (a)	39.36	33.77
	(c) Other Non current liabilities	17 (a)	2,411.74	2,132.41
			15,276.65	**15,303.40**
	3 **Current liabilities**			
	(a) Financial Liabilities			
	(i) Borrowings	14 (b)	496.02	603.43
	(ii) Trade payables			
	Total outstanding dues of Micro and Small Enterprises		-	-
	Total outstanding dues of creditors other than Micro and Small Enterprises	18	1,103.57	1,152.92
	(iii) Other financial liabilities	15 (b)	134.74	137.14
	(b) Provisions	16 (b)	55.21	47.11
	(c) Other current liabilities	17 (b)	1,149.87	1,211.85
			2,939.41	**3,152.46**
	TOTAL EQUITY AND LIABILITIES		**20,297.08**	**21,203.74**
	Basis of preparation, measurement and significant accounting policies	2		

The accompanying notes are integral part of these Financial Statements.

As per our report of even date attached
For Khandelwal Jain & Co.
Chartered Accountants
Firm Reg. No. 105049W

Narendra Jain
Partner
Membership No. 048725

Mumbai, dated August 13, 2019

Parind Badshah
Vice President & Company Secretary

N. K. Deora
Sr. Vice President & Chief Financial Officer

For and on behalf of the Board of Directors
V. K. Jatia
Chairman & Managing Director

Directors
A. Didwania **S. D. Israni**
K. Kalyaniwalla

Mumbai, dated August 13, 2019

Statement of Profit and Loss for the Year ended March 31, 2019

(₹ in Lakhs)

	Particulars	Note No.	Year Ended March 31, 2019	Year Ended March 31, 2018
I	**INCOME**			
	Revenue from operations	19	7,658.17	7,239.10
	Other Income	20	1,461.36	1,806.28
	Total income		**9,119.53**	**9,045.38**
II	**EXPENSES**			
	(a) Purchases of Stock-in-trade		7,280.40	6,952.35
	(b) Changes in inventories of Stock-in-Trade	21	(319.86)	(210.89)
	(c) Employee benefit expense	22	591.17	601.57
	(d) Finance costs	23	801.92	1,115.54
	(e) Depreciation and amortisation expense	3 & 4	319.02	279.91
	(f) Other expenses	24	1,285.19	1,158.10
	Total Expenses		**9,957.84**	**9,896.58**
III	**(Loss) before exceptional items and tax**		**(838.32)**	**(851.20)**
IV	**Exceptional Items**		**-**	**-**
V	**(Loss) before tax**		**(838.32)**	**(851.20)**
VI	**Tax Expense**	25		
	(a) Current tax		-	-
	(b) Deferred tax		(302.50)	(247.20)
	Total Tax Expense		**(302.50)**	**(247.20)**
VII	**(Loss) for the year**		**(535.82)**	**(603.99)**
VIII	**Other comprehensive income**			
	A (i) Items that will not be reclassified subsequently to profit or loss			
	Remeasurement of the net defined benefit plans		1.23	2.63
	Income tax relating to items that will not be reclassified to profit or loss		(0.41)	(0.88)
	B Items that will be reclassified subsequently to profit or loss			
IX	**Total comprehensive income for the year**		**(535.00)**	**(602.24)**
X	**Earnings per equity share : (In Rupees)**	26		
	(1) Basic (Face Value of ₹ 2/- each)		(1.43)	(1.61)
	(2) Diluted (Face Value of ₹ 2/- each)		(1.43)	(1.61)
	Basis of preparation, measurement and significant accounting policies	2		

The accompanying notes are integral part of these Financial Statements.

As per our report of even date attached
For Khandelwal Jain & Co.
Chartered Accountants
Firm Reg. No. 105049W

Narendra Jain
Partner
Membership No. 048725
Mumbai, dated August 13, 2019

Parind Badshah
Vice President & Company Secretary

N. K. Deora
Sr. Vice President & Chief Financial Officer

For and on behalf of the Board of Directors
V. K. Jatia
Chairman & Managing Director

Directors
A. Didwania **S. D. Israni**
K. Kalyaniwalla

Mumbai, dated August 13, 2019

Statement of Cash Flows for the Year ended March 31, 2019

(₹ in Lakhs)

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Cash flows from operating activities		
Loss before tax for the year	(838.32)	(851.20)
Adjustments for:		
Interest Expense	43.44	36.65
Unwinding of Finance costs relating to valuations of Security Deposit	758.48	1,078.88
Real Estate income on fair valuation of security deposit	(964.35)	(1,131.72)
Interest income recognised in profit or loss	(201.62)	(183.32)
Interest on financial Assets at Amortised Cost	(5.16)	(3.22)
Dividend income	(41.56)	(52.24)
Investment income recognised in profit or loss	(53.87)	(299.86)
Gain on disposal of property, plant and equipment	0.76	(17.40)
Profit on sale of Rights in property	-	(5.73)
Net (gain)/loss arising on financial assets mandatorily measured at fair value through profit or loss	(80.82)	(44.51)
Provision no longer required	(3.64)	(0.90)
Provision for doubtful debts and advances	86.04	294.37
Depreciation and amortisation of non-current assets	319.02	279.90
	(981.58)	**(900.31)**
Movements in working capital:		
(Increase)/decrease in trade receivables	(14.09)	(826.87)
(Increase)/decrease in inventories	(319.86)	(210.89)
(Increase)/decrease in Other receivable	(116.22)	8.96
(Increase)/decrease in other assets	11.20	(39.46)
Increase/(decrease) in trade and other payables	(49.35)	1,027.32
Increase/(decrease) in provisions	14.92	23.71
Increase in Security Deposit received	(0.00)	8,300.00
(Decrease)/increase in financial and non financial liabilities	(25.32)	15.35
Cash generated from operations	**(1,480.29)**	**7,397.80**
Income taxes paid	(30.24)	13.40
Net cash (used in)/generated from operating activities	**(1,510.53)**	**7,411.20**
Cash flows from investing activities		
Proceeds from disposal of property, plant and equipment	2.12	60.72
Payments for property, plant and equipment	(265.74)	(135.76)
Payments for Intangible assets	(0.57)	(3.31)
Proceeds from sale of Rights in property	-	5.73
Interest received	181.50	162.37
Dividends received from Subsidiary	19.00	20.61
Other dividends received	22.56	31.63
Investment in subsidiary companies	(158.96)	-
Proceeds/(Payments) for purchase of current and non current investments (Net)	1,878.06	(6,922.09)
Fixed Deposit with Banks	(6.95)	(2.60)
Other Loans Given	(0.80)	-
Inter corporate Deposit given	(54.58)	(215.94)
Net cash (used in)/generated from investing activities	**1,615.64**	**(6,998.64)**
Cash flows from financing activities		
(Repayment) / Proceeds from Current borrowings (Net)	-	(100.00)
(Repayment) / Proceeds from Non-Current borrowings (Net)	150.11	8.49
Dividend paid (including DDT)	(134.93)	(129.09)
Interest paid	(43.44)	(36.43)
Net cash (used in)/generated from financing activities	**(28.25)**	**(257.03)**
Net increase in cash and cash equivalents	**76.86**	**155.53**
Cash and cash equivalents at the beginning of the year	(546.52)	(702.05)
Cash and cash equivalents at the end of the year	**(469.66)**	**(546.52)**
Cash and cash equivalents as per Balance Sheet (Note 9)	26.36	56.91
Loans repayable on demand	(496.02)	(603.43)
	(469.66)	**(546.52)**

The accompanying notes are integral part of these Financial Statements.

As per our report of even date attached
For Khandelwal Jain & Co.
Chartered Accountants
Firm Reg. No. 105049W

Narendra Jain
Partner
Membership No. 048725

Mumbai, dated August 13, 2019

Parind Badshah
Vice President & Company Secretary

N. K. Deora
Sr. Vice President & Chief Financial Officer

For and on behalf of the Board of Directors
V. K. Jatia
Chairman & Managing Director

Directors
A. Didwania **S. D. Israni**
K. Kalyaniwalla

Mumbai, dated August 13, 2019

Statement of changes in Equity for the year ended March 31, 2019

A. Equity Share Capital

	Equity Shares of ₹. 2/- each	₹ in Lakhs
Paid up Capital at April 1, 2017	**3,75,42,750**	**750.86**
Changes during the year	-	-
Balance as at March 31, 2018	**3,75,42,750**	**750.86**
Changes during the year	-	-
Balance as at March 31, 2019	**3,75,42,750**	**750.86**

B. Statement of Changes in Equity for the year ended March 31, 2019

	Reserves and Surplus					
	Capital Reserve	General Reserve	Capital Redemption Reserve	Retained Earnings	Common Control Transactions Capital Reserve	**Total**
Balance as at 1st April 2017 (A)	231.44	317.59	8.91	2,179.54	(6.51)	2,730.96
Additions during the year						-
Loss for the year				(603.99)		(603.99)
Other Comprehensive income for the year				1.75		1.75
Total Comprehensive income for the year (B)	-	-	-	**(602.24)**		**(602.24)**
Reduction during the year						
Dividend on Equity Shares				(112.63)		(112.63)
Dividend Distribution Tax				(19.06)		(19.06)
Total (C)	-	-	-	(131.69)		(131.69)
Balance as at 31st March 2018 (D) = (A+B+C)	231.44	317.59	8.91	1,445.60	(6.51)	1,997.03
Balance as at 1st April 2018 (A)	231.44	317.59	8.91	1,445.60	(6.51)	1,997.03
Additions during the year						
Loss for the year				(535.81)		(535.81)
Other Comprehensive income for the year				0.82		0.82
Total Comprehensive income for the year (B)	-	-	-	(535.00)	-	(535.00)
Reduction during the year						
Dividend on Equity Shares				(112.63)		(112.63)
Dividend Distribution Tax				(19.25)		(19.25)
Total (C)	-	-	-	(131.87)	-	(131.87)
Balance as at 31st March 2019 (D) = (A+B+C)	231.44	317.59	8.91	778.73	(6.51)	1,330.16

The accompanying notes are integral part of these Financial Statements.
As per our report of even date attached
For Khandelwal Jain & Co.
Chartered Accountants
Firm Reg. No. 105049W

Narendra Jain
Partner
Membership No. 048725
Mumbai, dated August 13, 2019

Parind Badshah
Vice President & Company Secretary

N. K. Deora
Sr. Vice President & Chief Financial Officer

For and on behalf of the Board of Directors
V. K. Jatia
Chairman & Managing Director

Directors
A. Didwania **S. D. Israni**
K. Kalyaniwalla

Mumbai, dated August 13, 2019

Notes to the standalone financial statements for the year ended March 31, 2019

1. COMPANY INFORMATION:

Modern India Limited ('the Company') is a public limited Company domiciled in India and is incorporated under the provisions of the Companies Act, applicable in India. The Registered office of the Company and its principal place of business is located at 1, Mittal Chambers, 228, Nariman Point, Mumbai - 400 021. The Company is listed on Bombay Stock Exchange (BSE). The Company is operating in Real Estate, Trading and Renewable Energy.

The financial statements of the Company for the year ended 31st March, 2019 were approved for issue in accordance with a resolution of the Board of Directors on 30th May, 2019. Subsequent to this but before adoption of accounts in annual general meeting, the National Company Law Tribunal (NCLT), vide order dated July 11, 2019, has approved the Scheme of amalgamation of Modern India Free Trade Warehousing Private Limited ("MIFTWPL" or "transferor Company-1") and Modern India Property Developers Limited ("MIPDL" or "transferor Company-2), wholly owned subsidiaries with the Company ("transferee Company") and the certified copy of the Order approving the said Scheme has been filed with the Registrar of Companies on August 7, 2019. The appointed date of the said Scheme was April 1, 2018. Accordingly, the company has restated the earlier issued standalone financial statements by giving necessary effect of the aforesaid Scheme.

2. SIGNIFICANT ACCOUNTING POLICIES:

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

2.1 (a) Statement of Compliance

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with of the Companies (Indian Accounting Standards) Rules,2015 as amended and other relevant provisions of the Act.

(b) Basis of Preparation

The financial statements have been prepared and presented under the historical cost convention, on accrual basis of accounting and going concern basis except for certain financial assets and financial liabilities that are measured at fair values at the end of each reporting period, as stated in the accounting policies set out below. The accounting policies are applied consistently to all the periods presented in the financial statements. All assets and liabilities have been classified as current or non current as per the Company's normal operating cycle and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013. Based on the nature of products and the time between acquisition of assets and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and non current classification of assets and liabilities.

The financial statements are presented in INR and all amounts disclosed in the financial statements and notes have been rounded to the nearest Lakhs (INR 00,000), as per the requirement of Schedule III, unless otherwise stated.

2.2 Current versus non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle (not exceeding twelve months) and other criteria set out in the Schedule III to the Act.

Deferred tax assets and liabilities are classified as non-current assets and liabilities. The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

2.3 Key Accounting Estimates and Judgements:

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

Information about critical judgements in applying accounting policies, as well as estimates and assumptions that have the significant effect to the carrying amounts of assets and liabilities within the next financial year, are included in the following notes:

(a) Measurement of defined benefit obligations - Note 29

(b) Measurement and likelihood of occurrence of provisions and contingencies - Note 27

(c) Recognition of deferred Tax Assets / Liabilities - Note 25

(d) Key assumptions used in discounted cash flow projections

(e) Impairment of Assets / Intangibles

(f) Key assumptions used in repayment of deposits - Note 15(a)

2.4 SIGNIFICANT ACCOUNTING POLICIES

(a) Property, Plant & Equipment:

Property, Plant and equipment is stated at acquisition cost net of accumulated depreciation and accumulated impairment losses, if any. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the Statement of Profit and Loss during the period in which they are incurred.

Gains or losses arising on retirement or disposal of Property, Plant and Equipment are recognized in the Statement of Profit and Loss.

Property, plant and equipment which are not ready for intended use as on the date of the Balance Sheet are disclosed as "Capital Work-in-progress".

Depreciation is provided on a pro-rata basis on the Written Down Value method based on estimated useful life prescribed under Schedule II to the Companies Act, 2013 with the exception of the following:

(i) Some of Plant and equipment of Renewable Energy are depreciated over 20 years based on the manufacturers warranty and evaluation done by the management.

(ii) Assets costing Rs. 5,000/- or less are fully depreciated in the year of purchase.

Freehold Land is not depreciated / amortized.

The estimated useful lives, residual values and method of depreciation of property, plant and equipment is reviewed at each financial year end taking into account commercial and technological obsolescence as well as normal wear and tear and adjusted prospectively, if appropriate.

Upon first-time adoption of Ind AS, the Company has elected to measure all its property, plant and equipment at the Previous GAAP carrying amounts as its deemed cost on the date of transition to Ind AS i.e. 1st April, 2016.

(b) Investment Property:

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its investment property recognised as at April 1, 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the investment property.

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Company, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred.

Investment properties are depreciated using the straight line method over their estimated useful lives which is 60 years.

(c) Intangible Assets:

Intangible Assets are stated at acquisition cost, net of accumulated amortisation and accumulated impairment loss, if any.

Transition to Ind AS:

On transition to Ind AS, the Company has elected to continue with the carrying value of all of intangible assets recognised as at April 1, 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of intangible assets.

Amortisation

Intangible assets comprise of Brands / Trademarks and Computer Software. Intangible assets are amortised over the useful life of 3 years. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

(d) Impairment of assets:

Intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount

may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

(e) Revenue recognition:

Revenue is recognized when it is probable that economic benefits associated with a transaction flows to the Company in the ordinary course of its activities and the amount of revenue can be measured reliably regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment excluding taxes or duties collected on behalf of the government net of returns, trade discounts and volume rebates allowed by the Company.

Revenue includes only the gross inflows of economic benefits, received and receivable by the Company, on its own account. Amounts collected on behalf of third parties such as sales tax and value added tax are excluded from revenue.

Sale of products:

Revenue from the sale of products is recognized when the Company transfers all significant risks and rewards of ownership of the goods to the buyer, while the Company retains neither continuing managerial involvement nor effective control over the products sold. Revenue from the sale of goods measured at fair value of consideration receive or receivable, net of returns and allowances, made discounts and volume rebates. sales includes exise duty recoverable. Liquideted damages are accounted for as and when are they are asserted.

Renewable Energy Generation is recognized at the time of supply of electricity to the Contracted Customer. Revenue from Renewable Energy Certificates is recognized at the time of Sale.

The Company has adopted Ind AS 115 'Revenue from Contracts with Customers' with the date of initial application being April 1, 2018. Ind AS 115 establishes a comprehensive framework on revenue recognition. Ind AS 115 replaces Ind AS 18 'Revenue' and Ind AS 11 'Construction Contracts'. The application of Ind AS 115 did not have material impact on the financial statements.

Sales of flats

Sales of flats are accounted at contracted rate on handing over the possession.

Rendering of services:

Revenue from services is recognized when the stage of completion can be measured reliably. Stage of completion is measured by the services performed till Balance Sheet date as a percentage of total services contracted. Revenue is recorded exclusive of taxes.

Interest and dividends:

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset

to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

Dividends are recognised in the Statement of Profit and Loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

(f) Inventories:

Inventories are valued as under:

(i)	Trading Goods	:	At lower of Cost and Net Realizable Value
(ii)	Stores / Consumables	:	At lower of Cost and Net Realizable Value
(iii)	Real Estate Business	:	
	(a) Land & Structures	:	At lower of Book and Net Realizable Value
	(b) Land & Structures - Acquired	:	At lower of Cost and Net Realizable Value
	(c) Land	:	At lower of Book and Net Realizable Value
(iv)	Renewable Energy Certificates	:	At Net Realizable Value

Cost comprise all cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost formulae used are 'First-in-First-out'. Due allowance is estimated and made for defective and obsolete items, wherever necessary. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

(g) Trade Receivables:

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method less provision for impairment.

(h) Cash and Cash equivalents:

Cash and Cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. These do not include bank balances earmarked/restricted for specific purposes.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

(i) Financial Instruments:

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

(A) Financial Assets:

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame are recognized on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement:

For purposes of subsequent measurement, financial assets are classified in following categories based on business model of the entity:• Debt instruments at amortized cost • Debt instruments at fair value through other comprehensive income (FVTOCI) • Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL) • Equity instruments measured at fair value through profit and loss (FVTPL)

Debt instruments at amortized cost A 'debt instrument' is measured at the amortized cost if both the following conditions are met:a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding. After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method.

Debt instrument at FVTOCI A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and b) The asset's contractual cash flows represent SPPI Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On derecognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method. The Company has not designated any debt instrument as at FVOCI.

Debt instrument at FVTPL Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any debt instrument as at FVTPL.Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

Equity investments (Other than investment in subsidiary)

The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments continue to be recognised in profit or loss as other income when the Company's right to receive payments is established. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.Changes in the fair value of financial assets at fair value

through profit or loss are recognised in other income in the statement of profit and loss.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L. The Company has elected to measure equity instruments at FVTPL.

Investments in Mutual Funds Investments in mutual funds are measured at fair value through profit or loss (FVTPL).

Equity Investments (in subsidiary)

Investment in subsidiary is carried at cost less accumulated impairment losses, if any, in accordance with the option available in Ind AS 27, 'Separate Financial Statements'. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. The accounting policy on impairment of non-financial assets is disclosed in Note 2.4(d). On disposal of investments in subsidiary, the difference between net disposal proceeds and the carrying amounts are recognized in the statement of profit and loss.

Transition to Ind AS Upon first-time adoption of Ind AS, the Company has elected to measure its investments in subsidiaries at the Previous GAAP carrying amount as its deemed cost on the date of transition to Ind AS i.e., 1st April,2016.

Derecognition:

A financial asset is de-recognized only when - The Company has transferred the rights to receive cash flows from the financial asset or - Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients. Where the Company has transferred an asset, it evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is de-recognized.Where the Company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is de-recognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

Impairment of financial assets In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of Impairment loss on the following financial assets:A. Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 115.The Company follows 'simplified approach' for recognition of impairment loss allowance on:Trade receivables or contract revenue receivables; &All lease receivables resulting from transactions within the scope of Ind AS 17 ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L).

(B) Financial Liabilities

Financial liabilities and equity instruments issued by the company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Initial recognition and measurement Financial liabilities are recognised when the company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortised cost

unless at initial recognition, they are classified as fair value through profit and loss.

Subsequent measurement Financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the statement of profit and loss.

Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial period which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortised cost using the effective interest method.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

(j) Fair Value:

The Company measures financial instruments at fair value in accordance with the accounting policies mentioned above. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the assets or liabilities, or

- In the absence of a principal market, in the most advantageous market for the asset or liability.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy that categorizes into three levels, described as follows, the inputs to valuation techniques used to measure value. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 inputs) and the lowest priority to unobservable inputs (Level 3 inputs).

Level 1 — quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3 — inputs that are unobservable for the asset or liability

For assets and liabilities that are recognized in the financial statements at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization at the end of each reporting period and discloses the same.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

(k) Leases

As a lessee

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to statement of profit and loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

As a lessor

Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases.

(l) Foreign Currency Translation and Transactions

(i) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian currency (INR), which is the Company's functional and presentation currency

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the period end exchange rates are recognised in profit or loss.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equity instruments held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equity investments classified as FVOCI are recognised in other comprehensive income.

(m) Dividend

Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

(n) Income Taxes

Tax expense is the aggregate amount included in the determination of profit or loss for the period in respect of current tax and deferred tax.

Current tax:

Current tax is the amount of income taxes payable in respect of taxable profit for a period. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible under the Income Tax Act, 1961.

Current tax is measured using tax rates that have been enacted by the end of reporting period for the amounts expected to be recovered from or paid to the taxation authorities.

Deferred tax:

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit under Income Tax Act, 1961.

Deferred tax liabilities are generally recognized for all taxable temporary differences. However, in case of temporary differences that arise from initial recognition of assets or liabilities in a transaction (other than business combination) that affect neither the taxable profit nor the accounting profit, deferred tax liabilities are not recognized. Also, for temporary differences if any that may arise from initial recognition of goodwill, deferred tax liabilities are not recognized.

Deferred tax assets are generally recognized for all deductible temporary differences to the extent it is probable that taxable profits will be available against which those deductible temporary difference can be utilized. In case of temporary differences that arise from initial recognition of assets or liabilities in a transaction (other than business combination) that affect neither the taxable profit nor the accounting profit, deferred tax assets are not recognized.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow the benefits of part or all of such deferred tax assets to be utilized.

Deferred tax assets and liabilities are measured at the tax rates that have been enacted or substantively enacted by the Balance Sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognised as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with asset will be realised.

Presentation of current and deferred tax:

Current and deferred tax are recognized as income or an expense in the Statement of Profit and Loss, except when they relate to items that are recognized in Other Comprehensive Income, in which case, the current and deferred tax income/expense are recognized in Other Comprehensive Income.

The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. In case of deferred tax assets and deferred tax liabilities, the same are offset if the Company has a legally enforceable right to set off corresponding current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority on the Company.

(o) Provisions and Contingent Liabilities and contingent Assets

The Company recognizes provisions when a present obligation (legal or constructive) as a result of a past event exists and it is probable that an outflow of resources embodying economic benefits will be required to settle such obligation and the amount of such obligation can be reliably estimated.

If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

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

Contingent assets are not disclosed in the financial statements unless an inflow of economic benefits is probable.

(p) Employee benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

(ii) Other long-term employee benefit obligations

The liabilities for earned leave which is expected to be utilised within next twelve months, are treated as short-term employee benefit. Leave entitlement, other than short term compensated absences, are provided based on a actuarial valuation, similar to that of gratuity benefit. Remeasurement as a result of experience adjustments and changes in actuarial assumptions are recognised in the Statement of Profit and Loss.

(iii) Post-employment obligations

The Company operates the following post-employment schemes:(a) defined benefit plans such as gratuity; and(b) defined contribution plans such as provident fund.

Gratuity obligations

The liability or asset recognised in the balance sheet in respect of defined benefit pension and gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Defined Contribution Plans

Contributions to defined contribution schemes such as employees' state insurance and labour welfare fund are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees. Company's provident fund contribution is made to a government administered fund and charged as an expense to the Statement of Profit and Loss. The above benefits are classified as Defined Contribution Schemes as the Company has no further defined obligations beyond the monthly contributions.

Termination benefits

Termination benefits are recognized as an expense in the period in which they are incurred.

(q) Borrowings:

Borrowings are initially recognised at net of transaction costs incurred and measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Statement of Profit and Loss over the period of the borrowings using the effective interest method.

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs, if any, directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized, if any. All other borrowing costs are expensed in the period in which they occur.

(r) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM) of the Company. The CODM is responsible for allocating resources and assessing performance of the operating segments of the Company.

(s) Cash Flow Statement

Cash flows are reported using the indirect method. The cash flows from operating, investing and financing

activities of the Company are segregated.

(t) Business combinations

Business Combination under Common control

A business combination involving entities or businesses under common control is a business combination in which all of the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination and the control is not transitory. The transactions between entities under common control are specifically covered by Appendix C to Ind AS 103 and are accounted for using the pooling-of-interest method as follows:- The assets and liabilities of the combining entities are reflected at the carrying amounts.- No adjustments are made to reflect fair values, or recognize new assets or liabilities. Adjustments are made to harmonize significant accounting policies.- The financial information in the financial statements in respect of prior periods is restated as if the business combination has occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination.

The balance of the retained earnings appearing in the financial statements of the transferor is aggregated with the corresponding balance appearing in the financial statements of the transferee. The identity of the reserves is preserved and the reserves of the transferor become the reserves of the transferee.The difference, if any, between the investment in the financial statements of the Transferee Company in the Transferor Companies and the amount of paid-up share capital of the Transferor Companies respectively, is adjusted against the Capital Reserves and will be transferred to Common Control Transactions Capital Reserve (separately from other capital reserves).

(u) Earnings Per Share (EPS):

Basic Earnings per share amounts are calculated by dividing the profit / (loss) for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders adjusted for the effects of potential equity shares by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

(v) Offsetting Financial Instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis to realise the assets and settle the liabilities simultaneously.

(w) Events after Reporting date

Where events occurring after the Balance Sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the Balance Sheet date of material size or nature are only disclosed.

(x) Recent accounting pronouncements

Application of new and revised Ind AS's

(a) Ind AS 116 – Leases

On 30th March 2019, the Ministry of Corporate Affairs (MCA) notified Ind AS 116, Leases as part of the Companies (Indian Accounting Standards) Amendment Rules, 2019. Ind AS 116 replaces existing standard on leases i.e. Ind AS 17, Leases with effect from accounting periods beginning on or after 1 April 2019.

Ind AS 116 will affect primarily the accounting by lessees and will result in the recognition of almost all leases on balance sheet. The standard removes the current distinction between operating and finance leases and requires recognition of the right-of-use asset and a lease liability to pay rentals for virtually all lease contracts. An optional exemption exists for short-term and low-value leases.

Where a contract meets Ind AS 116's definition of a lease, lease agreements will give rise to the recognition of a non-current asset representing the right to use the leased item, and a lease liability for future lease payables.

In the Statement of Profit and Loss, lessees will have to present interest expense on the lease liability and depreciation on the right-of-use asset. In the cash flow statement, cash payments for the principal portion of the lease liability and its related interest are classified within financing activities. Payments for short-term leases, leases of low-value assets and variable lease payments not included in the measurement of the lease liability are presented within operating activities.

The Company is in the process of evaluating the impact of adoption of Ind AS 116 on its financial statements and will accordingly consider the same from period beginning April 1, 2019.

(b) Other amendments

On March 30, 2019, the Ministry of Corporate Affairs (MCA) notified certain other amendments to Indian Accounting Standards (Ind AS), as below, as part of the Companies (Indian Accounting Standards) Second Amendment Rules, 2019. These other amendments come into force on 1 April 2019.

(i) Appendix C, 'Uncertainty over Income Tax Treatments', to Ind AS 12, 'Income Taxes' - The appendix explains how to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates.

(ii) Plan Amendment, Curtailment or Settlement – Amendments to Ind AS 19, 'Employee Benefits' - The amendments to Ind AS 19 clarify the accounting for defined benefit plan amendments, curtailments and settlements. The Company must:· calculate the current service cost and net interest for the remainder of the reporting period after a plan amendment, curtailment or settlement by using the updated assumptions from the date of the change;· any reduction in a surplus should be recognised immediately in profit or loss either as part of past service cost, or as a gain or loss on settlement. In other words, a reduction in a surplus must be recognised in profit or loss even if that surplus was not previously recognised because of the impact of the asset ceiling; and· separately recognise any changes in the asset ceiling through other comprehensive income.

(iii) Ind AS 12, 'Income Taxes' - The amendment clarifies that an entity shall recognize the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognized those past transactions or events.

(iv) Ind AS 23, 'Borrowing Costs' - The amendments clarify that if a specific borrowing remains outstanding after the related qualifying asset is ready for its intended use or sale, it becomes part of general borrowings.

The effective date for adoption of amendments as per Companies (Indian Accounting Standards) Second Amendment Rules, 2019 is annual periods beginning on or after April 1, 2019. The Company will adopt the standard on April 1, 2019 and is in the process of evaluating the impact on account of above amendment on its financial statements and will accordingly consider the same from period beginning April 1, 2019.

Notes to the Financial Statements for the Year ended March 31, 2019

Note No. 3 (a) - Property, Plant & Equipment's - Tangible Assets

(₹ in Lakhs)

Description of Assets	Land Freehold	Buildings	Plant and Equipment	Furniture and Fixtures	Vehicles	Total	Capital Work-in-Progress
Gross Carrying amount							
Balance as at 31st March, 2017	**55.32**	**51.26**	**1,863.34**	**54.75**	**111.74**	**2,136.41**	**348.89**
Additions	234.18	94.66	18.26	8.62	110.42	466.13	7.00
Disposals	-	-	361.14	-	9.06	370.19	-
Balance as at 31 March, 2018	**289.50**	**145.92**	**1,520.46**	**63.36**	**213.10**	**2,232.34**	**355.89**
Additions	-	30.95	5.54	0.06	204.55	241.10	9.98
Disposals	-	-	-	-	17.24	17.24	-
Balance as at 31st March, 2019	**289.50**	**176.87**	**1,526.00**	**63.42**	**400.42**	**2,456.21**	**365.87**
Accumulated Depreciation							
Balance as at 31st March, 2017	-	15.36	238.98	14.15	35.53	**304.02**	-
Depreciation / amortisation							
expense for the year	-	10.38	203.70	12.72	48.79	275.59	-
Depreciation on Disposal	-	-	323.53	-	3.34	326.87	-
Balance as at 31 March, 2018	**-**	**25.74**	**119.15**	**26.87**	**80.97**	**252.74**	**-**
Depreciation / amortisation							
expense for the year	-	14.48	212.27	9.45	73.14	309.35	-
Depreciation on Disposal	-	-	-	-	14.36	14.36	-
Balance as at 31st March, 2019	**-**	**40.22**	**331.42**	**36.33**	**139.76**	**547.73**	**-**
Net Carrying amount							
Balance as at 31 March, 2018	**289.50**	**120.18**	**1,401.31**	**36.49**	**132.13**	**1,979.60**	**355.89**
Balance as at 31st March, 2019	**289.50**	**136.65**	**1,194.58**	**27.10**	**260.66**	**1,908.48**	**365.87**

* includes Plant, Office Equipments and Computers

Note No. 3 (b) - Investment Property

(₹ in Lakhs)

	Description of Assets	Building	Land	Total
I.	**Gross Carrying Amount**			
	Balance as at 31st March, 2017	226.23	244.00	470.22
	Disposals	-	-	-
	Balance as at 31 March, 2018	226.23	244.00	470.22
	Addition	14.65		14.65
	Disposals	-	-	-
	Balance as at 31st March, 2019	240.88	244.00	484.88
II.	**Accumulated Amortization and impairment**			
	Balance as at 31st March, 2017	4.40		4.40
	Charge for the period	4.31		4.31
	Reversals/ Disposals during the period			
	Balance as at 31 March, 2018	8.72	-	8.72
	Charge for the period	2.91	-	2.91
	Reversals/ Disposals during the period			
	Balance as at 31st March, 2019	11.63	-	11.63
	Net Carrying value			
	Balance as at 31 March, 2018	217.51	244.00	461.51
	Balance as at 31st March, 2019	229.25	244.00	473.25

The Company's investment properties consist of one Residential Duplex Flat in India and Land pieces at Panvel, Raigad. Management determined that the investment properties consist of two class of assets ? "residential" and Agricultural Land ? based on the nature, characteristics and risks of each property.

The Company has no restrictions on the realisability of its investment properties and no contractual obligations to either purchase, construct or develop investment properties or for repairs, maintenance and enhancements.

Disclosures relating to Investment Property:

Particulars	**31.03.2019**	**31.03.2018**
Fair Value of the Building *	1,189.60	1,189.60
Fair Value of the Land*	660.45	660.45
Total	**1,850.05**	**1,850.05**
Rental Income	-	-
Direct Operating Expenses	6.14	5.77

* Valuations are based on Stamp Duty Ready Reckoner

Note No. 4 - Intangible Assets

(₹ in Lakhs)

	Description of Assets	Computer Software	Total
	Intangible Assets		
	Balance as at 31st March, 2017	0.61	0.61
	Additions	20.00	20.00
	Disposals	-	-
	Balance as at 31 March, 2018	**20.61**	**20.61**
	Additions	0.57	0.57
	Disposals	-	-
	Balance as at 31st March, 2019	**21.17**	**21.17**
II.	**Accumulated depreciation and impairment**		
	Balance as at 31st March, 2017	**0.61**	**0.61**
	Additions	-	-
	Disposal	-	-
	Balance as at 31 March, 2018	**0.61**	**0.61**
	Additions	6.76	6.76
	Disposal	-	-
	Balance as at 31st March, 2019	**7.37**	**7.37**
	Net carrying amount		
	Balance as at 31 March, 2018	**20.00**	**20.00**
	Balance as at 31st March, 2019	**13.80**	**13.80**

Financial Assets:

Note No. 5 (a) - Investments - Non Current **(₹ in Lakhs)**

Particular	As at March 31, 2019		As at March 31, 2018	
	QTY	Amounts	QTY	Amounts
A Investments in Subsidiaries at cost fully paid up (unquoted)				
i. Equity Instruments				
Modern International (Asia) Ltd. (Equity Shares of HKD 1/- each)	9,994,000	553.89	9,994,000	553.89
Verifacts Services Pvt. Ltd. (Equity Shares of ₹ 10/- each)	500,000	3,062.36	380,000	2,912.36
Total Unquoted Investments in Subsidiaries		**3,616.25**		**3,466.25**
B. Other Investments At Cost fully paid up				
The Shamrao Vithal Co-op Bank Ltd. of ₹ 25/- each	20,000	5.00	20,000	5.00
Investment in LLP (50%)	-	2.26	-	-
		7.26		**5.00**
INVESTMENTS CARRIED AT COST [A+B]		**3,623.51**		**3,471.25**
C. Investment in Debentures & Bonds				
Quoted				
At Amortised Cost				
Laxmi Vilas Bank Tier II Bonds Series X of ₹ 5,00,000/- each	40	200.00	40	200.30
SREI Equipment Finance Ltd of ₹ 1,000/- each	10000	100.00	10,000	100.00
IndusInd Bank of ₹ 10,00,000/- each	10	99.55	-	-
Yes Bank of ₹ 10,00,000/- each	15	149.09	-	-
TOTAL INVESTMENTS CARRIED AT AMORTISED COST [C]		**548.65**		**300.30**
D. Investments stated at Fair Value Through Profit and Loss				
(i) Quoted Investments				
Investments in Equity Instruments				
Quoted Investments in Equity Instruments		**1,041.38**		**1,100.10**
Investments In other Instruments				
IRB Invit Fund	435,000	290.10	385,000	315.89
India Grid Trust	229,635	187.73	229,635	217.69
Quoted Investments in Other Instruments		**477.83**		**533.59**
Total Aggregate Quoted Investments (i)		**1,519.21**	**-**	**1,633.69**
Unquoted Investments in Other Instruments				
CreditWatch Information Analytics P Ltd (CCPS of ₹ 1/- each)	30,750	375.00	**-**	-
Unquoted Investments in Other Instruments		**375.00**		**-**
(ii) Unquoted Investments				
In Units of Mutual Funds / Other Funds				
Avendus Absolute Return Fund		-		1,041.72
Unquoted Investments in Mutual Funds / Other Funds (ii)		**4,048.14**		**4,702.57**
INVESTMENTS CARRIED AT FVTPL [D]=(i)+(ii)		**5,942.35**		**6,336.26**
TOTAL INVESTMENTS [A+B+C+D]		**10,114.50**		**10,107.81**
Other disclosures				
Aggregate amount of quoted investments		2,067.86		1,933.99
Aggregate amount of Market value of quoted investments		2,060.00		1,934.66
Aggregate amount of unquoted investments		8,046.65		8,173.82
Aggregate amount of impairment in value of investments		-	-	-

Note No. 5 (b) - Investment - Current **(₹ in Lakhs)**

Particular	As at March 31, 2019		As at March 31, 2018	
	QTY	Amounts	QTY	Amounts
Investments - Unquoted				
In Units of Mutual Funds				
At Fair value through Profit and Loss				
Unquoted Investments in Mutual Fund Units		**523.30**		**2,118.21**
INVESTMENTS CARRIED AT FVTPL		**523.30**		**2,118.21**
TOTAL INVESTMENTS CARRYING VALUE		**523.30**		**2,118.21**
Other disclosures				
Aggregate amount of quoted investments		**-**		
Aggregate amount of unquoted investments		**523.30**		**2,118.21**

Note No. 6 (a):- Other Financial Assets - Non current **(₹ in Lakhs)**

Particulars	As at March 31, 2019	As at March 31, 2018
Financial assets carried at amortised cost		
Other items - unsecured considered good		
Security Deposits	310.08	303.40
Application Money Paid towards Securities	100.00	-
TOTAL	**410.08**	**303.40**

Note No. 6 (b) :- Other Assets - Non current

Particulars	As at March 31, 2019	As at March 31, 2018
Others - Unsecured considered good		
Expenses on Project under implementation	169.69	108.21
Other Advances	-	100.00
TOTAL	**169.69**	**208.21**

Note No. 7 :- Inventories (As taken, valued and certified by the management)
Refer Note 2.4 (f) for Accounting Policy on Inventories

Particulars	As at March 31, 2019	As at March 31, 2018
Stock-in-trade of goods acquired for trading	7.42	6.40
Traded Goods		
Real Estate Business:		
(i) Land & Structures - Refer Note 21	1,343.38	947.87
(ii) Land	214.67	214.67
Renewable Energy Certificates	-	76.67
TOTAL	**1,565.47**	**1,245.61**

Note No. 8 :- Trade receivables

Particulars	As at March 31, 2019	As at March 31, 2018
Trade receivables:		
Trade Receivables Considered Good - Secured	-	-
Trade Receivables Considered Good - Unsecured	2,530.64	2,572.60
Trade Receivables which have significant increase in Credit Risk	-	-
Trade Receivables - Credit Impaired	192.81	136.76
Less: Allowance for doubtful trade receivables	(192.81)	(136.76)
TOTAL	**2,530.64**	**2,572.60**

(i) An amount of ₹ 1,348.48 Lakhs (Net of ₹ 104.64 Lakhs recovered till date, ₹ 11.03 Lakhs received during the year) is outstanding as receivable in respect of Commodities Trading Transactions done on National Spot Exchange Limited (NSEL). The Company has filed a representative suit in the Hon'ble Bombay High Court for recovery of the same. Ministry of Corporate Affairs (MCA) had ordered merger of 63 Moons Technologies Limited with NSEL which has been set aside by the Hon'ble Supreme Court of India. In the meanwhile various decrees have been passed by the High Court of Bombay against defaulters, including sale of commodities and assets is also in process. Various agencies including Economic Offence Wing and Enforcement Directorate are also in process of liquidating assets of defaulters. However considering uncertainties involved in making any reliable estimate of amount recoverable, provision if any will be considered at an appropriate time on the basis of resultant outcome. Until then the dues are considered as good.

(ii) No Trade or other receivables are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member. Trade Receivable are generally non interest bearing and are generally on terms of 0 to 60 days of credit period.

Note No. 9 :- Cash and Cash Equivalent

Particulars	As at March 31, 2019	As at March 31, 2018
Balances with banks (of the nature of cash and cash equivalents):		
- Current Accounts	25.28	54.90
- Cash on hand	1.08	2.01
TOTAL	**26.36**	**56.91**

Note No. 10 :- Bank Balances other than cash and cash equivalents

Particulars	As at March 31, 2019	As at March 31, 2018
Earmarked balances with banks:		
Deposit with Bank under Lien	10.00	-
Unclaimed Dividend	20.40	23.46
TOTAL	**30.40**	**23.46**

Note No. 11 (a) :- Loans - Current

Particulars	As at March 31, 2019	As at March 31, 2018
Financial assets carried at amortised cost:		
- Loans Receivables considered good - Secured	57.75	94.12
(Secured against Equity Shares and Land)	-	-
- Loans Receivables considered good - Unsecured	380.59	319.63
- Loans Receivables which have significant increase in Credit Risk	-	-
- Loans Receivables - credit impaired	59.97	29.97
Less: Allowance for expected credit loss	(59.97)	(29.97)
	-	-
Loans to Employee	2.18	1.38
TOTAL	**440.51**	**415.13**
Name of the Company, Nature, Purpose		
Prabal Investrade Pvt. Ltd., Secured, Working Capital	117.72	124.09
Nine Globe Industry Pvt. Ltd. Unsecured, Working Capital	380.59	319.63

Note No. 11 (b) :- Other financial assets - Current

Particulars	As at March 31, 2019	As at March 31, 2018
Financial assets carried at amortised cost:		
Other receivable	9.54	-
Interest Receivable	47.02	26.91
TOTAL	**56.56**	**26.91**

Note No. 11 (c) :- Other Assets - Current

Particulars	As at March 31, 2019	As at March 31, 2018
(a) Advances to suppliers - refer note 38	484.07	478.06
(b) Balances with government authorities (other than income taxes)	61.77	24.68
(c) Prepaid Expenses	13.95	10.35
(d) Other Receivable	5.42	20.46
(e) Deferred Lease Prepaid Expenses	-	4.36
(f) Advance which have significant increase in Credit Risk	-	-
(g) Advance given - Credit Impaired	145.58	145.58
Less : Allowance for doubtful advance given	(145.58)	(145.58)
TOTAL	**565.22**	**537.90**

Note No. 12 :- Equity Share Capital

Particulars	As at March 31, 2019		As at March 31, 2018	
	QTY No. of shares	Amounts Amount	QTY No. of shares	Amounts Amount
Authorised:				
Equity Shares of ₹ 2/- each *	37,50,00,000	7,500.00	12,45,00,000	2,490.00
Preference Shares of ₹ 100/- each *	5,00,000	500.00	10,000	10.00
		8,000.00		**2,500.00**
Issued:				
Equity Shares of ₹ 2/- each	3,75,47,000	750.94	3,75,47,000	750.94
Subscribed and Fully Paid:				
Equity Shares of ₹ 2/- each	3,75,42,750	750.86	3,75,42,750	750.86
Forfeited Equity Shares - Amount originally Paid up(#)		0.00		0.00
Total		**750.86**		**750.86**

(#) represents amount less than one thousand

* The National Company Law Tribunal (NCLT), vide order dated July 11, 2019, has approved the Scheme of amalgamation of Modern India Free Trade Warehousing Private Limited ("MIFTWPL") and Modern India Property Developers Limited ("MIPDL"), wholly owned subsidiaries with the Company ("transferee Company") and the certified copy of the Order approving the said Scheme has been filed with the Registrar of Companies on August 7, 2019. The appointed date of the said Scheme was April 1, 2018. Also pursuant to the said scheme, the authorized share capital of the Company has increased to Equity Share Capital of ₹ 7500.00 Lakhs (Previous Year ₹ 2490.00 Lakhs) and Preference Share Capital increased to ₹ 500.00 Lakhs (Previous Year ₹ 10.00 Lakhs)

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

Equity Shares	**As at March 31, 2019**		**As at March 31, 2018**	
	QTY No. of Shares	**Amount**	**QTY No. of Shares**	**Amount**
Shares outstanding at the beginning of the year	3,75,42,750	750.86	3,75,42,750	750.86
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	3,75,42,750	750.86	3,75,42,750	750.86

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

The Company has only one class of Equity Shares having a par value of ₹2/- per Share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees and every equity share is entitled to the same rate of dividend. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts in proportion to their shareholding.

The Board of Directors, in their meeting on May 24, 2018, proposed a dividend of ₹ 0.30 per equity share which has been approved by the shareholders at the Annual General Meeting held on 10th August, 2018. The total dividend paid during the year ended March 31, 2018 amounts to ₹ 112.63 lakhs excluding dividend distribution tax (Net of credit in respect of taxes paid under section 115 O of the Income Tax Act, 1961 on dividend received from subsidiary Company) ₹19.25 Lakhs.

The Board of Directors in the meeting on May 30, 2019, have proposed a final dividend of ₹ 0.24 per equity shares for the Financial Year ended March 31, 2019. The proposal is subject to approval of the shareholders of the Company at the ensuing annual general meeting to be held and if approved would result in a cash outflow of approximately ₹ 90.10 lakhs excluding dividend distribution tax.

(c) The Company has not issued any equity shares as bonus or for consideration other than cash and has not bought back any shares during the period of five years immediately preceding March 31, 2019.

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

Class of shares / Name of shareholder	**As at March 31, 2019**		**As at** March 31, 2018	
	Number of shares held	**% holding in that class of shares**	Number of shares held	% holding in that class of shares
Equity Shares of ₹ 2/- each fully paid				
Shree Rani Sati Investment & Finance Ltd	82,99,108	22.11	82,99,108	22.11
Sarat Leasing & Finance Pvt. Ltd	77,07,500	20.53	77,07,500	20.53
F Pudumjee Investment Company Pvt. Ltd	57,72,008	15.37	57,72,008	15.37

Note No. 13 :- Other Equity

Refer Statement of Changes in Equity for detailed movement in Other Equity Balances

		As at March 31, 2019	As at March 31, 2018
(i)	Capital Reserve	231.44	231.44
(ii)	Capital Redemption Reserve	8.91	8.91
(iii)	Common Control Transactions Capital Reserve - refer note 38	(6.51)	(6.51)
(iii)	General Reserve	317.59	317.59
(iv)	Retained Earnings	778.73	1,445.60
		1,336.16	1,997.03

Capital Reserve: Balance represents reversal of unrealized difference between Fair Market Value and cost of Land converted into Stock-in-Trade and transferred from Capital Reserve to Profit & Loss Account during the Year ended March 31, 1996 .

General reserve: General Reserve is created out of the profits earned by the Company by way of transfer from retained earnings. This reserve will be utilized in accordance with the provisions of the Companies Act, 2013.

Common Control Transactions Capital Reserve : Common Control Transactions Capital Reserve is created on account of Amalgamation of subsidiary company.

Note No. 14 (a) :- Borrowings - Non current **(₹ in Lakhs)**

Particulars	As at March 31, 2019	As at March 31, 2018
Measured at amortised cost		
Secured Borrowings:		
Term Loans		
From Banks (*)	115.72	4.43
Total	**115.72**	**4.43**

(*) During the current financial year 2018-19, 4 car finance loans were taken from Bank repayable in 36 monthly instalments with interest @ 07.71% per annum and the last instalment is due in September - 2021. Also a car finance loan was taken from Bank repayable in 60 monthly instalments with interest @ 8.81% per annum and the last instalment is due in September - 2023. These loans are secured by hypothecation of specific Vehicles acquired.

Note No - 14 (b) : Borrowings - Current

	Particulars	As at March 31, 2019	As at March 31, 2018
A	**Secured Borrowings**		
	Loans repayable on demand		
	From Banks (#)	496.02	603.43
	Total Secured Borrowings	**496.02**	**603.43**

Secured by hypothecation of Investments in Units of Mutual Funds. The rate of Interest is in the range of 8.25% to 8.95% per annum.

Note No. 15 (a) :- Other Financial Liability - Non current

Particulars	As at March 31, 2019	As at March 31, 2018
Other non current financial liability		
(a) Security Deposits (*)	12,709.82	13,132.78
TOTAL	**12,709.82**	**13,132.78**

(*) Repayment of Security Deposits of ₹ 16,800.00 Lakhs (Fair Valued at ₹ 12,709.82 Lakhs) is dependent on development of some of the properties in Mumbai. The deposits do not carry any interest.

During the previous year, the Company had entered into an agreement for sale with K. Raheja Corp. Pvt. Ltd. ("Purchaser") for sale of its land admeasuring 12,601.99 Sq. Mtrs. or thereabouts being sub-divided Plot D-1, bearing C.S. No. 7/1895 of Byculla Division situated at Keshavrao Khadye Marg (Clerk Road) Mahalaxmi, Mumbai. The consideration receivable by Company from the purchaser for the said land shall be 50% of the realisations from the sale of approx. 3.80 Lakhs Sq. Ft. area to be developed on the aforesaid land as per present Development Regulations over a period of 5 to 6 years. Revenue will be recognized as per accounting policy stated in Note 2.4(e)

Note No. 15 (b) :- Other Financial Liability - Current

Particulars	As at March 31, 2019	As at March 31, 2018
(a) Current maturities of long-term debt (*)	42.88	4.05
(b) Unclaimed dividends (#)	20.40	23.46
(c) Security Deposits	1.35	7.68
(d) Liabilities for Expenses	70.11	101.96
TOTAL	**134.74**	**137.14**

(*) During the current financial year 2018-2019, 4 car finance loans were taken from Bank repayable in 36 monthly instalments with interest @ 07.71% per annum and the last instalment is due in September - 2021. Also a car finance loan was taken from Bank repayable in 60 monthly instalments with interest @ 08.81% per annum and the last instalment is due in September - 2023.These loans are secured by hypothecation of specific Vehicles acquired.

(#) There is no amount due and outstanding as at Balance Sheet date to be credited to Investors Education and Protection Fund.

Note No. 16 (a) :- Provisions - Non current

Particulars	As at March 31, 2019	As at March 31, 2018
Provision for employee benefits		
(a) Gratuity (Unfunded)	20.18	18.85
(b) Leave Encashment (Unfunded)	19.19	14.92
TOTAL	**39.36**	**33.77**

Note No. 16 (b) :- Provisions - Current 3,377,074

Particulars	As at March 31, 2019	As at March 31, 2018
Provision for employee benefits		
(a) Gratuity (Unfunded)	28.55	27.27
(b) Leave Encashment (Unfunded)	26.66	19.84
TOTAL	**55.21**	**47.11**

Note No. 17 (a) :- Other liability - Non current

Particulars	As at March 31, 2019	As at March 31, 2018
Deferred revenue on security deposit	2,411.74	2,132.41
TOTAL	**2,411.74**	**2,132.41**

Note No. 17 (b) :- Other liability - Current

Particulars	As at March 31, 2019	As at March 31, 2018
a. Income received in advance	3.62	2.48
b. Deferred revenue on security deposit	1,143.02	1,205.26
c. Statutory dues	2.67	4.01
d. Others	0.55	0.09
TOTAL	**1,149.87**	**1,211.85**

Note No. 18 :- Trade Payable

Particulars	As at March 31, 2019	As at March 31, 2018
Trade payable for goods & services	1,103.57	1,152.92
(Outstanding dues of other than Micro and Small Enterprises)		
TOTAL	**1,103.57**	**1,152.92**

There are no Micro and Small Enterprises to whom the Company owes dues, which are outstanding for more than 30 days as at the Balance Sheet date. Further, the Company has not paid any interest to any Micro and Small Enterprise during the accounting year, nor is any interest payable to any Micro and Small Enterprise as at 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 and relied upon by the Auditors.

Note No. 19 :- Revenue from Operations **(₹ in Lakhs)**

Particulars		Year Ended March 31, 2019	Year Ended March 31, 2018
(a)	Sale of Goods Traded	7,389.59	7,095.44
(b)	Revenue from Renewable Energy Generation	253.93	124.74
(c)	**Sale of Services:**		
	(i) Vocational Trainning Fees	0.63	0.57
	(ii) Income from Real Estate Business	1.50	2.40
(d)	**Other Operating Revenues**		
	Rent Income	12.52	15.96
TOTAL		**7,658.17**	**7,239.10**

Disclosure of Disaggregate revenue information and major customers as required under Ind AS 115 are given in Note 30.

Note No. 20 :- Other Income

Particulars		Year Ended March 31, 2019	Year Ended March 31, 2018
(a)	Interest Income on	**206.78**	**186.54**
	(1) Financial Assets at Amortised Cost	5.16	3.22
	(2) Loans and Others	201.62	183.32
(b)	Dividend Income	**41.56**	**52.25**
	(1) Dividend from Subsidiary	19.00	19.00
	(2) Others	22.56	33.25
(c)	Net Gain / (Loss) on sale of investments	53.87	299.86
(d)	Income from Business Support Services	78.00	53.00
(e)	Provision no longer required Written Back	3.64	0.90
(f)	Miscellaneous income	32.35	14.36
(g)	Profit on Sale of Fixed Assets (Net)	-	17.40
(h)	Profit on Sale of Rights in Property	-	5.73
(i)	Fair value gain on financial instruments at FVTPL	80.82	44.51
(j)	Real Estate Income on fair valuation of security deposit	964.35	1,131.72
TOTAL		**1,461.36**	**1,806.28**

Note No. 21 :- Changes in inventories of stock-in-trade

Particulars		Year Ended March 31, 2019	Year Ended March 31, 2018
Inventories at the end of the year:			
Trading Business			
	Traded Goods	7.42	6.40
Real Estate Business			
(i)	Land & Structure	**1,277.42**	**1,011.13**
	Less: Net impact due to Fair Value of Security Deposit	(535.41)	(329.55)
	Add: Expenses incurred during the year	601.37	266.29
		1,343.38	**947.87**
(ii)	Land	214.67	214.67
	Renewable Energy Certificates	-	76.67
		1,565.47	**1,245.61**

Inventories at the beginning of the year:			
Trading Business			
	Traded Goods	6.40	48.15
	Less: Transferred to Furniture & Fixtures	-	(8.53)
		6.40	**39.62**
Real Estate Business			
(i)	Land & Structure	1,277.42	1,011.13
	Less: Net impact due to Fair Value of Security Deposit	(329.55)	(276.71)
		947.87	**734.42**
(ii)	Land & Structure	-	328.84
	Less: Transferred to Land- Freehold	-	(234.18)
	Less: Transferred to Building	-	(94.66)
		-	**-**
(iii)	Land	214.67	212.30
	Store-	1.41	
	Renewable Energy Certificates	76.67	46.98
		1,245.61	**1,034.73**
Net increase /(decrease)		319.86	210.89

Note No. 22 :- Employee Benefits Expense

	Particulars	**Year Ended March 31, 2019**	**Year Ended March 31, 2018**
(a)	Salaries, wages and bonus	517.68	527.17
(b)	Contribution to provident and other funds	27.23	27.46
(c)	Gratuities	5.45	11.07
(d)	Directors Sitting Fees	27.60	24.64
(e)	Staff welfare expenses	13.21	11.22
	TOTAL	**591.17**	**601.57**

Note No. 23 :- Finance Cost

	Particulars	**Year Ended March 31, 2019**	**Year Ended March 31, 2018**
(a)	Interest expense	43.44	36.65
(b)	Unwinding of finance cost relating to fair valuation of security deposit (Reduction on account of estimates done in respect of repayment of interest free security deposits)	758.48	1,078.88
	TOTAL	**801.92**	**1,115.54**

Note No. 24 :- Other Expenses

	Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
(a)	Repairs to buildings	-	8.91
(b)	Repairs to machinery	4.35	9.16
(c)	Power & Fuel	18.80	19.91
(d)	Repairs and maintenance - Others	1.79	6.21
(e)	Rent	115.16	111.50
(f)	Rates and taxes	22.56	36.66
(g)	Insurance charges	11.18	13.61
(h)	Provision for doubtful debts and advances	86.04	294.36
(j)	Payment to Auditors:	-	-
	(i) Statutory Audit Fees	7.98	7.97
	(ii) Tax Audit Fees	1.00	1.00
	(iii) Certification and Other services 1.73 Lakhs	-	-
	Less: Transferred to Amalgamation Expenses 0.15 Lakhs	1.58	1.58
	(iv) Reimbursement of expenses	0.37	0.16
(j)	Other expenses	-	-
	(1) Legal and other professional fees	161.67	149.77
	(2) Travelling and conveyance Expenses	67.19	59.33
	(3) Other General Expenses	159.81	118.40
	(4) Water Charges	0.29	3.54
	(5) Real Estate Business Expenses	-	-
	[Net of Proceeds of ₹ Nil (Previous Year ₹ 326.31 Lakhs) from Demolition of Structure]	601.37	276.66
	(6) Loss on Sale of PPE (net)	0.76	-
	(7) Security Charges	23.28	39.39
	TOTAL	**1,285.19**	**1,158.10**

Notes to Financial Statements for the year ended March 31, 2019.

Note No. 25 :- Current Tax and Deferred Tax

(a) Income Tax recognised in profit and loss **(₹ in Lakhs)**

Particulars	For the year ended 31st March, 2019	For the year ended 31 March, 2018
Current Tax:		
Adjustments in respect of prior years	-	-
Deferred Tax		
Deferred tax Charge / (credit)	(302.50)	(247.20)
MAT credit (taken) /Utilised	-	-
Total Tax Expense recognised in profit and loss account	**(302.50)**	**(247.20)**

(b) Numerical Reconciliation between average effective tax rate and applicable tax rate : -

Particulars	As at March 31, 2019	As at March 31, 2018
Loss Before tax	**(838.32)**	**(851.20)**
Enacted income tax rate in India applicable to the company	33.384%	33.384%
Income Tax using the Company's domestic Tax rate #	(279.86)	(284.16)

Tax Effect of :		
Interest on Tax Free Bonds	-	(0.32)
Dividend Income	(13.67)	(16.70)
Expenditure Disallowed U/s. 14A	5.48	10.51
Deduction Under Section 24(a) of Annual Value	(0.01)	(0.70)
Deemed income of House Property	0.42	0.42
On account of Corporate Guarantee	5.78	-
Change in Rate of Tax	-	(0.79)
Effect of amalgamated subsidiary losses	-	44.61
Others	(20.63)	(0.07)
Total Tax Expense recognised in profit and loss account	(302.51)	(247.20)

(c) Income Tax Assets / (Liabilities)

Particulars	**As at March 31, 2019**	**As at March 31, 2018**
Opening Balance	77.98	91.38
Income Tax Paid /(Refund) - Net	30.24	(13.40)
Current Tax	-	-
Current Tax for earlier year	-	-
Net current income tax asset / (liability)	**108.22**	**77.98**
Non current Tax assets	51.39	77.98
Current Tax Assets	56.83	-
Current Tax Liability	-	-

(d) Movement of Deferred Tax

Particulars	**Opening Balance as on 1st April 17**	**Recognised in profit and Loss in 17-18**	**Recognised in OCI in 17-18**	**Closing Balance as on 31st March 18**	**Recognised in profit and Loss in 18-19**	**Recognised in OCI in 18-19**	**Closing Balance as on 31st March 2019**
Tax effect of items constituting deferred tax liabilities							
Depreciation	446.98	(42.53)	-	404.45	(60.73)	-	343.72
FVTPL financial asset	48.33	14.43	-	62.76	8.75	-	71.52
Other item -	-	-	-	-	3.66	-	3.66
	495.32	**(28.10)**	**-**	**467.22**	**(48.31)**	**-**	**418.90**
Tax effect of items constituting deferred tax assets							
Employee Benefits	19.35	7.29	(0.88)	25.76	5.35	(0.41)	30.69
Provision for doubtful debt	5.93	49.73	-	55.66	28.73	-	84.39
Carry forward Tax Loss	836.10	162.08	-	998.18	190.05	-	1,188.23
Minimum Alternate Tax Credit	80.25	-	-	80.25	-	-	80.25
Other items	-	-	-	-	30.07	-	30.07
	941.63	219.10	(0.88)	1,159.85	254.19	(0.41)	1,413.63
Net Tax Asset (Liabilities)	**446.31**	**247.20**	**(0.88)**	**692.63**	**302.50**	**(0.41)**	**994.73**

Deferred Tax Asset is recognized on the basis of future income from development of Stock in Trade of Real Estate Business and from sale of Residential Flat on the assumption that in the year of profit, the total income will exceed ₹ One crore.

Note No. 26 :- Earning Per Share

Particulars	For the year ended 31st March, 2019	For the year ended 31 March, 2018
(Loss) for the year attributable to owners of the Company	(535.81)	(603.99)
Weighted average number of equity shares	37,542,750	37,542,750
Earnings per share - Basic & Diluted	**(1.43)**	**(1.61)**

The Company does not have any outstanding dilutive potential equity shares. Consequently, the basic and diluted earning per share of the Company remain the same.

Note No. 27 :- Contingent liabilities and commitments **(₹ in Lakhs)**

Particulars	As at March 31, 2019	As at March 31, 2018
Contingent liabilities (to the extent not provided for)		
Corporate Guarantee of USD 5.00 Million (Previous Year USD 5.60 Million) given by the Company to Indian Overseas Bank, Hong Kong for Working Capital Facilities granted by it to Wholly Owned Subsidiary M/s. Modern International (Asia) Limited.	3,460.00	3,642.47
Commitments		
Estimated Value of Contracts in Capital Account remaining to be executed and not provided for.	-	-

Note No. 28 :- Disclosures under Ind AS 17

Particulars	For the year ended 31st March, 2019	For the year ended 31 March, 2018
Details of leasing arrangements		
As Lessee		
Operating Lease		
The Company has entered into operating lease arrangements for certain facilities and office premises. The leases are non-cancellable and are for a period of 5 years and may be renewed for a further period of 5 years based on mutual agreement of the parties. The lease agreements provide for an increase in the lease payments by 15% after 3 years.		
Future Non-Cancellable minimum lease commitments		
not later than one year	37.38	89.70
later than one year and not later than five years	-	37.38
later than five years	-	-
Expenses recognised in the Statement of Profit and Loss including applicable Service Tax / GST		
Minimum Lease Payments	89.70	87.75

Note No. 29: DISCLOSURES PURSUANT TO - "EMPLOYEE BENEFITS"

A. Defined Benefits Plans: Gratuity (Unfunded)

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is an unfunded plan.

As per Actuarial Valuation as on 31st March, 2019 and 31st March, 2018 and recognised in the financial statements in respect of Employee Benefit Schemes:

(₹ in Lakhs)

	Particulars	For the year ended 31st March, 2019	For the year ended 31 March, 2018
I.	**Change in the defined benefit obligation**		
1.	Present value of defined benefit obligation at the beginning of the year	46.12	38.51
	Current Service Cost	1.86	3.16
	Past Service Cost	-	5.12
	Interest Cost	3.59	2.80
	Remeasurement gains / (losses)	(1.23)	(2.63)
	Benefit payments	(1.62)	(0.84)
	Present value of defined benefit obligation at the end of the year	**48.72**	**46.12**
II.	**Expense recognised in the Statement of Profit and Loss**		
1.	Current service cost	1.86	3.16
2.	Past Service Credit	-	5.12
3.	Interest cost	3.59	2.80
	TOTAL	**5.45**	**11.07**
III.	**Remeasurement (gains) / losses recognised in other Comprehensive Income**		
	Actuarial gains and loss arising from changes in financial assumptions	(0.02)	(1.18)
	Actuarial gains and loss arising from experience adjustments	(1.21)	(1.45)
	TOTAL	**(1.23)**	**(2.63)**
IV.	**Actuarial assumptions**	**31-Mar-19**	**31-Mar-18**
1.	Discount rate	7.79%	7.78%
2.	Salary escalation rate - over a long-term	6%	6%
3.	Mortality rate (2006 - 08)	Indian Assured Lives Mortality	Indian Assured Lives Mortality
4.	Average future working lifetime	15 years	15 years
5.	Attrition rate	1%	1%

V. Sensitivity analysis for each significant actuarial assumption	31-Mar-19	31-Mar-18
	0.5% increase	
Discount rate	(1.14)	(1.06)
Salary escalation rate - over a long-term	0.49	0.43
Attrition rate	1.11	1.07
	0.5% Decrease	
Discount rate	1.24	1.16
Salary escalation rate - over a long-term	(0.47)	(0.41)
Attrition rate	(1.19)	(1.15)

VI. Maturity analysis of defined benefit obligation		
Within the next 12 months	28.55	27.27
Between 2 and 5 years	5.74	3.69
Between 6 and 10 years	8.41	10.12
11 years and above	49.62	46.57
Total expected payments	**92.32**	**87.65**

B. Defined Contribution Plans:

(a) The Company has recognised the following amounts in the Statement of Profit and Loss for the year:

(₹ in Lakhs)

Particulars	31-Mar-19	31-Mar-18
Contribution to provident fund and other fund	27.23	27.46

(b) The expenses for leave entitlement and compensated absences is recognized in the same manner as gratuity and total expenses recognized for the year is ₹ 12.51 Lakhs (Previous Year ₹14.55 Lakhs).

(c) Current/ non-current classification

Particulars	31-Mar-19	31-Mar-18
Gratuity		
Current	28.55	27.27
Non Current	20.18	18.85
Leave Encashment (Including sick leave)		
Current	26.66	19.84
Non Current	19.19	14.92

Note No. 30 :- Information on Operating Business Segment:

1) Business segments are the basis for management control and hence form the basis for reporting. The business of each segment comprises of:
   a) Trading activity: Trading - Consists of Trading in all Products and Commodities
   b) Real Estate - comprising of Property Development and carrying on business or activities in real estate business of all types and
   c) Generation of Renewable Energy.
2) Segment Revenue in the above segments includes sales of products / services net of taxes.
3) Segment Revenue in the geographical segments considered for disclosure are as follows:
   a) Revenue within India includes sales to customers located within India.
   b) Revenue outside India includes sales to customers located outside India.
4) Segment Revenue, Results, Assets and Liabilities include the respective amounts identifiable to each of the segments and amounts allocated on a reasonable basis.
5) Based on the "management approach" defined in Ind AS 108 - Operating Segments, the Chief Operating Decision Maker evaluates the Company's performance and allocate resources based on an analysis of various performance indicators by business segments. Accordingly information has been presented along these segments.

(a) Segment Revenue **(₹ in Lakhs)**

Particulars	For the year ended 31 March, 2019	For the year ended 31 March, 2018
Trading	7,389.59	7,095.44
Real Estate	1.50	2.40
Renewable Energy	253.93	124.74
Others	13.15	16.53
TOTAL	**7,658.17**	**7,239.11**

There are no inter segment revenue.

(b) Segment Results

Particulars	For the year ended 31 March, 2019	For the year ended 31 March, 2018
Trading	12.55	22.26
Real Estate	(203.38)	(188.48)
Renewable Energy	(138.21)	(262.57)
TOTAL	**(329.03)**	**(428.79)**
Finance Cost	(801.92)	(1,115.54)
Other unallocable expenditure net of unallocable income	292.63	693.13
Profit /(Loss) before tax	**(838.32)**	**(851.20)**

(c) Segment Assets

Segment assets are measured in the same way as in the financial statements. These assets are allocated based on the operations of the segment

Particulars	As at 31 March, 2019	As at 31 March, 2018
Trading	2,471.44	2,525.47
Real Estate	3,670.59	3,172.57
Renewable Energy	1,346.84	1,621.79
Unallocated / Corporate	12,808.21	13,883.91
TOTAL	**20,297.08**	**21,203.74**

(d) Segment Liabilities

Segment Liabilities are measured in the same way as in the financial statements. These liabilities are allocated based on the operations of the segment

Particulars	As at 31 March, 2019	As at 31 March, 2018
Trading	1,103.57	927.92
Real Estate	16,265.07	16,701.79
Renewable Energy	12.15	48.74
Unallocated / Corporate	835.27	777.41
TOTAL	**18,216.06**	**18,455.86**

(e) Segment Capital Expenditure

Particulars	For the year ended 31 March, 2019	For the year ended 31 March, 2018
Trading	-	
Real Estate	-	-
Renewable Energy	2.72	15.12
Unallocated / Corporate	263.58	461.32
TOTAL	**266.30**	**476.44**

(f) Depreciation and amortization expenses:

Particulars	For the year ended 31 March, 2019	For the year ended 31 March, 2018
Trading	-	-
Real Estate	2.92	4.33
Renewable Energy	216.10	204.36
Others	100.00	71.22
TOTAL	**319.02**	**279.91**

There are no non cash expenses other than Depreciation and amortization expenses

(g) Secondary Segment information - Geographical Segments

(Secondary segment disclosures are reported on the basis of geographical location of customers.

Geographic Information	For the year ended 31 March, 2019	For the year ended 31 March, 2018
Revenue from External Customers:		
India	7,658.17	7,239.11
Outside India	-	-
Total Revenue as per Statement of Profit and Loss	**7,658.17**	**7,239.11**

(h) All the assets of the Company are located in India

Information about major customers

For the Year ended March 31, 2019, in Trading segment One single customer contributed 10% or more to Company's revenue amounting to ₹ 7,381.19 Lakhs.

For the previous year ended March 31, 2018, in Trading segment one single customer contributed 10% or more to Company's revenue amounting to ₹ 6,000.42 Lakhs.

Adjustments and eliminations

Finance income and costs, and fair value gains and losses on financial assets are not allocated to individual segments as the underlying instruments are managed on a group basis.

Current taxes, deferred taxes and certain financial assets and liabilities are not allocated to those segments as they are also managed on a company basis.

Capital expenditure consists of additions of Property, Plant and Equipment, Intangible Assets and Investment Properties.

Note No. 31 :- Related Party Disclosures as per Ind AS 24 **(₹ in Lakhs)**

Relationships :		**Ownership Interest (%)**	
		31st March, 2019	**31st March, 2018**
Where Control Exists : Subsidiary Companies:			
Modern International (Asia) Limited	Hong Kong	100	100
Verifacts Services Private Limited	India	100	76
(100% w.e.f. from 25.10.2018)			
Other Significant influences:			
Shree Rani Sati Investment & Finance Pvt. Ltd.	India		
F. Pudumjee Investment Co. Pvt. Ltd.	India		
Modern Derivatives & Commodities Pvt. Ltd.	India		
Alcyone Trading Co. Pvt. Ltd.	India		
Camellia Mercantile Pvt. Ltd.	India		
Candescent Traders Pvt. Ltd.	India		
Ignatius trading Co. Pvt. Ltd.	India		
Sarat Leasing & Finance Pvt. Ltd.	India		
Vedant Mercantile Pvt. Ltd.	India		
Key Management Personnel & Relatives :			
Mr. Vijay Kumar Jatia	Chairman & Managing Director		
Mrs. Gauri Jatia	Director		
Mr. Sidhant Jatia	President		
Mr. Mudit Jatia	President		
Non executive directors and enterprises over which they are able to exercise significant influence (with whom transactions have taken place)			
Mr Anand Didwania	Non Executive Director		
Mr Shivkumar Israni	Non Executive Director		
Mr Rajas Doshi (Upto 29.09.2018)	Non Executive Director		
Mr Pradip Bubna	Non Executive Director		
Mr Kaiwan Kalyaniwalla	Non Executive Director		
Maneksha & Sethna	Advocates & Solicitors		
S. D. Israni Law Chambers	Advocates & Solicitors		

Transactions carried out with related parties referred as above, in ordinary course of business. Related parties are identified by the Company and relied upon by the Auditors.

	31st March, 2019	**31st March, 2018**
Dividend Received		
Verifacts Services Pvt. Ltd	**19.00**	19.00
Service Charges Received		
Verifacts Services Pvt. Ltd	**78.00**	53.00
Verification Charges Paid		
Verifacts Services Pvt. Ltd	**0.01**	-

Managerial Remuneration		
Mr. Vijay Kumar Jatia	**157.49**	156.52
Sitting Fees to Non Executive Directors	**27.60**	24.64
Remuneration:		
Mr. Sidhant Jatia	**75.89**	74.59
Mr. Mudit Jatia	**75.89**	74.59
Legal Fees Paid		
Maneksha & Sethna	**9.15**	45.00
S. D. Israni Law Chambers	**0.75**	**-**
Inter Corporate Deposit given		
Verifacts Services Private Limited	**100.00**	75.00
Repayment of Inter Corporate Deposit given		
Verifacts Services Private Limited	**100.00**	75.00
Interest on Inter Corporate Deposit given		
Verifacts Services Private Limited	**0.00**	0.07
Purchase of Shares of Modern India Free Trade Warehousing Pvt. Ltd.		
Mr. Vijay Kumar Jatia	**3.66**	-
Mrs. Gauri Jatia	**0.73**	-
Mr. Sidhant Jatia	**1.83**	-
Mr. Mudit Jatia	**1.83**	-
Shree Rani Sati Investment & Finance Pvt. Ltd.	**0.37**	-
Camellia Mercantile Pvt. Ltd.	**0.55**	-
Outstanding Balances:		
Investments in Shares:		
Modern International (Asia) Limited - Equity Shares	**553.89**	553.89
Verifacts Services Private Limited - Equity Shares	**3,062.36**	2,912.36
Legal Fees Payable:		
Maneksha & Sethna	**4.30**	-
Guarantees Given		
Modern International (Asia) Ltd.	**3,460.00**	3,642.47

Compensation of key managerial personnel

The remuneration of directors and other members of key managerial personnel during the year was as follows:

Particulars	**31st March, 2019**	**31st March, 2018**
Short-term employee benefits	147.41	145.51
Post-employment benefits	10.08	11.02
Other long-term benefits	-	-
Total	**157.49**	156.52

Key Managerial Personnel and Relatives of Promoters who are under the employment of the Company are entitled to post employment benefits and other long term employee benefits recognised as per Ind AS 19 - 'Employee Benefits' in the financial statements. As these employee benefits are lump sum amounts provided on the basis of actuarial valuation, the same is not included above.

The remuneration of directors and key executives is determined by the remuneration committee having regard to the performance of individuals.

Note No. 32 :- Financial Instruments and Risk Review

Financial risk management objectives and policies

The Company's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations.

The Company's business activities expose it to a variety of financial risks, namely liquidity risk, market risks and credit risk. The Company's senior management has the overall responsibility for the establishment and oversight of the Company's risk management framework.

(A) (i) Market Risk- Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates. In order to optimize the Company's position with regards to interest income and interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio.

According to the Company interest rate risk exposure is only for floating rate borrowings. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

(₹ in Lakhs)

Exposure to interest rate risk

Particulars	**As at 31stMarch, 2019**	**As at 31stMarch, 2018**
Total Borrowings	654.62	611.91
% of Borrowings out of above bearing variable rate of interest	**75.77%**	**98.61%**

Interest rate sensitivity

A change of 50 bps in interest rates would have following Impact on loss before tax

	2018-19	**2017-18**
50 bp increase would increase the profit before tax by	**3.27**	3.06
50 bp decrease would decrease the profit before tax by	**3.27**	3.06

(ii) Market Risk- Price Risk

Exposure

The Company's exposure to equity securities price risk arises from investments held by the Company and classified in the balance sheet at fair value through profit and loss. To manage its price risk arising from investments in equity securities, the Company diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Company.

Sensitivity

The table below summarizes the impact of increases/decreases of the BSE index on the Company's equity and Gain/Loss for the period. The analysis is based on the assumption that the index has increased by 5 % or decreased by 5 % with all other variables held constant, and that all the Company's equity instruments moved in line with the index.

Impact on Loss before tax on account of quoted equity shares / other instruments.

Particulars	As at 31stMarch, 2019	As at 31stMarch, 2018
BSE Sensex 30- Increase 5%	**75.96**	81.68
BSE Sensex 30- Decrease 5%	**75.96**	81.68
Impact on Loss before tax on account of units of mutual funds		
BSE Sensex 30- Increase 5%	**202.41**	235.13
BSE Sensex 30- Decrease 5%	**202.41**	(235.13)

Above referred sensitivity pertains to quoted equity investment and units of mutual funds. Profit for the year would increase/ (decrease) as a result of gains/ losses on equity investments and units of mutual funds as at fair value through profit or loss.

(B) CREDIT RISK

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions and other financial instruments.

Financial assets are written off when there is no reasonable expectations of recovery, such as a debtor failing to engage in a repayment plan with the Company. Where loans or receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized as income in the statement of profit and loss.

Trade receivables are in respect of Trading activity. On-going credit evaluation is performed on the financial condition of accounts receivable. [also refer note 8 (i)]

The credit risk on liquid funds is limited because the counterparties are mutual funds with high credit-ratings assigned by credit-agencies.

In addition, the Company is exposed to credit risk in relation to guarantee given to Indian Overseas Bank on behalf of Wholly Owned Subsidiary Company. The Company's maximum exposure in this respect is the maximum amount the Company could have to pay if the guarantee is called on. As at 31 march 2019, an amount of ₹ 3,460.00 Lakhs (31 March 2018: ₹ 3,642.47 Lakhs) has been disclosed as contingent liabilities. The Company does not expect any outflow of resources in respect of the above.

Ageing of Account receivables (net of provisions) **(₹ in Lakhs)**

Particulars	As at 31stMarch, 2019	As at 31stMarch, 2018
Not due		
0 to 3 months	1,157.13	1,057.67
3 to 6 months	25.03	102.63
6 to 12 months	-	52.19
beyond 12 months	1,348.48	1,360.11
Total	**2,530.64**	**2,572.60**

Movement in provisions of doubtful debts

Particulars	As at 31stMarch, 2019	As at 31stMarch, 2018
Opening provision	**136.76**	17.95
Add:- Provision made during the year	**56.04**	118.82
Less:- Provision write off	**-**	-
Less:- Provision reversed	**-**	-
Closing provisions	**192.81**	**136.76**

Movement in provisions of doubtful advances

Particulars	As at 31stMarch, 2019	As at 31stMarch, 2018
Opening provision	175.55	145.58
Add:- Provision made during the year	30.00	29.97
Less:- Provision write off	-	-
Less:- Provision reversed	**-**	-
Closing provisions	**205.55**	175.55

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the management in accordance with the Company's policy. Counterparty credit limits are reviewed by the management on an annual basis, and may be updated throughout the year. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

(C) LIQUIDITY RISK

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, Company treasury maintains flexibility in funding by maintaining availability under committed credit lines. Management monitors rolling forecasts of the Company's liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows.

Maturity pattern of Borrowings **(₹ in Lakhs)**

Particulars	0-1 years	1-5 years	beyond 5years	Total
31-Mar-19				
Long term borrowings				
(Including current maturity of long term debt)	42.88	115.72	-	158.60
Short term borrowings	496.02	-	-	496.02
Total	**538.90**	**115.72**	**-**	**654.62**
31-Mar-18				
Long term borrowings				
(Including current maturity of long term debt)	4.05	4.43	-	8.49
Short term borrowings	603.43	-	-	603.43
Total	**607.48**	**4.43**	**-**	**611.91**

As at 31st March,'19	Carrying Amount	upto 12 months	More than 12 months	Total
Trade Payable	1,103.57	1,103.57	-	1,103.57
Other Financial liability (Current andNon Current)	12,801.69	91.87	12,709.82	12,801.69
Total	**13,905.26**	**1,195.43**	**12,709.82**	**13,905.26**
As at 31st March,'18	**Carrying Amount**	**upto 12 months**	**More than 12 months**	**Total**
Trade Payable	1,152.92	1,152.92	-	1,152.92
Other Financial liability (Current andNon Current)	13,265.88	133.09	13,132.78	13,265.88
Total	**14,418.79**	**1,286.01**	**13,132.78**	**14,418.79**

(D) CAPITAL RISK MANAGEMENT

The Company's objective to manage its capital is to ensure continuity of business while at the same time provide reasonable returns to its various stakeholders but keep associated costs under control. Management monitors the return on capital as well as the level of dividends to ordinary shareholders.

In order to achieve this, requirement of capital is reviewed periodically with reference to operating and business plans that take into account capital expenditure and strategic investments. Apart from internal accrual, sourcing of capital is done through borrowing, both short term and long term.

The Board of Directors seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position.

Dividend	As at 31stMarch, 2019	As at 31stMarch, 2018
Equity shares		
Final dividend for the year ended 31st March, 2018 of ₹ 0.30 (31st March, 2017 : ₹ 0.30) per fully paid share	112.63	112.63
Dividends not recognised at the end of the reporting period addition to the above dividends, since year end the directors have recommended the payment of a final dividend of ₹ 0.24 per fully paid equity share. This proposed dividend is subject to the approval of shareholders of the Company in the ensuing annual general meeting and not recognized as liability as at the Balance Sheet date.	90.10	112.63

Closing provisions

Debt Equity Ratio

The Company monitors capital using a ratio of 'adjusted net debt' to 'total equity'. For this purpose, adjusted net debt is defined as total liabilities, comprising interest-bearing loans and borrowings, less cash and cash equivalents, other bank balances and current investments.

Particulars	March 31, 2019	March 31, 2018
Borrowings	654.62	611.91
Less : Cash and Cash equivalents	(26.36)	(56.91)
Less : Other Bank Balances	(30.40)	(23.46)
Less : Current Investments	(523.30)	(2,118.21)
Total Debt	**74.56**	**(1,586.66)**
Equity	2,081.02	2,747.89
Total Equity	**2,081.02**	**2,747.89**
Debt Equity Ratio	**0.04**	**(0.58)**

Note No. 33 :- FAIR VALUE MEASUREMENT

A- Financial Instrument by category and hierarchy

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

1. Fair value of cash and cash equivalents, short-term deposits, trade and other short term receivables, trade payables, other financial assets and other financial liabilities approximate their carrying amounts largely due to short term maturities of these instruments.

2. For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

(₹ in Lakhs)

Financial Assets and Liabilities as at 31st March, 2019	**Routed through Profit and Loss**		**Carried at amortised cost**				
	Level 1	**Total**	**Level 1**	**Level 2**	**Level 3**	**Total**	**Total amount**
Financial Assets							
Non Current Investments							
- Equity instrument	1,041.38	1,041.38				-	1,041.38
- Other instrument	852.83	852.83					852.83
- Mutual Funds	4,048.14	4,048.14				-	4,048.14
- Bonds & Debentures	-	-	548.65			548.65	548.65
Current Investments in mutual funds	523.30	523.30				-	523.30
Other financial assets - Non current	-	-			410.08	410.08	410.08
Trade receivables		-			2,530.64	2,530.64	2,530.64
Cash and cash equivalents		-			26.36	26.36	26.36
Bank balances other than cash & cash equivalents		-			30.40	30.40	30.40
Loans					440.51	440.51	440.51
Other financial assets - current		-			56.56	56.56	56.56
Total	**6,465.65**	**6,465.65**	**548.65**	**-**	**3,494.55**	**4,043.20**	**10,508.85**
Financial Liabilities							
Non Current Borrowings					115.72	115.72	115.72
Current Borrowings					496.02	496.02	496.02
Non Current Other financial liabilities					12,709.82	12,709.82	12,709.82
Current Other financial liabilities					134.74	134.74	134.74
Trade payables					1,103.57	1,103.57	1,103.57
Total	**-**	**-**	**-**	**-**	**14,559.88**	**14,559.88**	**14,559.88**

Financial Assets and Liabilities as at 31st March, 2018	Routed through Profit and Loss		Carried at amortised cost				
	Level 1	Total	Level 1	Level 2	Level 3	Total	Total amount
Financial Assets							
Non Current Investments							
- Equity instrument	1,100.10	1,100.10				-	1,100.10
- Other instrument	533.59	533.59					533.59
- Mutual Funds	4,702.57	4,702.57				-	4,702.57
- Bonds	-	-	300.30			300.30	300.30
Current Investments in mutual funds	2,118.21	2,118.21				-	2,118.21
Other financial assets - Non current	-	-			303.40	303.40	303.40
Trade receivables		-			2,572.60	2,572.60	2,572.60
Cash and cash equivalents		-			56.91	56.91	56.91
Bank balances other than cash & cash equivalents		-			23.46	23.46	23.46
Loans					415.13	415.13	415.13
Other financial assets - current		-			26.91	26.91	26.91
Total	**8,454.46**	**8,454.46**	**300.30**	**-**	**3,398.39**	**3,698.69**	**12,153.15**
Financial Liabilities							
Non Current Borrowings					4.43	4.43	4.43
Current Borrowings					603.43	603.43	603.43
Non Current Other financial liabilities					13,132.78	13,132.78	13,132.78
Current Other financial liabilities					137.14	137.14	137.14
Trade payables					1,152.92	1,152.92	1,152.92
Total	**-**	**-**	**-**	**-**	**15,030.71**	**15,030.71**	**15,030.71**

B - Fair value of financial assets and liabilities measured at amortised cost **(₹ in Lakhs)**

	As at 31st March, 2019		As at 31st March, 2018	
	Carrying amount	Fair Value	Carrying amount	Fair Value
Financial Assets				
Investment In Bonds & Debentures	548.65	540.78	300.30	300.97
Financial assets - Current & non current	3,494.55	3,494.55	3,398.39	3,398.39
Total	**4,043.20**	**4,035.34**	**3,698.69**	**3,699.36**
Financial liabilities				
Financial liabilities - Current & non current	13,948.13	13,948.13	14,422.85	14,422.85
Borrowings	611.74	611.74	607.86	607.86
Total	**14,559.88**	**14,559.88**	**15,030.71**	**15,030.71**

Note No. 34 :-

In the opinion of the Board, current and non current assets are approximately of the value stated, if realised in the ordinary course of business.

Note No. 35 :-

In accordance with the relevant provisions of the Companies Act, 2013, the Company did not have any long term contracts including derivatives contracts for which there were any material foreseeable losses.

Note No. 36 :-

During the year, the Board of Directors of the Company in their meeting held on September 3, 2018 have approved acquisition of balance 24,500 equity shares of face value of ₹10/- each (i.e. 49%) in Modern India Free Trade Warehousing Private Limited (MIFTWPL), a subsidiary company at an aggregate consideration of ₹8.96 lakhs. With acquisition of the balance equity shares, MIFTWPL has become Wholly Owned Subsidiary (WOS) of the Company w.e.f. September 3, 2018. Subsequently, the said WOS has been amalgamated with the Company (refer note 38).

Note No. 37 :-

During the year, the Board of Directors of the Company in their meeting held on October 25, 2018 have approved acquisition of balance 1,20,000 equity shares of face value of ₹10/- each (i.e. 24%) in Verifacts Services Private Limited (VSPL), a subsidiary company at an aggregate consideration of ₹150.00 lakhs. With acquisition of the balance equity shares, VSPL has become Wholly Owned Subsidiary (WOS) of the Company w.e.f. October 25, 2018.

Note No. 38 :- Business Combination under common control:

Subsequent to the approval of standalone financial statements for the year ended March 31, 2019 by the Board of Directors in its meeting held on May 30, 2019 but before adoption of accounts in annual general meeting, the National Company Law Tribunal (NCLT), vide order dated July 11, 2019, has approved the Scheme of Amalgamation of Modern India Free Trade Warehousing Private Limited ("MIFTWPL" or "transferor Company-1") and Modern India Property Developers Limited ("MIPDL" or "transferor Company-2"), wholly owned subsidiaries of the Company, with the Company ("transferee Company") and the certified copy of the Order approving the said Scheme has been filed with the Registrar of Companies on August 7, 2019. The appointed date of the said Scheme was April 1, 2018.

Accordingly, during the year, the Company has restated comparative standalone financial statements for the financial year 2017-18 and 2018-19, based on previously issued financial statements of the Company and amalgamated subsidiaries audited by respective auditors, after giving effect of said Scheme of Amalgamation i.e. restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination. Further, pursuant to the Scheme and Appendix 'C' to the Ind AS 103 Business Combination, the said merger has been accounted using the pooling of interest method and accordingly the Company has recorded all assets, liabilities and reserves (including negative balance reserves, if any) pertaining to the transferor Companies at their respective book values. Further, as required by the Scheme, the difference of ₹6.51 lakhs between the investment in the financial statements of the Transferee Company in the Transferor Companies and the amount or paid-up share capital of the Transferor Companies respectively has been transferred to "Common Control Transactions Capital Reserve". Since the control was already existed as on April 1, 2017, the effect of the merger had been given in the opening balance sheet as at April 1, 2017 for accounting purpose.

Note No. 39 :-

The Company is in the process of taking over development project of Bikaner property under Joint Development basis with Nine Globe Industries Pvt. Ltd and accordingly advance given of ₹ 476.22 Lakhs (Previous Year ₹ 476.22 Lakhs) to Nine Globe Industries Pvt. Ltd

will be adjusted against value of project to be takenover. Loans and advances given by erstwhile subsidiary Company - MIPDL of ₹ 145.58 Lakhs due from Kamla Shiv Developers given as advance against property. Erstwhile MIPDL had filed a complaint with Economic Offence Wing (EOW) for recoverability of advance given to Kamla Shiv Developers against booking of property. Necessary provision had been made against the same.

Note No.40 :- Corporate Social Responsibility

In view of losses in preceeding three financial years, no funds could be allocated for Corporate Social Responsibility for the financial year 2018-19.

Note No. 41 :- Net Debt Reconciliation

Particulars	**31st March, 2019**	**31st March, 2018**
Cash and Cash Equivalents and Bank overdraft	(469.66)	(546.52)
Non-Current Borrowings (Including Current Maturities)	158.60	8.49
Current Borrowings		
Interest Payable	-	-
Net Debt	(311.06)	(538.03)

Particulars	**Cash and Cash Equivalents and Bank overdraft**	**Non-Current Borrowings (Including Current)**	**Current Borrowings**	**Interest Payable**	**TOTAL**
Net Debt as at 1st April, 2018	(546.52)	8.49	-	-	(538.03)
Cash Flows	76.86	150.11	-	801.92	1028.89
Finance Cost	-	-	-	-	-
Interest paid	-	-	-	(43.44)	(43.44)
Other Non Cash Movements	-	-	-	-	-
- Fair Value Adjustments	-	-	-	(758.48)	(758.48)
Net Debt as at 31st March, 2019	**(469.66)**	**158.60**	**-**	**-**	**(311.06)**

As per our report of even date attached
For Khandelwal Jain & Co.
Chartered Accountants
Firm Reg. No. 105049W

Narendra Jain
Partner
Membership No. 048725

Mumbai, dated August 13, 2019

For and on behalf of the Board of Directors
V. K. Jatia
Chairman & Managing Director

Parind Badshah
Vice President & Company Secretary

N. K. Deora
Sr. Vice President & Chief Financial Officer

Directors
A. Didwania **S. D. Israni**
K. Kalyaniwalla

Mumbai, dated August 13, 2019

INDEPENDENT AUDITORS' REPORT

To the Members of Modern India Limited

Report on the Audit of the Consolidated Financial Statements

This Report is issued in supersession of our earlier report dated May 30, 2019 on the consolidated financial statements for the year ended March 31, 2019, to the extent of matter stated in emphasis of matters paragraph below.

Qualified Opinion

We have audited the accompanying consolidated financial statements of **Modern India Limited** (hereinafter referred to as the 'Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), which comprise the consolidated balance sheet as at March 31, 2019, and the consolidated statement of profit and loss (including other comprehensive income/(loss)), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, and based on the consideration of reports of other auditors on separate financial statements of such subsidiaries as were audited by the other auditors, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2019, of its consolidated loss and total comprehensive loss, consolidated changes in equity and consolidated cash flows for the year then ended.

Basis for Qualified Opinion

In case of the Holding Company, an amount of Rs. 1,348.48 lakhs (net of Rs. 104.64 lakhs recovered till date) is outstanding as trade receivables as at March 31, 2019 in respect of commodities trading transaction done on National Spot Exchange Limited (NSEL). The Company has filed a representative suit in the Hon'ble Bombay High Court for recovery of the same. Ministry of Corporate Affairs (MCA) had ordered merger of 63 Moons Technologies Limited with NSEL which has been set aside by the Hon'ble Supreme Court of India. Pending outcome of the legal suit and resolution of uncertainties involved, the management has considered the receivable as good for recovery. However, in the absence of appropriate audit evidence, we are unable to determine the extent of recovery possible in this case. (Refer note 9(i) of the consolidated financial statements).

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

Emphasis of matters

a) We draw attention to Note 40 to the consolidated financial statements regarding consolidated financial statements for the year ended March 31, 2019 which were earlier approved by the Board of Directors in its meeting held on May 30, 2019 and are now restated by the company to give effect to the Scheme of Amalgamation. The accompanying consolidated financial statements have been prepared by the Company consequent to amalgamation of Modern India Property Developers Limited (MIPDL) and Modern India Free Trade Warehousing Private Limited (MIFTWPL),

wholly owned subsidiaries of the Company (collectively referred as 'amalgamated subsidiaries'), with the Company pursuant to a Scheme of Amalgamation, approved by the Hon'ble National Company Law Tribunal, Mumbai Bench vide order dated July 11, 2019 more fully described therein, with an appointed date of April 1, 2018. We further report that our audit procedures on the subsequent events in so far as those relate to the updation of the consolidated financial statements (as amended) are restricted solely to the matters related to the Scheme and no effect has been given for any other events, if any, occurring after May 30, 2019 (being the date on which consolidated financial statements were earlier approved by the Board of Directors of the Company and reported upon by us in our report of that date).

b) The financial statements of wholly owned subsidiaries of the Company viz. Modern India Property Developers Limited (MIPDL) for the year ended March 31, 2019 which reflects total assets Rs.841.00 lakhs and total net assets Rs.840.75 lakhs as at March 31, 2019, total revenues Rs.26.92 lakhs and net cash inflow / (outflow) Rs.1.79 lakhs and Modern India Free Trade Warehousing Private Limited (MIFTWPL) for the year ended March 31, 2019 which reflects total assets Rs.453.93 lakhs and total net assets as at March 31, 2019 Rs.320.22 lakhs, total revenues Rs.0.19 lakhs and net cash inflow / (outflow) Rs.0.03 lakhs included in these audited financial statements, used for the purpose of giving effect of the implementation of Scheme of Amalgamation, prepared in accordance with the Companies (Accounting Standards) Rules, 2006 (as amended) audited by the other auditors whose report for the year ended March 31, 2019 dated May 22, 2019 and May 22, 2019 respectively expressed an unmodified opinion on the financial statements of MIPDL and MIFTWPL respectively which have been furnished to us. Our opinion in so far as it relates to the amount and disclosures as included in respect of such companies is based solely on the report of such other auditors.

c) The adjustments made to the previously issued consolidated financial statements of the Company for the year ended March 31, 2018 as restated by the management to give effect of the above mentioned Scheme of Amalgamation as explained in note 40 to the consolidated financial statements, have been audited by us.

Our opinion on the consolidated financial statements is not modified in respect of the above matters.

Information Other than the Consolidated Financial Statements and Auditors' Report Thereon

The Holding 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 and Corporate Governance Report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. As described in the Basis for Qualified Opinion section above, we were unable to obtain sufficient appropriate audit evidence to determine the extent of recovery possible in NSEL matter. Accordingly, we are unable to conclude whether or not the other information is materially misstated with respect to NSEL matter.

Key Audit Matters

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

opinion on these matters. In addition to the matters described in the Basis for Qualified Opinion and Emphasis of Matter sections, we have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	How our audit addressed the key audit matter
Impairment evaluation of Goodwill The carrying amount of Goodwill amounting to Rs 2279.86 lakhs as at March 31, 2019. In consolidated financial statements, the said Goodwill is arisen on account of investment in Verifacts Services Private Limited, subsidiary company. We consider the impairment evaluation of Goodwill by management to involve significant estimates and judgment, due to the inherent uncertainty involved. Further, due to the materiality in the context of total assets of the Group, this is considered to be significant to our overall audit strategy and planning	**Our audit procedures included** Reviewing the appropriateness of management's basis to carry amount of Goodwill arising on account of investment in Verifacts Services Private Limited, subsidiary company. For the said investment where the carrying amount exceeded the net assets value, comparing the carrying amount of the investment in standalone financial statements with the expected value of the business based on latest valuation report of the said subsidiary obtained by the Company from a Valuer, obtained and verified the latest audited financial statements of the said subsidiary and relied on management representations/ judgments

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit and other comprehensive income/(loss), consolidated statement of changes in equity and consolidated cash flows of the Group including in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

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

The respective Board of Directors of the companies included in the Group is responsible for overseeing the financial reporting process of each company.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated 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)(f) of the Act, we are also responsible for expressing our opinion on whether the Holding Company and such companies incorporated in India which are its subsidiary companies have adequate internal financial controls with reference to financial statements 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 in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. 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 consolidated 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 Group (Company and its subsidiaries) to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of such entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in para (a) & (b) of the section titled 'Other Matters' in this audit report.

Materiality is the magnitude of misstatements in the consolidated 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 believe that the audit evidence obtained by us along with the consideration of audit reports of the other auditors referred to in sub-paragraph (a) & (b) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors 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 consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' 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.

Other Matters

a) We did not audit the financial statements of the two subsidiaries whose financial statements reflect total assets and total net assets as at March 31, 2019, total revenues and net cash inflow / (outflow) for the year ended on that date considered as under in the Statement based on audited financial statements by other auditors:

(Rs. in Lakhs)

Name of the subsidiary	Total Assets as at March 31, 2019	Total Net Assets as at March 31, 2019	Total Revenue for the year ended March 31, 2019	Net Cash Inflow / (Outflow)
Modern International (Asia) Limited *	2,973.49	1,642.04	9,626.35	(385.45)
Verifacts Services Private Limited	1,526.56	1,060.05	1,957.06	15.80

* the subsidiary is located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in that country and which has been audited by other auditors under generally accepted auditing standards applicable in that country. The Holding Company's management has converted the financial statements of the said subsidiary located outside India from accounting principles generally accepted in that country to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion in so far as it relates to the financial information of the said subsidiary located outside India, is based on the report of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

Our opinion on the consolidated financial statements is not modified in respect of this matter with respect to our reliance on the work done by and the reports of the other auditors.

b) The financial statements referred to in para (a) above have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the reports of the other auditors.

Our opinion on the statement and our report is not modified in respect of the above matter.

Report on Other Legal and Regulatory Requirements

A. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries, as noted in the 'other matters' paragraph, we report, to the extent applicable, that:

a) We have sought and, except for the matters described in the Basis for Qualified Opinion paragraph, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

b) In our opinion, except for the effect of the matters described in the Basis for Qualified Opinion paragraph above, proper books of account as required by law maintained by the Holding Company and its subsidiaries included in the Group including relevant records relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and records of the Holding Company and the reports of the other auditors.

c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income/(loss)), Consolidated Statement of Cash Flow and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained by the Holding Company and its subsidiaries included in the Group including relevant records relating to preparation of the consolidated financial statements.

d) Except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph above, in our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.

e) The matter described in the Basis for Qualified Opinion paragraph above, in our opinion, may have an adverse effect on the functioning of the Group.

f) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2018 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, none of the directors of the Holding company and its subsidiary companies incorporated in India is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.

g) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph.

h) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and its subsidiary company incorporated in India and the operating effectiveness of such controls, refer to our separate Report in **"Annexure A"**.

B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries, as noted in the 'Other Matters' paragraph:

a) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group – Refer note 9(i) to the consolidated financial statements.

b) The Group did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended March 31, 2019– Refer note 35 to the consolidated financial statements.

c) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, and its subsidiary companies incorporated in India during the year ended March 31, 2019.

C. With respect to the matter to be included in the Auditor's report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us and based on the reports of the statutory auditors of such subsidiary company incorporated in India which were not audited by us, the remuneration paid during the current year by the Holding Company and its subsidiary companies to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Holding Company and its subsidiary companies is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For **Khandelwal Jain & Co.**
Chartered Accountants
Firm Registration No. 105049W

Narendra Jain
Partner
Membership No. 048725
UDIN: 19048725AAAABA6221

Place: Mumbai
Date: August 13, 2019

Annexure 'A' referred in the Independent Auditor's Report of even date to the members of Modern India Limited on the consolidated AS financial statements for the year ended March 31, 2019

Report on the internal financial controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

In conjunction with our audit of the consolidated financial statements of **Modern India Limited** (hereinafter referred to as "the Holding Company") as of and for the year ended March 31, 2019, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and such companies incorporated in India under the Companies Act, 2013 which are its subsidiary companies, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Holding Company's and its subsidiary companies', which are incorporated in India, internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by ICAI and the Standards on Auditing 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 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 and evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph and 'Emphasis of Matters' paragragh, is sufficient and appropriate to provide a basis for our audit opinion on the Holding Company's and its subsidiary companies', which are incorporated in India, internal financial controls over financial reporting.

Meaning of Internal Financial controls with Reference to Consolidated Financial Statements

A company's internal financial controls with reference to consolidated financial statements 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 controls

with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial controls with Reference to consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, 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 with reference to consolidated financial statements to future periods are subject to the risk that the internal financial controls with reference to consolidated financial statements 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 Holding Company and such companies incorporated in India which are its subsidiary companies have, in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls were operating effectively as at March 31, 2019, based on the internal financial controls with reference to consolidated financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to separate financial statements of three subsidiary companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

Our opinion is not modified in respect of this matter.

For **Khandelwal Jain & Co.**
Chartered Accountants
Firm Registration No. 105049W

Narendra Jain
Partner
Membership No. 048725
UDIN: 19048725AAAABA6221

Place: Mumbai
Date: August 13, 2019

Consolidated Balance Sheet as at March 31, 2019

(₹ in Lakhs)

	Particulars	Note No.	As at March 31, 2019	As at March 31, 2018
A	**ASSETS**			
	1 **Non-current assets**			
	(a) Property, Plant and Equipment	3(a)	1,948.77	2,051.47
	(b) Capital work-in-progress	3(a)	365.87	355.89
	(c) Investment Property	3(b)	473.25	461.51
	(d) Intangible assets	4	49.48	43.81
	(e) Goodwill	4	2,279.86	2,364.56
	(f) Financial Assets			
	(i) Investments	5 (a)	6,619.57	6,930.30
	(ii) Others financial assets	6(a)	448.53	337.69
	(g) Non Current Tax Assets (Net)	25	278.86	331.09
	(h) Deferred tax assets (net)	25	1,023.26	711.69
	(i) Other non-current assets	6 (b)	169.69	208.21
			13,657.14	**13,796.21**
	2 **Current assets**			
	(a) Inventories	8	1,565.47	1,245.61
	(b) Financial Assets			
	(i) Investments	5 (b)	523.30	2,118.21
	(ii) Trade receivables	9	4,495.53	3,306.63
	(iii) Cash and cash equivalents	10(a)	43.42	465.32
	(iv) Bank balances other than (iii) above	10(b)	979.15	924.97
	(v) Loans	7(a)	595.51	500.13
	(vi) Other Financial Assets	11	104.48	47.40
	(c) Current Tax Assets (Net)	25	215.18	-
	(d) Other current assets	7 (b)	1,281.55	812.16
			9,803.59	**9,420.43**
	TOTAL ASSETS		**23,460.73**	**23,216.63**
B	**EQUITY AND LIABILITIES**			
	1 **Equity**			
	(a) Equity Share capital	12	750.86	750.86
	(b) Other Equity	13	2,695.86	3,093.87
	Equity Attributable to owners		**3,446.72**	**3,844.73**
	Non Controlling interest		-	227.33
	Total Equity		**3,446.72**	**4,072.05**
	2 **Non-current liabilities**			
	(a) Financial Liabilities			
	(i) Borrowings	14 (a)	115.72	4.43
	(ii) Other financial liabilities	15 (a)	12,709.82	13,132.78
	(b) Provisions	16 (a)	79.11	67.86
	(c) Other Non current Liabilities	17 (a)	2,411.74	2,132.41
			15,316.40	**15,337.48**
	3 **Current liabilities**			
	(a) Financial Liabilities			
	(i) Borrowings	14 (b)	919.32	812.28
	(ii) Trade payables	18	1,954.90	1,348.85
	(iii) Other financial liabilities	15 (b)	225.48	204.13
	(b) Provisions	16 (b)	56.82	48.81
	(c) Current Tax Liabilities (Net)		-	-
	(d) Other current liabilities	17 (b)	1,541.08	1,393.03
			4,697.61	**3,807.09**
	TOTAL EQUITY AND LIABILITIES		**23,460.73**	**23,216.63**
	Significant Accounting Policies	2		

The accompanying notes are an integral part of these financial statements

As per our report of even date attached
For Khandelwal Jain & Co.
Chartered Accountants
Firm Reg. No. 105049W

Narendra Jain
Partner
Membership No. 048725

Mumbai, dated August 13, 2019

Parind Badshah
Vice President & Company Secretary

N. K. Deora
Sr. Vice President & Chief Financial Officer

For and on behalf of the Board of Directors
V. K. Jatia
Chairman & Managing Director

Directors
A. Didwania **S. D. Israni**
K. Kalyaniwalla

Mumbai, dated August 13, 2019

Consolidated Statement of Profit and Loss for the year ended March 31, 2019

(₹ in Lakhs)

	Particulars	Note No.	Year Ended March 31, 2019	Year Ended March 31, 2018
I	**INCOME**			
	Revenue from operations	19	19,161.72	13,436.52
	Other Income	20	1,444.20	1,788.53
	Total income		**20,605.92**	**15,225.05**
II	**EXPENSES**			
	(a) Purchases of Stock-in-trade		16,538.66	11,106.10
	(b) Changes in inventories of stock-in-trade	21	(319.86)	(210.89)
	(c) Employee benefit expense	22	1,493.61	1,499.72
	(d) Finance costs	23	850.23	1,157.33
	(e) Depreciation and amortisation expense	3 & 4	363.12	336.19
	(f) Other expenses	24	2,263.18	2,072.01
	Total Expenses		**21,188.94**	**15,960.47**
III	**(loss) before exceptional items and tax**		**(583.02)**	**(735.42)**
IV	**Exceptional Items**		**-**	**-**
V	**(loss) before tax**		**(583.02)**	**(735.42)**
VI	**Tax Expense**	25		
	(a) Current tax		50.21	38.20
	(b) Deferred tax		(312.13)	(252.80)
	Total tax expense		**(261.92)**	**(214.60)**
VII	**(Loss) for the year**		**(321.09)**	**(520.82)**
VIII	**Other comprehensive income**			
	(a) Items that will not be reclassified to profit or loss			
	Remeasurement of of the defined benefit liabilities / (Assets)		1.79	5.54
	Income Tax relating to items that will not be reclassified to profit or loss		(0.57)	(1.69)
	(b) Items that will be reclassified to profit or loss			
	Changes in Foreign Currency Translation Reserve		72.25	8.64
IX	**Total comprehensive income for the period**		**(247.62)**	**(508.32)**
	(Loss) for the year attributable to:			
	(a) Owners of the Company		(335.65)	(540.44)
	(b) Non controlling interests		14.55	19.62
			(321.09)	(520.82)
	Other Comprehensive Income of the year attributable to:			
	(a) Owners of the Company		73.42	11.99
	(b) Non controlling interests		0.06	0.51
			73.47	12.50
	Total Comprehensive Income of the year attributable to:			
	(a) Owners of the Company		(262.23)	(528.45)
	(b) Non controlling interests		14.61	20.13
			(247.62)	(508.32)
X	**Earnings per equity share (In Rupees):**	26		
	(1) Basic (Face Value of ₹ 2/- each)		(0.89)	(1.44)
	(2) Diluted (Face Value of ₹ 2/- each)		(0.89)	(1.44)
	Significant Accounting Policies	**2**		

The accompanying notes are an integral part of these financial statements

As per our report of even date attached
For Khandelwal Jain & Co.
Chartered Accountants
Firm Reg. No. 105049W

Narendra Jain
Partner
Membership No. 048725

Mumbai, dated August 13, 2019

Parind Badshah
Vice President & Company Secretary

N. K. Deora
Sr. Vice President & Chief Financial Officer

For and on behalf of the Board of Directors
V. K. Jatia
Chairman & Managing Director

Directors
A. Didwania **S. D. Israni**
K. Kalyaniwalla

Mumbai, dated August 13, 2019

Consolidated Statement of Cash Flows for the Year ended March 31, 2019

(₹ in Lakhs)

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Cash flows from operating activities		
Loss before tax for the year	(583.02)	(735.42)
Adjustments for:		
Interest Expense	91.75	78.45
Unwinding of Finance costs relating to valuations of Security Deposit	758.48	1,078.88
Real Estate income on fair valuation of Security Deposit	(964.35)	(1,131.72)
Interest income recognised in profit or loss	(271.90)	(224.62)
Interest on financial Assets at Amortised Cost	(9.64)	(7.15)
Dividend income	(22.56)	(33.63)
Investment income recognised in profit or loss	(53.87)	(300.53)
Gain/(Loss) on disposal of property, plant and equipment	8.93	(22.81)
Net (gain)/loss arising on financial assets mandatorily measured at fair value through profit or loss	(72.48)	(47.17)
Provision no longer required	(3.64)	(0.90)
Bad Debts	28.12	-
Provision for doubtful debts and advances	86.04	294.36
Depreciation and amortisation of non-current assets	363.12	336.19
	(645.01)	**(716.07)**
Movements in working capital:		
(Increase)/decrease in trade receivables	(1,273.06)	322.33
(Increase)/decrease in inventories	(319.86)	(210.89)
(Increase)/decrease in Other receivable	(114.88)	(208.55)
(Increase)/decrease in other assets	(430.87)	25.70
Increase/(decrease) in trade and other payables	606.05	(111.32)
Increase/(decrease) in provisions	21.06	36.14
Increase/(decrease) in Security Deposit received	(0.00)	8,300.00
Increase/(decrease) in Foreign Currency Fluctuation	72.25	8.64
(Decrease)/increase in financial and non financial liabilities	230.17	156.02
Cash generated from operations	**(1,854.14)**	**7,602.01**
Income taxes paid	(213.16)	(53.52)
Net cash (used in)/generated from operating activities	**(2,067.30)**	**7,548.49**
Cash flows from investing activities		
Proceeds from disposal of property, plant and equipment	11.17	66.60
Payments for property, plant and equipment	(276.22)	(151.48)
Proceeds from Intangible assets	(31.69)	(26.62)
Investment in subsidiary companies	(158.96)	-
Interest received	218.85	224.57
Dividends received	22.56	33.63
Proceeds/(Payments) for purchase of current and non current investments (Net)	2,041.62	(7,057.50)
Fixed deposit with Banks	(54.18)	(28.78)
Other Loan Given	(0.80)	-
Inter corporate Deposit given	(124.58)	(215.94)
Net cash (used in)/generated from investing activities	**1,647.76**	**(7,155.50)**
Cash flows from financing activities		
Proceeds/(Repayment) of current borrowings (Net)	(64.72)	(35.28)
Proceeds/(Repayment) of Non current borrowings (Net)	150.11	8.49
Dividend paid (including DDT)	(146.07)	(140.17)
Interest paid	(91.75)	(78.45)
Net cash (used in)/generated from financing activities	**(152.42)**	**(245.40)**
Net increase in cash and cash equivalents	**(571.96)**	**147.56**
Cash and cash equivalents at the beginning of the year	(303.94)	(451.50)
Cash and cash equivalents at the end of the year	**(875.91)**	**(303.94)**
Cash and cash equivalents as per Balance Sheet (Note 10)	43.42	465.32
Loans repayable on demand / Overdrawn Bank balance	(919.32)	(769.25)
	(875.90)	**(303.94)**

The accompanying notes are an integral part of these financial statements

As per our report of even date attached
For Khandelwal Jain & Co.
Chartered Accountants
Firm Reg. No. 105049W

Narendra Jain
Partner
Membership No. 048725

Mumbai, dated August 13, 2019

For and on behalf of the Board of Directors
V. K. Jatia
Chairman & Managing Director

Parind Badshah
Vice President & Company Secretary

N. K. Deora
Sr. Vice President & Chief Financial Officer

Directors
A. Didwania **S. D. Israni**
K. Kalyaniwalla

Mumbai, dated August 13, 2019

Consolidated Statement of changes in Equity for the year ended March 31, 2019

A. Equity Share Capital

	Equity Shares of ₹. 2/- each	₹ in Lakhs
Paid up Capital at April 1, 2017	**3,75,42,750**	**750.86**
Changes during the year	-	-
Balance as at March 31, 2018	**3,75,42,750**	**750.86**
Changes during the year	-	-
Balance as at March 31, 2019	**3,75,42,750**	**750.86**

B. Statment of Changes in Equity for the year ended March 31, 2019.

	Reserves and Surplus					Other Reserve			
	Capital Reserve	General Reserve	Common Control Transactions Capital Reserve	Capital Redemption Reserve	Retained Earnings	Currency Fluctuation Reserve	Other Equity Attributable to owners	Non Controlling Interest	Total
Balance as at 1st April 2017 (A)	**231.44**	**328.96**	**(6.51)**	**8.91**	**2,858.44**	**329.22**	**3,750.45**	**221.84**	**3,972.29**
Additions during the year								-	-
Profit / (Loss) for the year	-	-		-	(540.44)	-	(540.44)	19.62	(520.82)
Other Comprehensive income for the year	-	-		-	3.35	8.64	11.99	0.51	12.50
Other adjustments					8.64		8.64	(8.64)	-
Total Comprehensive income for the year (B)	**-**	**-**		**-**	**(528.45)**	**8.64**	**(519.81)**	**11.49**	**(508.32)**
Reduction during the year									
Dividend on Equity Shares	-	-		-	(112.63)	-	(112.63)	(6.00)	(118.63)
Dividend Distribution Tax	-	-		-	(24.15)	-	(24.15)	-	(24.15)
Total (C)	**-**	**-**		**-**	**(136.78)**	**-**	**(136.78)**	**(6.00)**	**(142.78)**
Balance as at 31st March 2018 (D) = (A+B+C)	**231.44**	**328.96**	**(6.51)**	**8.91**	**2,193.21**	**337.86**	**3,093.87**	**227.33**	**3,321.19**
Balance as at 1st April 2018 (A)	**231.44**	**328.96**	**(6.51)**	**8.91**	**2,193.21**	**337.86**	**3,093.87**	**227.33**	**3,321.19**
Additions during the year								-	-
Profit / (Loss) for the year	-	-		-	(335.65)		(335.65)	14.55	(321.09)
Other Comprehensive income for the year	-	-		-	1.17	72.25	73.42	0.06	73.47
Total Comprehensive income for the year (B)	**-**	**-**		**-**	**(334.48)**	**72.25**	**(262.23)**	**14.61**	**(247.62)**
Reduction during the year								-	-
Dividend on Equity Shares	-	-		-	(112.63)		(112.63)	(6.00)	(118.63)
Dividend Distribution Tax	-	-		-	(23.15)		(23.15)	(1.23)	(24.38)
Total (C)	**-**	**-**		**-**	**(135.78)**	**-**	**(135.78)**	**(7.23)**	**(143.01)**
Less: Non controlling interest - Note 36 & 37								**(234.70)**	**(234.70)**
Balance as at 31st March 2019 (D) = (A+B+C)	**231.44**	**328.96**	**(6.51)**	**8.91**	**1,722.95**	**410.11**	**2,695.86**	**(0.00)**	**2,695.86**

As per our report of even date attached
For Khandelwal Jain & Co.
Chartered Accountants
Firm Reg. No. 105049W

Narendra Jain
Partner
Membership No. 048725

Mumbai, dated August 13, 2019

Parind Badshah
Vice President & Company Secretary

N. K. Deora
Sr. Vice President & Chief Financial Officer

For and on behalf of the Board of Directors
V. K. Jatia
Chairman & Managing Director

Directors
A. Didwania **S. D. Israni**
K. Kalyaniwalla

Mumbai, dated August 13, 2019

Notes to the Consolidated Financial Statements for the year ended March 31, 2019

Note :- 1.1 - STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

1. COMPANY INFORMATION:

The consolidated financial statements comprise financial statements of Modern India Limited (the Parent), its wholly owned subsidiaries - Modern International (Asia) Limited (MIAL) and Verifacts Services Private Limited (VSPL) (collectively, the Group) for the year ended 31st March, 2019.

The parent is a public limited Company domiciled in India and is incorporated under the provisions of the Companies Act, applicable in India. The Registered of the Company and its principal place of business is located at 1, Mittal Chambers, 228, Nariman Point, Mumbai - 400 021. The parent is listed on Bombay Stock Exchange (BSE). The group is operating in Real Estate, Trading, Renewable Energy, Back ground verification and allied services.

The financial statements of the Company for the year ended 31st March, 2019 were approved for issue in accordance with a resolution of the Board of Directors on 30th May, 2019. Subsequent to this but before adoption of accounts in annual general meeting, the National Company Law Tribunal (NCLT), vide order dated July 11, 2019, has approved the Scheme of amalgamation of Modern India Free Trade Warehousing Private Limited ("MIFTWPL" or "transferor Company-1") and Modern India Property Developers Limited ("MIPDL" or "transferor Company-2), wholly owned subsidiaries with the Company ("transferee Company") and the certified copy of the Order approving the said Scheme has been filed with the Registrar of Companies on August 7, 2019. The appointed date of the said Scheme was April 1, 2018. Accordingly, the company has restated the earlier issued consolidated financial statements by giving necessary effect of the aforesaid Scheme.

2 SIGNIFICANT ACCOUNTING POLICIES:

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

2.1 (a) Statement of Compliance

These consolidated financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with of the Companies (Indian Accounting Standards) Rules,2015 as amended and other relevant provisions of the Act.

(b) Basis of Preparation

These consolidated financial statements have been prepared in accordance with the historical cost basis, except as disclosed in the accounting policies below, and are drawn up in accordance with the provisions of the Companies Act, 2013 and Indian Accounting Standards ("Ind AS") notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015], Companies (Indian Accounting Standards) Amendment Rules, 2016 and other relevant provisions of the Companies Act 2013 (the Act).

The Consolidated financial statements are presented in INR and all values are rounded to the nearest Lakhs (INR 00,000), except when otherwise indicated.

(c) Basis of Consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries. Control is achieved when the company has:

Power over the investee

Has exposed or has rights to variable returns from its involvement with the investee, and

Has the ability to use its power over the investee to effect its returns

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

In case of MIAL, which is located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in that country. The Holding Company's management has converted the financial statements of the said subsidiary located outside India from accounting principles generally accepted in that country to accounting principles generally accepted in India and applied the same policies applicable to the Holding Company.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the Parent company, i.e., year ended on 31st March.

Consolidation procedure:

(i) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the Parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.

(ii) Offset (eliminate) the carrying amount of the Parent's investment in each subsidiary and the Parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.

(iii) Eliminate in full intra group assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intra group transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full).

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the Company and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

The excess of cost to the Company, of its investments in the subsidiaries over the Company's portion of equity is recognized as Goodwill in these consolidated financial statements.

Non controlling interest in the assets of Group consists of the amount of equity attributable to minorities at the date on which investments in a subsidiary is made. Non controlling interest in net profit / loss for the year of the consolidated subsidiaries is identified and adjusted against the profit after tax of the consolidated entity.

(iv) Financial statements of Foreign Subsidiary which is considered as non - integral entity has been converted in Indian Rupees at the following Exchange Rate.

- Revenues and Expenses: At the average exchange rate during the year.
- Current Assets and Current Liabilities: At Exchange Rate prevailing at the end of the year.
- Fixed Assets : At Exchange rate prevailing at the end of the year.
- Any exchange difference arising on consolidation is recognized in other comprehensive income

Effective April 1, 2018 the company has adopted Appendix B to Ind AS 21- Foreign Currency Transactions and Advance Consideration which clarifies the date of transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income when an entity has received or paid advance consideration in a foreign currency. The effect on account of adoption of this amendment was insignificant.

2.2 Current versus non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle (not exceeding twelve months) and other criteria set out in the Schedule III to the Act.

Deferred tax assets and liabilities are classified as non-current assets and liabilities. The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

2.3 Key Accounting Estimates and Judgements:

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

Information about critical judgements in applying accounting policies, as well as estimates and assumptions that have the most significant effect to the carrying amounts of assets and liabilities within the next financial year, are included in the following notes:

(a) Measurement of defined benefit obligations - Note 29

(b) Measurement and likelihood of occurrence of provisions and contingencies - Note 27

(c) Recognition of deferred Tax Assets / Liabilities - Note 25

(d) Key assumptions used in discounted cash flow projections

(e) Impairment of Assets

(f) Impairment of Intangibles

(g) Key assumptions used in repayment of deposits - Note 15(a)

2.4 SIGNIFICANT ACCOUNTING POLICIES:

(a) Property, Plant & Equipment:

Property, Plant and equipment is stated at acquisition cost net of accumulated depreciation and accumulated impairment losses, if any. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the Statement of Profit and Loss during the period in which they are incurred.

Gains or losses arising on retirement or disposal of Property, Plant and Equipment are recognized in the Statement of Profit and Loss.

Property, plant and equipment which are not ready for intended use as on the date of the Balance Sheet are disclosed as "Capital Work-in-progress".

Depreciation is provided on a pro-rata basis on the Written Down Value method based on estimated useful life prescribed under Schedule II to the Companies Act, 2013 with the exception of the following:

(i) Some of Plant and equipment of Renewable Energy are depreciated over 20 years based on the manufacturers

warranty and evaluation done by the management.

(ii) Assets costing Rs. 5,000/- or less are fully depreciated in the year of purchase.

Freehold Land is not depreciated / amortized.

The estimated useful lives, residual values and method of depreciation of property, plant and equipment is reviewed at each financial year end taking into account commercial and technological obsolescence as well as normal wear and tear and adjusted prospectively, if appropriate.

(b) Investment Property:

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Company, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred.

Investment properties are depreciated using the straight line method over their estimated useful lives which is 60 years.

(c) Intangible Assets:

Intangible Assets are stated at acquisition cost, net of accumulated amortisation and accumulated impairment loss, if any.

Amortisation

Intangible assets comprise of Brands / Trademarks and Computer Software. Intangible assets are amortised over the useful life of 3 years. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

In case of VSPL, Trade logo are amortised on a straight line basis and the computer software on written down value method over the estimated useful economic life. The Company uses a rebuttable presumption that the useful economic life of an intangible asset will not exceed 3 years from the date when the asset is available for use. The estimated useful life and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

(d) Impairment of assets:

Intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

In case of VSPL which bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the

budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

(e) Revenue recognition:

Revenue is recognized when it is probable that economic benefits associated with a transaction flows to the Company in the ordinary course of its activities and the amount of revenue can be measured reliably regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment excluding taxes or duties collected on behalf of the government net of returns, trade discounts and volume rebates allowed by the Company.

Revenue includes only the gross inflows of economic benefits, received and receivable by the Company, on its own account. Amounts collected on behalf of third parties such as sales tax and value added tax are excluded from revenue.

Revenues in excess of invoicing are classified as contract assets (which we refer as unbilled revenue) while invoicing in excess of revenues are classified as contract liabilities (which we refer to as unearned revenues).

Sale of products:

Revenue from the sale of products is recognized when the Company transfers all significant risks and rewards of ownership of the goods to the buyer, while the Company retains neither continuing managerial involvement nor effective control over the products sold. Revenue from Renewable Energy Generation is recognized at the time of supply of electricity to the Contracted Customer. Revenue from Renewable Energy Certificates is recognized at the time of Sale.

In case of subsidiary,revenue from trading is recognized when goods are delivered to customers which are taken to the point in time when the customer has accepted the goods and the related risk of ownership.

The Company has adopted Ind AS 115 'Revenue from Contracts with Customers' with the date of initial application being April 1, 2018. Ind AS 115 establishes a comprehensive framework on revenue recognition. Ind AS 115 replaces Ind AS 18 'Revenue' and Ind AS 11 'Construction Contracts'. The application of Ind AS 115 did not have material impact on the financial statements.

Sales of flats

Sales of flats are accounted at contracted rate on handing over the possession.

Rendering of services:

Revenue from services is recognized when the stage of completion can be measured reliably. Stage of completion is measured by the services performed till Balance Sheet date as a percentage of total services contracted. Revenue is recorded exclusive of taxes.

All income arising from Back Ground Verification service to various IT and non IT sectors and interest earning on deposits is accounted on accrual basis.

Commission income is recognized when the related services are rendered and an invoice issued.

Interest and dividends:

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for

example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

Dividends are recognised in the Statement of Profit and Loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

(f) Inventories:

Inventories are valued as under:

(i)	Trading Goods	:	At lower of Cost and Net Realizable Value
(ii)	Stores / Consumables	:	At lower of Cost and Net Realizable Value
(iii)	Real Estate Business:		
	(a) Land & Structures	:	At lower of Book and Net Realizable Value
	(b) Land & Structures - Acquired	:	At lower of Cost and Net Realizable Value
	(c) Land	:	At lower of Book and Net Realizable Value
(iv)	Renewable Energy Certificates	:	At Net Realizable Value

Cost comprise all cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost formulae used are 'First-in-First-out'. Due allowance is estimated and made for defective and obsolete items, wherever necessary. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

(g) Trade Receivables:

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method less provision for impairment.

(h) Cash and Cash equivalents:

Cash and Cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. These do not include bank balances earmarked/restricted for specific purposes.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

(i) Financial Instruments:

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

(A) Financial Assets:

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame are recognized on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement:

Subsequent measurementFor purposes of subsequent measurement, financial assets are classified in following categories based on business model of the entity:

- Debt instruments at amortized cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through profit and loss (FVTPL)

Debt instruments at amortized cost A 'debt instrument' is measured at the amortized cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method.

Debt instrument at FVTOCI A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The asset's contractual cash flows represent SPPI

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On derecognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method. The Company has not designated any debt instrument as at FVOCI.

Debt instrument at FVTPL Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L. The Company has not designated any debt instrument as at FVTPL.

Equity investments (Other than investment in subsidiary)

The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments continue to be recognised in profit or loss as other income when the Company's right to receive payments is established. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other income in the statement of profit and loss.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L. The Company has elected to measure equity instruments at FVTPL.

Investments in Mutual Funds Investments in mutual funds are measured at fair value through profit or loss (FVTPL).

Equity Investments (in subsidiary)

Investment in subsidiary is carried at cost less accumulated impairment losses, if any, in accordance with the option available in Ind AS 27, 'Separate Financial Statements'. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. The accounting policy on impairment of non-financial assets is disclosed in Note 2.4(d). On disposal of investments in subsidiary, the difference between net disposal proceeds and the carrying amounts are recognized in the statement of profit and loss.

Derecognition:

A financial asset is de-recognized only when

- The Company has transferred the rights to receive cash flows from the financial asset or

- Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Company has transferred an asset, it evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is de-recognized.Where the Company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is de-recognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

Impairment of financial assets In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of Impairment loss on the following financial assets:

A. Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 115

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

Trade receivables or contract revenue receivables;

& All lease receivables resulting from transactions within the scope of Ind AS 17

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L).

In case of Verifacts Services Pvt. Ltd., - In accordance with Ind AS 109, the Company applies the expected credit loss ("ECL") model for measurement and recognition of impairment loss on financial assets and credit risk exposures. The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. Simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECL at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not

increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

ECL is the difference between all contractual cash flows that are due to the group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

(B) Financial Liabilities

Financial liabilities and equity instruments issued by the company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Initial recognition and measurement

Financial liabilities are recognised when the company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortised cost unless at initial recognition, they are classified as fair value through profit and loss.

Subsequent measurement

Financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the statement of profit and loss.

Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial period which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortised cost using the effective interest method.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

(j) Fair Value:

The Company measures financial instruments at fair value in accordance with the accounting policies mentioned above. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the assets or liabilities, or

- In the absence of a principal market, in the most advantageous market for the asset or liability.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate

economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy that categorizes into three levels, described as follows, the inputs to valuation techniques used to measure value. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 inputs) and the lowest priority to unobservable inputs (Level 3 inputs).

Level 1 — quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3 — inputs that are unobservable for the asset or liability

For assets and liabilities that are recognized in the financial statements at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization at the end of each reporting period and discloses the same.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

(k) Leases

As a lessee

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to statement of profit and loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

As a lessor

Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases.

(l) Foreign Currency Translation and Transactions

(i) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian currency (INR), which is the Company's functional and presentation currency

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the period end exchange rates are recognised in profit or loss.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equity instruments held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equity investments classified as FVOCI are recognised in other comprehensive income.

(m) Dividend

Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

(n) Income Taxes

Tax expense is the aggregate amount included in the determination of profit or loss for the period in respect of current tax and deferred tax.

Current tax:

Current tax is the amount of income taxes payable in respect of taxable profit for a period. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible under the Income Tax Act, 1961.

Current tax is measured using tax rates that have been enacted by the end of reporting period for the amounts expected to be recovered from or paid to the taxation authorities.

Deferred tax:

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit under Income Tax Act, 1961.

Deferred tax liabilities are generally recognized for all taxable temporary differences. However, in case of temporary differences that arise from initial recognition of assets or liabilities in a transaction (other than business combination) that affect neither the taxable profit nor the accounting profit, deferred tax liabilities are not recognized. Also, for temporary differences if any that may arise from initial recognition of goodwill, deferred tax liabilities are not recognized.

Deferred tax assets are generally recognized for all deductible temporary differences to the extent it is probable that taxable profits will be available against which those deductible temporary difference can be utilized. In case of temporary differences that arise from initial recognition of assets or liabilities in a transaction (other than business combination) that affect neither the taxable profit nor the accounting profit, deferred tax assets are not recognized.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow the benefits of part or all of such deferred tax assets to be utilized.

Deferred tax assets and liabilities are measured at the tax rates that have been enacted or substantively enacted by the Balance Sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability.

Accordingly, MAT is recognised as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with asset will be realised.

Presentation of current and deferred tax:

Current and deferred tax are recognized as income or an expense in the Statement of Profit and Loss, except when they relate to items that are recognized in Other Comprehensive Income, in which case, the current and deferred tax income/expense are recognized in Other Comprehensive Income.

The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. In case of deferred tax assets and deferred tax liabilities, the same are offset if the Company has a legally enforceable right to set off corresponding current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority on the Company.

(o) Provisions and Contingent Liabilities and contingent Assets

The Company recognizes provisions when a present obligation (legal or constructive) as a result of a past event exists and it is probable that an outflow of resources embodying economic benefits will be required to settle such obligation and the amount of such obligation can be reliably estimated.

If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

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

Contingent assets are not disclosed in the financial statements unless an inflow of economic benefits is probable.

(p) Employee benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

(ii) Other long-term employee benefit obligations

The liabilities for earned leave which is expected to be utilised within next twelve months, are treated as short-term employee benefit. Leave entitlement, other than short term compensated absences, are provided based on a actuarial valuation, similar to that of gratuity benefit. Remeasurement as a result of experience adjustments and changes in actuarial assumptions are recognised in the Statement of Profit and Loss.

(iii) Post-employment obligations

The Company operates the following post-employment schemes:

(a) defined benefit plans such as gratuity; and

(b) defined contribution plans such as provident fund.

Gratuity obligations

The liability or asset recognised in the balance sheet in respect of defined benefit pension and gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Defined Contribution Plans

Contributions to defined contribution schemes such as employees' state insurance and labour welfare fund are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees. Company's provident fund contribution is made to a government administered fund and charged as an expense to the Statement of Profit and Loss. The above benefits are classified as Defined Contribution Schemes as the Company has no further defined obligations beyond the monthly contributions.

Termination benefits

Termination benefits are recognized as an expense in the period in which they are incurred.

(q) Borrowings:

Borrowings are initially recognised at net of transaction costs incurred and measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Statement of Profit and Loss over the period of the borrowings using the effective interest method.

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs, if any, directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized, if any. All other borrowing costs are expensed in the period in which they occur.

(r) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM). The CODM is responsible for allocating resources and assessing performance of the operating segments of the Group. The group has identified the following segments :(a) Trading, (b) Real Estate, (c) Background Check Services and (d) Renewable Energy.

(s) Cash Flow Statement

Cash flows are reported using the indirect method. The cash flows from operating, investing and financing activities of the Company are segregated.

(t) Business combinations

Business Combination under Common control

A business combination involving entities or businesses under common control is a business combination in which all of the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination and the control is not transitory. The transactions between entities under common control are specifically covered by Appendix C to Ind AS 103 and are accounted for using the pooling-of-interest method as follows:

- The assets and liabilities of the combining entities are reflected at the carrying amounts.

- No adjustments are made to reflect fair values, or recognize new assets or liabilities. Adjustments are made to harmonize significant accounting policies.

- The financial information in the financial statements in respect of prior periods is restated as if the business combination has occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination.

The balance of the retained earnings appearing in the financial statements of the transferor is aggregated with the corresponding balance appearing in the financial statements of the transferee. The identity of the reserves is preserved and the reserves of the transferor become the reserves of the transferee.The difference, if any, between the investment in the financial statements of the Transferee Company in the Transferor Companies and the amount of paid-up share capital of the Transferor Companies respectively, is adjusted against the Capital Reserves and will be transferred to Common Control Transactions Capital Reserve (separately from other capital reserves).

(u) Earnings Per Share (EPS):

Basic Earnings per share amounts are calculated by dividing the profit / (loss) for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders adjusted for the effects of potential equity shares by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

(v) Offsetting Financial Instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis to realise the assets and settle the liabilities simultaneously.

(w) Events after Reporting date

Where events occurring after the Balance Sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the Balance Sheet date of material size or nature are only disclosed.

2.5 Recent accounting pronouncements

Application of new and revised Ind AS's

(a) Ind AS 116 – Leases

On 30 March 2019, the Ministry of Corporate Affairs (MCA) notified Ind AS 116, Leases as part of the Companies (Indian Accounting Standards) Amendment Rules, 2019. Ind AS 116 replaces existing standard on leases i.e. Ind

AS 17, Leases with effect from accounting periods beginning on or after 1 April 2019.

Ind AS 116 will affect primarily the accounting by lessees and will result in the recognition of almost all leases on balance sheet. The standard removes the current distinction between operating and finance leases and requires recognition of the right-of-use asset and a lease liability to pay rentals for virtually all lease contracts. An optional exemption exists for short-term and low-value leases.

Where a contract meets Ind AS 116's definition of a lease, lease agreements will give rise to the recognition of a non-current asset representing the right to use the leased item, and a lease liability for future lease payables.

In the Statement of Profit and Loss, lessees will have to present interest expense on the lease liability and depreciation on the right-of-use asset. In the cash flow statement, cash payments for the principal portion of the lease liability and its related interest are classified within financing activities. Payments for short-term leases, leases of low-value assets and variable lease payments not included in the measurement of the lease liability are presented within operating activities.

The Company is in the process of evaluating the impact of adoption of Ind AS 116 on its financial statements and will accordingly consider the same from period beginning April 1, 2019.

(b) Other amendments

On March 30, 2019, the Ministry of Corporate Affairs (MCA) notified certain other amendments to Indian Accounting Standards (Ind AS), as below, as part of the Companies (Indian Accounting Standards) Second Amendment Rules, 2019. These other amendments come into force on 1 April 2019.

(i) Appendix C, 'Uncertainty over Income Tax Treatments', to Ind AS 12, 'Income Taxes' - The appendix explains how to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates.

(ii) Plan Amendment, Curtailment or Settlement – Amendments to Ind AS 19, 'Employee Benefits' - The amendments to Ind AS 19 clarify the accounting for defined benefit plan amendments, curtailments and settlements. The Company must :

- calculate the current service cost and net interest for the remainder of the reporting period after a plan amendment, curtailment or settlement by using the updated assumptions from the date of the change;

- any reduction in a surplus should be recognised immediately in profit or loss either as part of past service cost, or as a gain or loss on settlement. In other words, a reduction in a surplus must be recognised in profit or loss even if that surplus was not previously recognised because of the impact of the asset ceiling; and

- separately recognise any changes in the asset ceiling through other comprehensive income.

(iii) Ind AS 12, 'Income Taxes' - The amendment clarifies that an entity shall recognize the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognized those past transactions or events.

(iv) Ind AS 23, 'Borrowing Costs' - The amendments clarify that if a specific borrowing remains outstanding after the related qualifying asset is ready for its intended use or sale, it becomes part of general borrowings.

The effective date for adoption of amendments as per Companies (Indian Accounting Standards) Second Amendment Rules, 2019 is annual periods beginning on or after April 1, 2019. The Company will adopt the standard on April 1, 2019 and is in the process of evaluating the impact on account of above amendment on its financial statements and will accordingly consider the same from period beginning April 1, 2019.

Notes to the Consolidated Financial Statements for the year ended March 31, 2019

Note No. 3 (a) - Property, Plant & Equipment's - Tangible Assets

(₹ in Lakhs)

Description of Assets	Land Freehold	Buildings	Plant and Equipment*	Furniture and Fixtures	Vehicles	Total	Capital Work-in-Progress
Gross Carrying amount							
Balance as at 31 March, 2017	**55.32**	**51.26**	**1,989.37**	**83.24**	**115.63**	**2,294.83**	**348.89**
Additions	234.18	94.66	33.55	9.04	110.42	481.84	7.00
Disposals	-	-	361.43	0.70	9.06	371.18	-
Balance as at 31 March, 2018	**289.50**	**145.92**	**1,661.49**	**91.58**	**217.00**	**2,405.49**	**355.89**
Additions	-	30.95	13.93	2.16	204.55	251.59	9.98
Disposals	-	-	14.18	17.04	21.12	52.34	-
Balance as at 31 March, 2019	**289.50**	**176.87**	**1,661.25**	**76.70**	**400.42**	**2,604.74**	**365.87**
Accumulated depreciation / amortisation							
Balance as at 31 March, 2017	-	15.36	291.15	20.00	36.60	**363.12**	-
Depreciation / amortisation expense for the year	-	10.38	239.40	19.20	49.31	318.29	-
Depreciation on Disposal	-	-	323.74	0.32	3.34	327.39	-
Balance as at 31 March, 2018	**-**	**25.74**	**206.82**	**38.89**	**82.57**	**354.02**	**-**
Depreciation / amortisation expense for the year	-	14.48	234.18	12.24	73.29	334.19	-
Depreciation on Disposal	-	-	7.39	8.74	16.10	32.24	-
Balance as at 31 March, 2019	**-**	**40.22**	**433.60**	**42.38**	**139.76**	**655.97**	**-**
Net Carrying amount							
Balance as at 31st March 2018	**289.50**	**120.18**	**1,454.68**	**52.69**	**134.42**	**2,051.47**	**355.89**
Balance as at 31st March 2019	**289.50**	**136.65**	**1,227.64**	**34.32**	**260.66**	**1,948.77**	**365.87**

(*) includes Plant, Office Equipment and Computers.

Note No. 3 (b) - Investment Property

(₹ in Lakhs)

Description of Assets	Building	Land	Total
I. Gross Carrying Amount			
Balance as at 31st March, 2017	226.23	244.00	470.22
Addition	-	-	-
Disposals	-	-	-
Balance as at 31 March, 2018	226.23	244.00	470.22
Addition	14.65		14.65
Disposals	-	-	-
Balance as at 31st March, 2019	240.88	244.00	484.88
II. Accumulated Amortization and impairment			
Balance as at 31st March, 2017	4.40		4.40
Charge for the period	4.31		4.31
Reversals/ Disposals during the period			
Balance as at 31 March, 2018	8.72	-	8.72
Charge for the period	2.91	-	2.91
Reversals/ Disposals during the period			
Balance as at 31st March, 2019	11.63	-	11.63
Net Carrying value			
Balance as at 31 March, 2018	217.51	244.00	461.51
Balance as at 31st March, 2019	229.25	244.00	473.25

The Group's investment properties consist of one Residential Duplex Flat and land in India. Management determined that the investment properties consist of two class of assets - (i) residential & (ii) Land - based on the nature, characteristics and risks of each property.

The Group has no restrictions on the realisability of its investment properties and no contractual obligations to either purchase, construct or develop investment properties or for repairs, maintenance and enhancements.

Disclosures relating to Investment Property:

Particulars	**31.03.2019**	**31.03.2018**
Fair Value of the Building *	1,189.60	1,189.60
Fair Value of the Land*	660.45	660.45
Total	**1,850.05**	**1,850.05**
Rental Income	-	-
Direct Operating Expenses	6.14	5.77

* Valuations are based on Stamp Duty Ready Reckoner

Note No. 4 - Intangible Assets

(₹ in Lakhs)

Description of Assets	Computer Software	Brands/ Trademarks	Total	Goodwill
Intangible Assets				
Balance as at 1 April, 2017	25.58	3.10	28.68	2,364.56
Additions	43.30	-	43.30	-
Disposals	-	-		-
Balance as at 31 March, 2018	**68.89**	**3.10**	**71.99**	**2,364.56**
Additions	31.69	-	31.69	-
Disposals - refer note 36 & 37	-	-		84.70
Balance as at 31 March, 2019	**100.58**	**3.10**	**103.68**	**2,279.86**
II. Accumulated depreciation and impairment				
Balance as at 1 April, 2017	13.43	1.17	14.60	-
Additions	12.42	1.17	13.58	-
Disposal	-	-		-
Balance as at 31 March, 2018	**25.85**	**2.33**	**28.18**	**-**
Additions	25.42	0.59	26.01	-
Disposal	-	-		-
Balance as at 31 March, 2019	**51.27**	**2.93**	**54.20**	**-**
Net carrying amount				
Balance as at 31 March, 2018	43.04	0.77	43.81	2,364.56
Balance as at 31 March, 2019	**49.31**	**0.18**	**49.48**	**2,279.86**

Note No. 5 (a) - Investments - Non Current **(₹ in Lakhs)**

Particular	As at March 31, 2019		As at March 31, 2018	
	QTY	Amounts	QTY	Amounts
A. Other Investments At Cost fully paid up				
The Shamrao Vithal Co-op Bank Ltd. of ₹ 25/- each	20,000	5.00	20,000	5.00
Investment in Primo Tech Textiles LLP (50%)	-	2.26		
Total Unquoted Investments		**7.26**		**5.00**
INVESTMENTS CARRIED AT COST [A]		**7.26**		**5.00**
B. Investment in Debentures & Bonds				
Quoted				
At Amortised Cost				
Laxmi Vilas Bank Tier II Bonds Series X of ₹ 5,00,000/- each	40	200.00	40	200.30
SREI Equipments Finance Ltd of ₹ 1,000/- each	10000	100.00	10,000	100.00
IndusInd Bank of ₹ 10,00,000/- each	10	99.55		-
Yes Bank of ₹ 10,00,000/- each	15	149.09		-
TOTAL INVESTMENTS CARRIED AT AMORTISED COST [B]		**548.65**		**300.30**
C. Investments stated at Fair Value Through Profit and Loss				
Quoted Investments				
Investments in Equity Instruments				
Quoted Investments in Equity Instruments		**1,041.38**		**1,100.10**
Investments In other Instruments				
IRB Invit Fund	495,000	330.12	425,000	348.71
India Grid Trust	270,459	221.10	280,665	266.07
Quoted Investments in Other Instruments		**551.22**		**614.78**
Unquoted Investments in Other Instruments				
CreditWatch Information Analytics P Ltd				
(CCPS of ₹ 1/- each)	30,750	375.00	-	**-**
		375.00		**-**
Unquoted Investments				
In Units of Mutual Funds				
Unquoted Investments in Mutual / Other Funds		**4,096.08**		**4,910.11**
INVESTMENTS CARRIED AT FVTPL [D]=(i)+(ii)		**6,612.32**		**6,925.30**
TOTAL INVESTMENTS (A) + (B)+ (C)		**6,619.57**		**6,930.30**
Other disclosures				
Aggregate amount of quoted investments		**2,141.24**		**2,315.48**
Aggregate amount of Market value of investments		**2,133.38**		**2,015.85**
Aggregate amount of unquoted investments		**4,478.33**		**4,915.11**

Note No. 5 (b) - Investment - Current **(₹ in Lakhs)**

Particular	As at March 31, 2019		As at March 31, 2018	
	QTY	Amounts	QTY	Amounts
Investments - Unquoted				
In Units of Mutual Funds				
At Fair value through Profit and Loss				
Unquoted Investments in Mutual Fund Units		**523.30**		**2,118.21**
INVESTMENTS CARRIED AT FVTPL		**523.30**		**2,118.21**
Other disclosures				
Aggregate amount of quoted investments		**-**		**-**
Aggregate amount of unquoted investments		**523.30**		**2,118.21**

Note No. 6 (a):- Other Financial Assets - Non current

Particulars	As at March 31, 2019	As at March 31, 2018
Financial assets at amortised cost		
Other items - unsecured considered good		
Security Deposits	348.53	337.69
Application Money Paid towards Securities	100.00	-
TOTAL	**448.53**	**337.69**

Note No. 6 (b) :- Other Assets - Non current

Particulars	As at March 31, 2019	As at March 31, 2018
Others - Unsecured considered good		
Expenses on Project under implementation	169.69	108.21
Other Advances	-	100.00
TOTAL	**169.69**	**208.21**

Note No. 7 (a) :- Loans - Current Particulars	As at March 31, 2019	As at March 31, 2018
Financial assets carried at amortised cost:		
- Loans Receivables considered good - Secured	57.75	94.12
(Secured against Equity Shares and Land)		
- Loans Receivables considered good - Unsecured	535.59	404.63
- Loans Receivables which have significant increase in Credit Risk	-	-
- Loans Receivables - credit impaired	59.97	29.97
Less: Allowance for expected credit loss	(59.97)	(29.97)
Loans to Employee	2.18	1.38
	595.51	**500.13**
Name of the Company, Nature, Purpose		
Prabal Investrade Pvt. Ltd., Secured, Working Capital	117.72	124.09
Nine Globe Industry Pvt. Ltd. Unsecured, Working Capital	535.59	404.63

Note No. 7 (b) :- Other Assets - Current	As at	As at
Particulars	**March 31, 2019**	**March 31, 2018**
(a) Advances to suppliers - refer note no. 38	1,131.29	480.38
(b) Balances with government authorities (other than income taxes)	66.02	24.68
(c) Prepaid expenses	18.84	27.07
(d) Others - unsecured considered good		
- Unbilled revenue	48.54	42.81
- Other Receivable	5.42	227.51
- Deffered Lease payment	11.45	9.72
(e) Advances which have significant increase in Credit Risk	-	-
(f) Advances given - Credit Impaired	145.58	145.58
Less: Allowance for doubtful advances given	(145.58)	(145.58)
TOTAL	1,281.55	812.16

Note No. 8 :- Inventories (As taken, valued and certified by the Management)

Refer Note 2.4 (f) of Standalone Accounting Policies for Accounting Policy on Inventories

Particulars	As at	As at
	March 31, 2019	**March 31, 2018**
Trade receivables:		
Stock-in-trade of goods acquired for trading	7.42	6.40
Traded Goods		
Real Estate Business:		
(i) Land & Structures Refer Note 21	1,343.38	947.87
(ii) Land	214.67	214.67
Renewable Energy Certificates	-	76.67
TOTAL	**1,565.47**	**1,245.61**

Note No. 9 :- Trade receivables

Particulars	As at	As at
	March 31, 2019	**March 31, 2018**
Trade receivables:		
Trade Receivables Considered Good - Secured	-	-
Trade Receivables Considered Good - Unsecured	4,495.53	3,306.63
Trade Receivables which have significant increase in Credit Risk	-	-
Trade Receivables - Credit Impaired	192.81	136.76
Less: Allowance for expected credit loss	(192.81)	(136.76)
TOTAL	**4,495.53**	**3,306.63**

(i) In respect of the Holding Company, an amount of ₹ 1,348.48 Lakhs (Net of ₹ 104.64 Lakhs recovered till date, ₹ 11.03 Lakhs received during the year) is outstanding as receivable in respect of Commodities Trading Transactions done on National Spot Exchange Limited (NSEL). The Company has filed a representative suit in the Hon'ble Bombay High Court for recovery of the same. Ministry of Corporate Affairs (MCA) had ordered merger of 63 Moons Technologies Limited with NSEL which has been set aside by the Hon'ble Supreme Court of India. In the meanwhile various decrees have been passed by the High Court of Bombay against defaulters, including sale of commodities and assets is also in process. Various agencies including Economic Offence Wing and Enforcement Directorate are also in process of liquidating assets of defaulters. However considering uncertainties involved in making any reliable estimate of amount recoverable, provision if any will be considered at an appropriate time on the basis of resultant outcome. Until then the dues are considered as good.

(ii) No Trade or other receivables are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member. Trade Receivable are generally non interest bearing and are generally on terms of 0 to 60 days of credit period.

Note No. 10 (a) :- Cash and Cash Equivalents **(₹ in Lakhs)**

Particulars	**As at March 31, 2019**	**As at March 31, 2018**
Balances with banks (of the nature of cash and cash equivalents):		
- Current Accounts	41.95	461.93
- Cash on Hand	1.47	3.39
TOTAL	**43.42**	**465.32**

Note No. 10 (b) :- Bank Balances other than Cash and Cash Equivalents

Particulars	**As at March 31, 2019**	**As at March 31, 2018**
Earmarked balances with banks:		
Deposit with Bank under Lien	10.00	-
Unclaimed Dividend	20.40	23.46
Fixed Deposits with Banks *	948.75	901.51
TOTAL	**979.15**	**924.97**

* Pledged to Banks for working capital facilities sanctioned

Note No. 11 :- Other financial assets - Current

Particulars	**As at March 31, 2019**	**As at March 31, 2018**
Financial assets carried at amortised cost:		
Other receivable	9.54	5.50
Interest Receivable	94.95	41.90
TOTAL	**104.48**	**47.40**

Note No. 12 :- Equity Share Capital

Particulars	As at March 31, 2019		As at March 31, 2018	
	QTY No. of shares	Amounts Amount	QTY No. of shares	Amounts Amount
Authorised:				
Equity Shares of ₹ 2/- each *	37,50,00,000	7,500.00	12,45,00,000	2,490.00
Preference Shares of ₹ 100/- each *	5,00,000	500.00	10,000	10.00
		8,000.00		**2,500.00**
Issued:				
Equity Shares of ₹ 2/- each	3,75,47,000	750.94	3,75,47,000	750.94
Subscribed and Fully Paid:				
Equity Shares of ₹ 2/- each	3,75,42,750	750.86	3,75,42,750	750.86
Forfeited Equity Shares - Amount originally Paid up		0.00		0.00
Total		**750.86**		**750.86**

* The National Company Law Tribunal (NCLT), vide order dated July 11, 2019, has approved the Scheme of amalgamation of Modern India Free Trade Warehousing Private Limited ("MIFTWPL") and Modern India Property Developers Limited ("MIPDL"), wholly owned subsidiaries with the Company ("transferee Company") and the certified copy of the Order approving the said Scheme has been filed with the Registrar of Companies on August 7, 2019. The appointed date of the said Scheme was April 1, 2018. Also pursuant to the said scheme, the authorized share capital of the Company has increased to Equity Share Capital of ₹ 7500.00 Lakhs (Previous Year ₹ 2490.00 Lakhs) and Preference Share Capital increased to ₹ 500.00 Lakhs (Previous Year ₹ 10.00 Lakhs)

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

Equity Shares	As at March 31, 2019		As at March 31, 2018	
	QTY No. of Shares	Amounts Amount	QTY No. of Shares	Amounts Amount
Shares outstanding at the beginning of the year	3,75,42,750	750.86	3,75,42,750	750.86
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	3,75,42,750	750.86	3,75,42,750	750.86

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

The Company has only one class of Equity Shares having a par value of ₹2/- per Share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees and every equity share is entitled to the same rate of dividend. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts in proportion to their shareholding.

The Board of Directors, in their meeting on May 24, 2018, proposed a dividend of ₹ 0.30 per equity share which has been approved by the shareholders at the Annual General Meeting held on 10th August, 2018. The total dividend paid during the year ended March 31, 2018 amounts to ₹ 112.63 lakhs excluding dividend distribution tax (Net of credit in respect of taxes paid under section 115 O of the Income Tax Act, 1961 on dividend received from subsidiary Company) ₹19.25 Lakhs.

The Board of Directors in the meeting on May 30, 2019, have proposed a final dividend of ₹ 0.24 per equity shares for the Financial Year ended March 31, 2019. The proposal is subject to approval of the shareholders of the Company at the ensuing annual general meeting to be held and if approved would result in a cash outflow of approximately ₹ 90.10 lakhs excluding dividend distribution tax.

(c) The Company has not issued any equity shares as bonus or for consideration other than cash and has not bought back any shares during the period of five years immediately preceeding March 31, 2019.

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

Class of shares / Name of shareholder	**As at March 31, 2019**		**As at** March 31, 2018	
	Number of shares held	**% holding in that class of shares**	Number of shares held	% holding in that class of shares
Equity Shares of ₹ 2/- each fully paid				
Shree Rani Sati Investment & Finance Ltd	82,99,108	22.11	82,99,108	22.11
Sarat Leasing & Finance Pvt. Ltd	77,07,500	20.53	77,07,500	20.53
F Pudumjee Investment Company Pvt. Ltd	57,72,008	15.37	57,72,008	15.37

Note No. 13 :- Other Equity

Refer Consolidated Statement of Changes in Equity for detailed movement in Other Equity Balances

(₹ in Lakhs)

		As at March 31, 2019	As at March 31, 2018
(i)	Capital Reserve	**231.44**	231.44
(ii)	Common Control Transactions Capital Reserve - refer note no. 38	**(6.51)**	(6.51)
(iii)	Capital Redemption Reserve	**8.91**	8.91
(iv)	General Reserve	**328.96**	328.96
(v)	Retained Earnings	**1,722.95**	2,193.21
(vi)	Currency Fluctuation Reserve	**410.11**	337.86
	Total Attributable to owners of the Company	**2,695.86**	3,093.87
(vii)	Non Controlling Interest	**(0.00)**	227.33
		2,695.86	3,321.19

Capital Reserve: Balance represents reversal of unrealized difference between Fair Market Value and cost of Land converted into Stock-in-Trade and transferred from Capital Reserve to Profit & Loss Account during the Year ended March 31, 1996 .

General reserve: General Reserve is created out of the profits earned by the Company by way of transfer from retained earnings. This reserve will be utilized in accordance with the provisions of the Companies Act, 2013.

Common Control Transactions Capital Reserve : Common Control Transactions Capital Reserve is created on account of Amalgamation of subsidiary Company.

Note No. 14 (a) :- Borrowings - Non current **(₹ in Lakhs)**

Particulars	As at March 31, 2019	As at March 31, 2018
Measured at amortised cost		
Secured Borrowings:		
Term Loans		
From Banks (*)	115.72	4.43
Total	**115.72**	**4.43**

(*) During the current financial year 2018-19, 4 car finance loans were taken from Bank repayable in 36 monthly instalments with interest @ 07.71% per annum and the last instalment is due in September - 2021. Also a car finance loan was taken from Bank repayable in 60 monthly instalments with interest @ 8.81% per annum and the last instalment is due in September - 2023. These loans are secured by hypothecation of specific Vehicles acquired.

Note No - 14 (b) : Borrowings - Current

	Particulars	As at March 31, 2019	As at March 31, 2018
A.	**Secured Borrowings**		
	Loans repayable on demand - Current		
	From Banks (#)	919.32	747.55
	Total Secured Borrowings	**919.32**	**747.55**
B.	**Unsecured Borrowings**		
	Loans from related parties	-	64.72
	Total Unsecured Borrowings	**-**	**64.72**
	Total	**919.32**	**812.28**

₹ 496.02 Lakhs Secured by hypothecation of Investments in Units of Mutual Funds. The rate of Interest is in the range of 8.25% to 8.95% per annum.

₹ 142.74 Lakhs Secured by charge on Book Debts and pledge of Bank Fixed Deposits with RBL Bank Limited. The rate of Interest is in the range of 10.45% to 11.25% per annum.

₹ 30.67 Lakhs Secured by pledge of Bank Fixed Deposits with SVC Bank Limited. The rate of Interest is 8.85% per annum.

₹ 249.89 Lakhs Secured by pledge of Bank Fixed Deposits and Corporate Guarantee given by the Company.

Note No. 15 (a) :- Other Financial Liability - Non current

Particulars	As at March 31, 2019	As at March 31, 2018
Other non current financial liability		
(a) Security Deposits	12,709.82	13,132.78
TOTAL	**12,709.82**	**13,132.78**

(*) Repayment of Security Deposits of ₹ 16,800.00 Lakhs (Fair Valued at ₹ 12,709.82 Lakhs) is dependent on development of some of the properties in Mumbai. The deposits do not carry any interest.

During the previous year, the Company had entered into an agreement for sale with K. Raheja Corp. Pvt. Ltd. ("Purchaser") for sale of its land admeasuring 12,601.99 Sq. Mtrs. or thereabouts being sub-divided Plot D-1, bearing C.S. No. 7/1895 of Byculla Division situated at Keshavrao Khadye Marg (Clerk Road) Mahalaxmi, Mumbai. The consideration receivable by Company from the purchaser for the said land shall be 50% of the realisations from the sale of approx. 3.80 Lakhs Sq. Ft. area to be developed on the aforesaid land as per present Development Regulations over a period of 5 to 6 years. Revenue will be recognized as per accounting policy stated in Note 2.4(e)

Note No. 15 (b) :- Other Financial Liability - Current

	Particulars	As at March 31, 2019	As at March 31, 2018
(a)	Current maturities of long-term debt (*)	42.88	4.05
(b)	Unpaid dividends (#)	20.40	23.46
(c)	Deposits	1.35	7.68
(d)	Liabilities for expenses	160.85	168.94
	TOTAL	**225.48**	**204.13**

(*) During the current financial year 2018-2019, 4 car finance loans were taken from Bank repayable in 36 monthly instalments with interest @ 07.71% per annum and the last instalment is due in September - 2021. Also a car finance loan was taken from Bank repayable in 60 monthly instalments with interest @ 08.81% per annum and the last instalment is due in September - 2023.These loans are secured by hypothecation of specific Vehicles acquired.

(#) There is no amount due and outstanding as at Balance Sheet date to be credited to Investors Education and Protection Fund.

Note No. 16 (a) :- Provisions - Non current

Particulars	As at March 31, 2019	As at March 31, 2018
Provision for employee benefits		
(a) Gratuity (Unfunded)	59.93	52.94
(b) Leave Encashment (Unfunded)	19.19	14.92
TOTAL	**79.11**	**67.86**

Note No. 16 (b) :- Provisions - Current

Particulars	As at March 31, 2019	As at March 31, 2018
Provision for employee benefits		
(a) Gratuity (Unfunded)	30.16	28.97
(b) Leave Encashment (Unfunded)	26.66	19.84
TOTAL	**56.82**	**48.81**

Note No. 17 (a) :- Other liability - Non current

Particulars	As at March 31, 2019	As at March 31, 2018
Deferred revenue on security deposit	2,411.74	2,132.41
TOTAL	**2,411.74**	**2,132.41**

Note No. 17 (b) :- Other liability - Current

Particulars	As at March 31, 2019	As at March 31, 2018
a. Income received in advance	3.62	3.09
b. Deferred revenue on security deposit	1,143.02	1,205.26
c. Statutory dues	57.02	40.39
d. Overdrawn Bank balance	-	21.70
e. Others	337.41	122.59
TOTAL	**1,541.08**	**1,393.03**

Note No. 18 :- Trade Payable

Particulars	As at March 31, 2019	As at March 31, 2018
Trade payable for goods & services	1,954.90	1,348.85
(Outstanding dues of other than Micro and Small Enterprises)		
TOTAL	**1,954.90**	**1,348.85**

There are no Micro and Small Enterprises to whom the Company owes dues, which are outstanding for more than 30 days as at the Balance Sheet date. Further, the Company has not paid any interest to any Micro and Small Enterprise during the accounting year, nor is any interest payable to any Micro and Small Enterprise as at 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 and relied upon by the Auditors.

Note No. 19 :- Revenue from Operations **(₹ in Lakhs)**

	Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
(a)	Sale of Goods Traded	17,006.75	11,447.54
(b)	Revenue from Renewable Energy Generation	253.93	124.74
(c)	**Sale of Services:**		
	(i) Revenue from Background Check Services	1,886.39	1,845.32
	(ii) Vocational Trainning Fees	0.63	0.57
	(iii) Income from Real Estate Business	1.50	2.40
(d)	**Other Operating Revenues**		
	Rent Income	12.52	15.96
	TOTAL	**19,161.72**	**13,436.52**

Disclosure of Disaggregate revenue information and major customers as required under Ind AS 115 are given in Note 30.

Note No. 20 :- Other Income

(a)	Interest Income on	**281.54**	**231.77**
	(1) On Financial Assets at Amortised Cost	9.64	7.15
	(2) Loans and others	271.90	224.62
(b)	Dividend Income	**22.56**	**33.63**
(c)	Net Gain on sale of investments	**53.87**	**300.53**
(d)	Provision no longer required Written Back	3.64	0.90
(e)	Miscellaneous income	37.43	19.68
(f)	Profit on Sale of PPE (Net)	-	17.40
(g)	Profit on Sale of rights in property	-	5.73
(h)	Fair value gain on financial instruments at FVTPL	80.82	47.17
(i)	Real Estate income on fair valuation of security deposit	964.35	1,131.72
	TOTAL	**1,444.20**	**1,788.53**

Note No. 21 :- Changes in inventories of stock-in-trade

Inventories at the end of the year:			
	Trading Business		
	Traded Goods	7.42	6.40
	Real Estate Business		
	(i) Land & Structure	1,277.42	1,011.13
	Less: Net Impact due to fair valuation of security deposit	(535.41)	(329.55)
	Add: Expenditure incurred during the year	601.37	266.29
		1,343.38	**947.87**
	(ii) Land	214.67	214.67
	Renewable Energy Certificates	-	76.67
		1,565.47	**1,245.61**

(₹ in Lakhs)

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Inventories at the beginning of the year:		
Trading Business		
Traded Goods	6.40	48.15
Less: Transferred to Furniture & Fixtures	-	(8.53)
	6.40	39.62
Real Estate Business		
(i) Land & Structure	1,277.42	1,011.13
Less: Net Impact due to fair valuation of security deposit	(329.55)	(276.71)
	947.87	**734.42**
(ii) Land & Structure	-	328.84
Less: Transferred to Land- Freehold	-	(234.18)
Less: Transferred to Building	-	(94.66)
	-	-
(iii) Land	214.67	212.30
Store	-	1.41
Renewable Energy Certificates	76.67	46.98
	1,245.61	**1,034.73**
TOTAL - Net increase /(decrease)	319.86	210.89

Note No. 22 :- Employee Benefits Expense

(a)	Salaries and wages, including bonus	1,323.81	1,326.79
(b)	Contribution to provident and other funds	90.03	89.12
(c)	Gratuities	22.52	28.84
(d)	Directors Sitting Fees	30.90	27.94
(e)	Staff welfare expenses	26.34	27.03
	TOTAL	**1,493.61**	**1,499.72**

Note No. 23 :- Finance Cost

(a)	Interest expense	91.75	78.45
(b)	Unwinding of finance cost relating to valuations of Security Deposit (Reduction on account of estimates done in respect of Repaymaynt of Interest free Security Deposites)	758.48	1,078.88
	TOTAL	**850.23**	**1,157.33**

(₹ in Lakhs)

Particulars			Year Ended March 31, 2019	Year Ended March 31, 2018
Note No. 24 :- Other Expenses				
(a)	Verification charges		363.37	403.68
(b)	Repairs to buildings		6.18	11.59
(c)	Repairs to machinery		13.27	18.55
(d)	Power & Fuel		48.21	48.73
(e)	Repairs and maintenance - Others		4.35	7.44
(f)	Rent		230.66	213.18
(g)	Rates and taxes		26.69	38.48
(h)	Expenditure on Corporate Social Responsibility (CSR) under section 135 of the Companies Act, 2013.		-	-
(i)	Insurance charges		11.96	14.56
(j)	Provision for doubtful debts and advances		86.04	294.36
(k)	Donations		0.02	-
(l)	Payment to Auditors:			
	(1) Statutory Audit Fees		13.32	12.82
	(2) Tax Audit Fees		1.75	1.25
	(3) Certification and Other services	2.72 Lakhs		
	Less: Transferred to Amalgamation Expenses	0.15 Lakhs	2.58	3.78
	(4) Reimbursement of expenses		0.37	0.16
(m)	Bad Debts		28.12	-
(m)	Other expenses			
	(1) Legal and other professional fees		223.13	201.81
	(2) Travelling and conveyance Expenses		117.45	117.72
	(3) Other General Expenses		293.58	212.34
	(4) Commission on sales		149.94	149.47
	(5) Water Charges		0.29	3.54
	(6) Real Estate Business Expenses		-	-
	[Net of proceeds of ₹Nil (P.Y. ₹326.31 Lakhs) from Demolition of Structure]		601.37	276.66
	(7) Loss on Sale of PPE (net)		8.93	0.32
	(8) Loss on foreign exchange (Net)		-	2.16
	(9) Fair value gain on financial instruments at FVTPL		8.34	-
	(10) Security Charges		23.28	39.39
	TOTAL		**2,263.18**	**2,072.01**

Note No. 25 :- Current Tax and Deferred Tax

(a)	**Income Tax recognised in profit and loss**		
	Current Tax:		
	Current tax on taxable income of the year	50.21	38.20
	Adjustments in respect of prior years	-	-
	Deferred Tax		
	Deferred tax Charge / (credit)	(312.13)	(252.80)
	MAT credit (taken) /Utilised	-	-
	Total Tax Expense recognised in profit and loss account	**(261.92)**	**(214.60)**
(b)	**Numerical Reconciliation between average effective tax rate and applicable tax rate : -**		
	Loss Before tax	**(583.02)**	**(735.42)**
	Enacted income tax rate in India applicable to the company	33.38%	33.38%
	Income Tax using the Company's domestic Tax rate #	(194.61)	(245.48)

(₹ in Lakhs)

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Tax Effect of :		
Interest on Tax Free Bonds	-	(0.32)
Dividend Income	(14.31)	(16.80)
Expenditure Disallowed U/s. 14A	5.48	10.51
Deduction Under Section 24(a) of Annual Value	(0.01)	(0.70)
Deemed income of House Property	0.42	0.42
On account of Corporate Guarantee	5.78	-
Change in Rate of Tax	-	0.29
Tax exempt of Foreign Subsidiary	(42.22)	-
Effect of amalgamated subsidiary losses	-	37.90
Others	(22.43)	(0.42)
Total Tax expenses recognised in Profit and Loss Account	**(261.92)**	**(214.60)**

(c) Income Tax Assets / (Liabilities)

Particulars	As at March 31, 2019	As at March 31, 2018
Opening Balance	331.09	315.77
Income Tax (Paid) /Refund - Net	213.16	53.52
Current Tax	(50.21)	(38.20)
Current Tax for earlier year	-	-
Net current income tax asset / (liability)	**494.04**	**331.09**
Non current Tax assets	278.86	331.09
Current Tax Assets	215.18	-
Current Tax Liability	-	-

(d) Movement of Deferred Tax

Particulars	Opening Balance as on 1st April 17	Recognised in profit and Loss in 17-18	Recognised in OCI in 17-18	Closing Balance as on 31st March 18	Recognised in profit and Loss in 18-19	Recognised in OCI in 18-19	Closing Balance as on 31st March 2019
Tax effect of items constituting deferred tax liabilities							
Depreciation	442.02	(45.93)		396.09	(65.30)		330.79
FVTPL financial asset	48.33	14.43		62.76	8.75		71.52
Other item			-		0.32		0.32
	490.35	**(31.50)**	**-**	**458.85**	**(56.23)**	**-**	**402.62**
Tax effect of items constituting deferred tax assets							
Employee Benefits	28.65	8.75	(1.69)	35.71	7.05	(0.57)	42.20
Provision for doubtful debt	5.93	49.73	-	55.66	28.73		84.39
Carry forward Tax Loss	836.10	162.08		998.18	190.05		1,188.23
Minimum Alternate Tax Credit	80.25	-	-	80.25	-	-	80.25
Others	-	0.74		0.74	30.07		30.81
	950.93	221.30	(1.69)	1,170.54	255.90	(0.57)	1,425.88
Net Tax Asset (Liabilities)	**460.58**	**252.80**	**(1.69)**	**711.69**	**312.13**	**(0.57)**	**1,023.26**

Deferred Tax Asset is recognized on the basis of future income from development of Stock in Trade of Real Estate Business and from sale of Residential Flat on the assumption that in the year of profit, the total income will exceed ₹ One crore.

Note No. 26 :- Earning Per Share

Particulars	For the year ended 31st March, 2019	For the year ended 31 March, 2018
(Loss) for the year attributable to owners of the Company	**(335.65)**	**(540.44)**
Weighted average number of equity shares	**3,75,42,750**	**3,75,42,750**
Earnings per share - Basic & Diluted	**(0.89)**	**(1.44)**

The Company does not have any outstanding dilutive potential equity shares. Consequently, the basic and diluted earning per share of the Company remain the same.

Note No. 27 :- Contingent liabilities and commitments **(₹ in Lakhs)**

Particulars	As at March 31, 2019	As at March 31, 2018
Contingent liabilities (to the extent not provided for)		
Corporate Guarantee of USD 5.00 Million (Previous Year USD 5.60 Million) given by the Company to Indian Overseas Bank, Hong Kong for Working Capital Facilities granted by it to Wholly Owned Subsidiary M/s. Modern International (Asia) Limited.	3,460.00	3,642.47
Commitments		
Estimated Value of Contracts in Capital Account remaining to be executed and not provided for.	-	-
Other commitment	-	-

Note No. 28 :- Disclosures under Ind AS 17

Particulars	For the year ended 31st March, 2019	For the year ended 31 March, 2018
Details of leasing arrangements		
As Lessee		
Operating Lease		
The Company has entered into operating lease arrangements for certain facilities and office premises. The leases are non-cancellable and are for a period of 5 years and may be renewed for a further period of 5 years based on mutual agreement of the parties. The lease agreements provide for an increase in the lease payments by 15% after 3 years.		
Future Non-Cancellable minimum lease commitments		
not later than one year	117.38	163.14
later than one year and not later than five years	429.42	192.53
later than five years	-	-
Expenses recognised in the Statement of Profit and Loss including applicable Service Tax / GST		
Minimum Lease Payments	205.20	189.44

Note No. 29: DISCLOSURES PURSUANT TO - "EMPLOYEE BENEFITS"

A. Defined Benefits Plans: Gratuity (Unfunded)

The Group provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is an unfunded plan.

As per Actuarial Valuation as on 31st March, 2019 and 31st March, 2018 and recognised in the financial statements in respect of Employee Benefit Schemes:

(₹ in Lakhs)

	Particulars	**31-Mar-19**	**31-Mar-18**
I.	**Change in the defined benefit obligation**		
1.	Present value of defined benefit obligation at the beginning of the year	81.91	65.88
	Current Service Cost	16.24	13.99
	Past Service Cost	-	10.14
	Interest Cost	6.28	4.72
	Remeasurement gains / (losses)	(1.79)	(5.54)
	Benefit payments	(12.55)	(7.28)
	Present value of defined benefit obligation at the end of the year	**90.09**	**81.91**
II.	**Expense recognised in the Statement of Profit and Loss**		
1.	Current service cost	16.24	13.99
2.	Past Service Credit	-	10.14
3.	Interest cost	6.28	4.72
	TOTAL	**22.52**	**28.85**
III.	**Remeasurement (gains) / losses recognised in other Comprehensive Income**		
	Actuarial gains and loss arising from changes in financial assumptions	0.27	5.21
	Actuarial gains and loss arising from experience adjustments	(2.06)	(10.75)
	TOTAL	**(1.79)**	**(5.54)**
IV.	**Actuarial assumptions**	**31-Mar-19**	**31-Mar-18**
1.	Discount rate	7.65% - 7.79%	7.70% - 7.78%
2.	Salary escalation rate - over a long-term	6% - 7%	6% - 7%
3.	Mortality rate	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)
4.	Average future working lifetime	15 years	15 years

5.	Attrition rate - Holding	1%	1%
	- Verifacts, subsidiary	Age 21-30: 10%, 31-40: 5%, 41-50: 3%, 51-55: 2% & 51-60: 1%	Age 21-30: 10%, 31-40: 5%, 41-50: 3%, 51-55: 2% & 51-60: 1%

V.	**Sensitivity analysis for each significant actuarial assumption**	**31-Mar-19**	**31-Mar-18**
		0.5% increase	
	Discount rate	(3.97)	(3.61)
	Salary escalation rate - over a long-term	2.77	2.62
	Attrition rate	1.11	1.07
		0.5% Decrease	
	Discount rate	4.41	3.46
	Salary escalation rate - over a long-term	(2.73)	(2.59)
	Attrition rate	(1.19)	(1.15)

VI.	**Maturity analysis of defined benefit obligation**		
	Within the next 12 months	30.16	28.97
	Between 2 and 5 years	15.37	11.77
	Between 6 and 10 years	21.19	22.11
	11 years and above	49.62	46.57
	Total expected payments	**116.34**	**109.42**

B. Defined Contribution Plans:

(a) The Company has recognised the following amounts in the Statement of Profit and Loss for the year:

Particulars	**31-Mar-19**	**31-Mar-18**
Contribution to provident fund	67.99	67.53
Contribution to Employee State Insurance	22.04	21.59

(b) The expenses for leave entitlement and compensated absences is recognized in the same manner as gratuity and total expenses recognized for the year is ₹ 5.45 Lakhs (Previous Year ₹ 13.69 Lakhs).

(c) Current/ non-current classification

Particulars	**31-Mar-19**	**31-Mar-18**
Gratuity		
Current	30.16	28.97
Non Current	59.93	52.94
Leave Encashment (Including sick leave)		
Current	26.66	19.84
Non Current	19.19	14.92

Note No. 30 :- Segment information

Business segments are the basis for management control and hence form the basis for reporting. The business of each segment comprises of:

a) Trading activity: Trading - Consists of Trading in all Products and Commodities

b) Real Estate - comprising of Property Development and carrying on business or activities in real estate business of all types

c) Generation of Renewable Energy and

d) Background Verification

2) Segment Revenue in the above segments includes sales of products / services net of taxes.

3) Segment Revenue in the geographical segments considered for disclosure are as follows:

a) Revenue within India includes sales to customers located within India.

b) Revenue outside India includes sales to customers located outside India.

4) Segment Revenue, Results, Assets and Liabilities include the respective amounts identifiable to each of the segments and amounts allocated on a reasonable basis.

5) Based on the "management approach" defined in Ind AS 108 - Operating Segments, the Chief Operating Decision Maker evaluates the Company's performance and allocate resources based on an analysis of various performance indicators by business segments. Accordingly information has been presented along these segments.

(a) Segment Revenue **(₹ in Lakhs)**

Particulars	For the year ended 31 March, 2019	For the year ended 31 March, 2018
Trading	17,006.75	11,447.54
Real Estate	1.50	2.40
Background Check Services	1,886.39	1,845.32
Renewable Energy	253.93	124.74
Others	13.15	16.53
TOTAL	**19,161.72**	**13,436.53**

(b) Segment Results

Particulars	For the year ended 31 March, 2019	For the year ended 31 March, 2018
Trading	57.77	204.93
Real Estate	(204.17)	(200.42)
Background Check Services	225.82	89.99
Renewable Energy	(138.21)	(262.57)
	(58.79)	**(168.07)**
Finance Cost	(850.23)	(1,157.33)
Other unallocable expenditure net of unallocable income	326.00	589.98
TOTAL	**(583.02)**	**(735.42)**

(c) Segment Assets

Segment assets are measured in the same way as in the financial statements. These assets are allocated based on the operations of the segment

(₹ in Lakhs)

Particulars	As at 31 March, 2019	As at 31 March, 2018
Trading	4,622.01	4,275.61
Real Estate	3,670.54	3,172.57
Background Check Services	1,526.56	1,364.44
Renewable Energy	1,346.84	1,621.79
Unallocated / Corporate	12,294.79	12,782.22
TOTAL	**23,460.73**	**23,216.63**

(d) Segment Liabilities

Segment Liabilities are measured in the same way as in the financial statements. These liabilities are allocated based on the operations of the segment

Particulars	As at 31 March, 2019	As at 31 March, 2018
Trading	1,843.20	1,234.75
Real Estate	16,264.59	16,700.69
Background Check Services	466.51	381.89
Renewable Energy	12.15	48.74
Unallocated / Corporate	1,427.57	1,005.84
TOTAL	**20,014.01**	**19,371.91**

(e) Segment Capital Expenditure

Particulars	For the year ended 31 March, 2019	For the year ended 31 March, 2018
Trading	-	-
Real Estate	-	-
Background Check Services	41.61	39.02
Renewable Energy	2.72	15.12
Unallocated / Corporate	263.58	461.32
TOTAL	**307.91**	**515.46**

(f) Depreciation and amortisation expenses

Particulars	For the year ended 31 March, 2019	For the year ended 31 March, 2018
Trading		-
Real Estate	2.92	4.33
Background Check Services	44.09	56.28
Renewable Energy	216.10	204.36
Unallocated / Corporate	100.00	71.22
TOTAL	**363.12**	**336.19**

There are no non cash expenses other than Depreciation and amortization expenses

(g) Secondary Segment information - Gegraphical Segments

(Secondary segment disclosures are reported on the basis of geographical location of customers.

Geographic Information	For the year ended 31 March, 2019	For the year ended 31 March, 2018
Revenue from External Customers		
India	9,544.55	9,018.83
Outside India	9,617.17	4,417.70
Total Revenue as per Statement of Profit and Loss	**19,161.72**	**13,436.53**

(h) No non current assets of the Company are located outside India.

Information about major customers:

For the Year ended March 31, 2019, in Trading segment two customer contributed 10% or more to Group's revenue. One customer contributed ₹ 7,381.19 Lakhs and other customer contributed ₹ 2,954.79 Lakhs.

For the previous year ended March 31, 2018, in Trading segment two customer contributed 10% or more to Group's revenue. One customer contributed ₹ 6,000.42 Lakhs and other customer contributed ₹ 1,343.52 Lakhs.

Adjustments and eliminations

Finance income and costs, and fair value gains and losses on financial assets are not allocated to individual segments as the underlying instruments are managed on a group basis.

Current taxes, deferred taxes and certain financial assets and liabilities are not allocated to those segments as they are also managed on a company basis.

Capital expenditure consists of additions of property, plant and equipment, intangible assets and investment properties.

Note No. 31 :- Related Party Disclosures as per Ind AS 24 **(₹ in Lakhs)**

Relationships :		**Ownership Interest (%)**	
		31st March, 2019	**31st March, 2018**
Where Control Exists : Subsidiary Companies:			
Modern International (Asia) Limited	Hong Kong	100	100
Verifacts Services Private Limited (100% w.e.f. from 25.10.2018)	India	100	76
Other Significant influences:			
Shree Rani Sati Investment & Finance Pvt. Ltd.	India		
F. Pudumjee Investment Co. Pvt. Ltd.	India		
Modern Derivatives & Commodities Pvt. Ltd.	India		
Alcyone Trading Co. Pvt. Ltd.	India		
Camellia Mercantile Pvt. Ltd.	India		
Candescent Traders Pvt. Ltd.	India		
Ignatius trading Co. Pvt. Ltd.	India		
Sarat Leasing & Finance Pvt. Ltd.	India		
Vedant Mercantile Pvt. Ltd.	India		
Guangzhou Modern Trading Co. Ltd.	China		
Key Management Personnel & Relatives :			
Mr. Vijay Kumar Jatia	Chairman & Managing Director		
Mrs. Gauri Jatia	Director		
Mr. Sidhant Jatia	President		
Mr. Mudit Jatia	President		
Mr. Swapan Bhadra (Upto 01.06.2018)	CEO - Subsidiary		
Mr. Somesh Auddy (W.e.f. 01.06.2018)	CEO - Subsidiary		
Non executive directors and enterprises over which they are able to exercise significant influence (with whom transactions have taken place)			
Mr Anand Didwania	Non Executive Director		
Mr Shivkumar Israni	Non Executive Director		
Mr Rajas Doshi (Upto 29.09.2018)	Non Executive Director		
Mr Pradip Bubna	Non Executive Director		
Mr Kaiwan Kalyaniwalla	Non Executive Director		
Maneksha & Sethna	Advocates & Solicitors		
S. D. Israni Law Chambers	Advocates & Solicitors		

Transactions carried out with related parties referred as above, in ordinary course of business. Related parties are identified by the Company and relied upon by the Auditors.

	31st March, 2019	**31st March, 2018**
Managerial Remuneration		
Mr. Vijay Kumar Jatia	**157.49**	156.52
Sitting Fees to Non Executive Directors	**30.90**	27.94
Remuneration:		
Mr. Sidhant Jatia	**75.89**	74.59
Mr. Mudit Jatia	**75.89**	74.59
Mr. Swapan Bhadra	**21.00**	84.00
Mr. Somesh Auddy	**37.48**	-

Legal Fees Paid		
Maneksha & Sethna	**9.15**	45.00
S. D. Israni Law Chambers	**0.75**	-
Purchase of Shares of Modern India Free Trade Warehousing Pvt. Ltd.		
Mr. Vijay Kumar Jatia	**3.66**	-
Mrs. Gauri Jatia	**7.32**	-
Mr. Sidhant Jatia	**1.83**	-
Mr. Mudit Jatia	**1.83**	-
Shree Rani Sati Investment & Finance Pvt. Ltd.	**0.37**	-
Camellia Mercantile Pvt. Ltd.	**0.55**	-
Commission Expenses:		
Guangzhou Modern Trading Co. Ltd.	**125.86**	116.12
Sale of Trading items		
Guangzhou Modern Trading Co. Ltd.	**237.14**	-
Dividend Paid:		
Mr. Swapan Bhadra	**6.00**	6.00
Professional Fees Paid:		
Mr. Swapan Bhadra	**10.50**	-
Sale of Car:		
Mr. Swapan Bhadra	**2.32**	-
Outstanding Balances:		
Legal Fees Payable:		
Maneksha & Sethna	**4.30**	**-**
Amount Due:		
Guangzhou Modern Trading Co. Ltd.	**-**	64.72
Guarantees Given		
Modern International (Asia) Ltd.	**3,460.00**	3,642.47
Outstanding Balances:		
Other current liabilities - Employee Benefits payable		
Mr. Swapan Bhadra	**-**	0.93

Compensation of key managerial personnel

The remuneration of directors and other members of key managerial personnel during the year was as follows:

Particulars	**Year ended 31/03/2019**	**Year ended 31/03/2018**
Short-term employee benefits	147.41	145.51
Post-employment benefits	10.08	11.02
Other long-term benefits	-	-
Total	**157.49**	**156.52**

Key Managerial Personnel and Relatives of Promoters who are under the employment of the Company are entitled to post employment benefits and other long term employee benefits recognised as per Ind AS 19 - 'Employee Benefits' in the financial statements. As these employee benefits are lump sum amounts provided on the basis of actuarial valuation, the same is not included above.

The remuneration of directors and key executives is determined by the remuneration committee having regard to the performance of individuals.

Note No. 32 :- Financial Instruments and Risk Review

Financial risk management objectives and policies

The Company's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations.

The Company's business activities expose it to a variety of financial risks, namely liquidity risk, market risks and credit risk. The Company's senior management has the overall responsibility for the establishment and oversight of the Company's risk management framework.

(A) (i) Market Risk- Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates. In order to optimize the Company's position with regards to interest income and interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio.

According to the Company interest rate risk exposure is only for floating rate borrowings. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

(₹ in Lakhs)

Exposure to interest rate risk

Particulars	**As at 31st March, 2019**	**As at 31st March, 2018**
Total Borrowings	1,077.92	820.76
% of Borrowings out of above bearing variable rate of interest	**85.29**	**91.08**

Interest rate sensitivity

A change of 50 bps in interest rates would have following Impact on profit before tax

	2018-19	**2017-18**
50 bp increase would increase the loss before tax by	5.39	4.10
50 bp decrease would decrease the loss before tax by	5.39	4.10

(ii) Market Risk- Price Risk

Exposure

The Company's exposure to equity securities price risk arises from investments held by the Company and classified in the balance sheet at fair value through profit and loss. To manage its price risk arising from investments in equity securities, the Company diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Company.

Sensitivity

The table below summarizes the impact of increases/decreases of the BSE index on the Company's investment in quoted equity shares and units of mutual funds and Gain/Loss for the period. The analysis is based on the assumption that the index has increased by 5 % or decreased by 5 % with all other variables held constant, and that all the Company's equity instruments and units of mutual funds moved in line with the index.

Impact on Loss before tax on account of quoted equity shares / other instruments

Particulars	**As at 31st March, 2019**	**As at 31st March, 2018**
BSE Sensex 30- Increase 5%	107.06	100.76
BSE Sensex 30- Decrease 5%	107.06	100.76
Impact on Loss before tax on account of units of mutual funds		
BSE Sensex 30- Increase 5%	230.97	351.42
BSE Sensex 30- Decrease 5%	230.97	351.42

Above referred sensitivity pertains to quoted equity investment and units of mutual funds. Profit for the year would increase/ (decrease) as a result of gains/ losses on equity investments and units of mutual funds as at fair value through profit or loss.

(B) CREDIT RISK

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions and other financial instruments.

Financial assests are written off when there is no reasonable expectations of recovery, such as a debtor failing to engage in a repayment plan with the Company. Where loans or receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized as income in the statement of profit and loss.

Trade receivables are in respect of Trading activity. On-going credit evaluation is performed on the financial condition of accounts receivable. [also refer note 8 (i)]

The credit risk on liquid funds is limited because the counterparties are mutual funds with high credit-ratings assigned by credit-agencies.

In addition, the Company is exposed to credit risk in relation to guarantee given to Indian Overseas Bank on behalf of Wholly Owned Subsidiary Company. The Company's maximum exposure in this respect is the maximum amount the Company could have to pay if the guarantee is called on. As at 31 march 2019, an amount of ₹ 3,460.00 Lakhs (31 March 2018: ₹ 3,642.47 Lakhs) has been disclosed as contingent liabilities. The Company does not expect any outflow of resources in respect of the above.

Ageing of Trade receivables (net of provisions)

Particulars	**As at 31st March, 2019**	**As at 31st March, 2018**
Not due		
0 to 3 months	3,122.02	1,717.96
3 to 6 months	25.03	142.83
6 to 12 months	-	75.87
beyond 12 months	1,348.48	1,369.97
Total	**4,495.53**	**3,306.63**

Movement in provisions of doubtful debts

Particulars	**As at 31st March, 2019**	**As at 31st March, 2018**
Opening provision	136.76	17.95
Add:- Additional provision made during the year	56.04	118.82
Less:- Provision write off		-
Less:- Provision reversed		-
Closing provisions	**192.81**	**136.77**

Movement in provisions of doubtful advances

Particulars	**As at 31st March, 2019**	**As at 31st March, 2018**
Opening provision	175.55	-
Add:- Provision made during the year	30.00	175.55
Less:- Provision write off	-	-
Less:- Provision reversed	**-**	-
Closing provisions	**205.55**	175.55

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the management in accordance with the Company's policy. Counterparty credit limits are reviewed by the management on an annual basis, and may be updated throughout the year. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

(C) LIQUIDITY RISK

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, Company treasury maintains flexibility in funding by maintaining availability

under committed credit lines. Management monitors rolling forecasts of the Company's liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows.

Maturity pattern of Borrowings **(₹ in Lakhs)**

Particulars	0-1 years	1-5 years	beyond 5years	Total
31-Mar-19				
Long term borrowings				
(Including current maturity of long tern debt)	42.88	115.72	-	158.60
Short term borrowings	919.32	-	-	919.32
Total	**962.20**	**115.72**	**-**	**1,077.92**
31-Mar-18				
Long term borrowings				
(Including current maturity of long tern debt)	4.05	4.43	-	8.49
Short term borrowings	812.28	-	-	812.28
Total	816.33	4.43	-	820.76

As at 31st March,'19	Carrying Amount	upto 12 months	More than 12 months	Total
Trade Payable	1,954.90	1,954.90	-	1,954.90
Other Financial liability (Current andNon Current)	12,892.43	182.61	12,709.82	12,892.43
Total	**14,847.33**	**2,137.51**	**12,709.82**	**14,847.33**

As at 31st March,'18	Carrying Amount	upto 12 months	More than 12 months	Total
Trade Payable	1,348.85	1,348.85	-	1,348.85
Other Financial liability (Current andNon Current)	13,332.86	200.07	13,132.78	13,332.86
Total	**14,681.71**	**1,548.92**	**13,132.78**	**14,681.71**

(D) CAPITAL RISK MANAGEMENT

The Company's objective to manage its capital is to ensure continuity of business while at the same time provide reasonable returns to its various stakeholders but keep associated costs under control. Management monitors the return on capital as well as the level of dividends to ordinary shareholders.In order to achieve this, requirement of capital is reviewed periodically with reference to operating and business plans that take into account capital expenditure and strategic investments. Apart from internal accrual, sourcing of capital is done through borrowing, both short term and long term. The Board of Directors seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position.

Dividend	As at 31st March, 2019	As at 31st March, 2018
Equity shares		
Final dividend for the year ended 31st March, 2018 of ₹ 0.30 (31st March, 2017 : ₹ 0.30) per fully paid share	112.63	112.63
Dividends not recognised at the end of the reporting period addition to the above dividends, since year end the directors have recommended the payment of a final dividend of ₹ 0.24 per fully paid equity share. This proposed dividend is subject to the approval of shareholders of the Company in the ensuing annual general meeting and not recognized as liability as at the Balance Sheet date.	90.10	112.63

Debt Equity Ratio

The Group monitors capital using a ratio of 'adjusted net debt' to 'total equity'. For this purpose, adjusted net debt is defined as total liabilities, comprising interest-bearing loans and borrowings, less cash and cash equivalents, other bank balances and current investments.

Particulars	March 31, 2019	March 31, 2018
Borrowings	1,077.92	820.76
Less : Cash and Cash equivalents	(43.42)	(465.32)
Less : Other Bank Balances	(979.15)	(924.97)
Less : Current Investments	(523.30)	(2,118.21)
Total Debt	**(467.95)**	**(2,687.73)**
Equity	3,446.72	3,844.73
Equity attributable to owners	**3,446.72**	**3,844.73**
Debt Equity Ratio	**(0.14)**	**(0.70)**

Note No. 33 :- FAIR VALUE MEASUREMENT

A - Financial Instrument by category and hierarchy

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

1. Fair value of cash and cash equivalents, short-term deposits, trade and other short term receivables, trade payables, other financial assets and other financial liabilities approximate their carrying amounts largely due to short term maturities of these instruments.
2. For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

   The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

   Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.

   Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

   Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

(₹ in Lakhs)

Financial Assets and Liabilities

as at 31st March, 2019	Routed through Profit and Loss				Carried at amortised cost				
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	Total amount
Financial Assets									
Non Current Investments									
- Equity instrument	1,041.38			1,041.38				-	1,041.38
- Other instrument	926.21			926.21					926.21
- Mutual Funds / Other Funds	4,096.08			4,096.08				-	4,096.08
- Bonds & Debentures	-			-	548.65			548.65	548.65
Current Investments in mutual funds	523.30			523.30				-	523.30
Other financial assets - Non current	-			-			448.53	448.53	448.53
Trade receivables				-			4,495.53	4,495.53	4,495.53
Cash and cash equivalents				-			43.42	43.42	43.42
Bank balances other than cash & cash equivalents				-			979.15	979.15	979.15
Loans							595.51	595.51	595.51
Other financial assets - current				-			104.48	104.48	104.48
Total	**6,586.97**	**-**	**-**	**6,586.97**	**548.65**	**-**	**6,666.62**	**7,215.27**	**13,802.24**
Financial Liabilities									
Non Current Borrowings							115.72	115.72	115.72
Current Borrowings							919.32	919.32	919.32
Non Current Other financial liabilities							12,709.82	12,709.82	12,709.82
Current Other financial liabilities							225.48	225.48	225.48
Trade payables							1,954.90	1,954.90	1,954.90
Total	**-**	**-**	**-**	**-**	**-**		**-15,925.26**	**15,925.26**	**15,925.26**

(₹ in Lakhs)

Financial Assets and Liabilities

as at 31st March, 2018	Routed through Profit and Loss				Carried at amortised cost				
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	Total amount
Financial Assets									
Non Current Investments									
- Equity instrument	1,100.10			1,100.10				-	1,100.10
- Other instrument	614.78			614.78					614.78
- Mutual Funds	4,910.11			4,910.11				-	4,910.11
- Bonds	-			-	300.30			300.30	300.30
Current Investments in mutual funds	2,118.21			2,118.21				-	2,118.21
Other financial assets - Non current	-			-			337.69	337.69	337.69
Trade receivables				-			3,306.63	3,306.63	3,306.63
Cash and cash equivalents				-			465.32	465.32	465.32
Bank balances other than cash & cash equivalents				-			924.97	924.97	924.97
Loans							500.13	500.13	500.13
Other financial assets - current				-			47.40	47.40	47.40
Total	**8,743.20**	**-**	**-**	**8,743.20**	**300.30**	**-**	**5,582.13**	**5,882.43**	**14,625.63**
Financial Liabilities									
Non Current Borrowings							4.43	4.43	4.43
Current Borrowings							812.28	812.28	812.28
Non Current Other financial liabilities							13,132.78	13,132.78	13,132.78
Current Other financial liabilities							204.13	204.13	204.13
Trade payables							1,348.85	1,348.85	1,348.85
Total	**-**	**-**	**-**	**-**	**-**	**-**	**15,502.47**	**15,502.47**	**15,502.47**

B - Fair value of financial assets and liabilities measured at amortised cost **(₹ in Lakhs)**

	As at 31st March, 2019		As at 31st March, 2018	
	Carrying amount	**Fair Value**	**Carrying amount**	**Fair Value**
Financial Assets				
Investment In Bonds & Debentures	548.65	540.78	300.30	300.97
Financial assets - Current & non current	6,666.62	6,666.62	5,582.13	5,582.13
Total	7,215.27	7,207.41	5,882.43	5,883.10
Financial liabilities				
Financial liabilities - Current & non current	14,890.21	14,890.21	14,685.76	14,685.76
Borrowings	1,035.04	1,035.04	816.71	816.71
Total	15,925.26	15,925.26	15,502.47	15,502.47

Note No. 34 :-

In the opinion of the Board of respective Company, current assets, loans and advances are approximately of the value stated, if realised in the ordinary course of business.

Note No. 35 :-

In accordance with the relevant provisions of the Companies Act, 2013, the Group did not have any long term contracts including derivatives contracts for which there were any material foreseeable losses.

Note No. 36 :-

During the year, the Board of Directors of the Company in their meeting held on September 3, 2018 have approved acquisition of balance 24,500 equity shares of face value of ₹10/- each (i.e. 49%) in Modern India Free Trade Warehousing Private Limited (MIFTWPL), a subsidiary company at an aggregate consideration of ₹8.96 lakhs. With acquisition of the balance equity shares, MIFTWPL has become Wholly Owned Subsidiary (WOS) of the Company w.e.f. September 3, 2018. Subsequently, the said WOS has been amalgamated with the Company (refer note 40). After settlement of the non controlling interest, the balance amount has been adjusted against goodwill.

Note No. 37 :-

During the year, the Board of Directors of the Company in their meeting held on October 25, 2018 have approved acquisition of balance 1,20,000 equity shares of face value of ₹10/- each (i.e. 24%) in Verifacts Services Private Limited (VSPL), a subsidiary company at an aggregate consideration of ₹150.00 lakhs. With acquisition of the balance equity shares, VSPL has become Wholly Owned Subsidiary (WOS) of the Company w.e.f. October 25, 2018. After settlement of the non controlling interest, the balance amount has been adjusted against goodwill.

Note No. 38 :-

The Company is in the process of taking over development project of Bikaner property under Joint Development basis with Nine Globe Industries Pvt. Ltd and accordingly advance given of ₹ 476.22 Lakhs (Previous Year ₹ 476.22 Lakhs) to Nine Globe Industries Pvt. Ltd will be adjusted against value of project to be takenover. Loans and advances given by erstwhile subsidiary Company - MIPDL of ₹ 145.58 Lakhs due from Kamla Shiv Developers given as advance against property. Erstwhile MIPDL had filed a complaint with Economic Offence Wing (EOW) for recoverability of advance given to Kamla Shiv Developers against booking of property. Necessary provision had been made against the same.

Note No. 39 :- Corporate Social Responsibility

In view of losses in preceeding three financial years, no funds could be allocated for Corporate Social Responsibility for the financial year 2018-19.

Note No. 40:

Subsequent to the approval of consolidated financial statements for the year ended March 31, 2019 by the Board of Directors in its meeting held on May 30, 2019 but before adoption of accounts in annual general meeting, the National Company Law Tribunal (NCLT), vide order dated July 11, 2019, has approved the Scheme of Amalgamation of Modern India Free Trade Warehousing Private Limited ("MIFTWPL' or "transferor Company-1') and Modern India Property Developers Limited ("MIPDL' or "transferor Company-2), wholly owned subsidiaries of the Company, with the Company (transferee Company") and the certified copy of the Order approving the said Scheme has been filed with the Registrar of Companies on August 7, 2019. The appointed date of the said Scheme was April 1, 2018.

Accordingly, during the year, the Company has restated comparative consolidated financial statements for the financial year 2017-18 and 2018-19, based on previously issued financial statements of the Company and amalgamated subsidiaries audited by respective auditors, after giving effect of said Scheme of Amalgamation i.e. restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination. Further, pursuant to the Scheme and Appendix 'C' to the Ind AS 103 Business Combination, the said merger has been accounted using the pooling of interest method and accordingly the Company has recorded all assets, liabilities and reserves (including negative balance reserves, if any) pertaining to the transferor Companies at their respective book values. Further, as required by the Scheme, the difference of ₹ 6.51 lakhs between the investment in the financial statements of the Transferee Company in the Transferor Companies and the amount or paid-up share capital of the Transferor Companies respectively has been transferred to "Common Control Transactions Capital Reserve". Since the control was already existed as on April 1, 2017, the effect of the merger had been given in the opening balance sheet as at April 1, 2017 for accounting purpose.

Note No. 41 :- Net Debt Reconciliation

Particulars	**31st March, 2019**	**31st March, 2018**
Cash and Cash Equivalents and Cash Credit/Bank overdraft	(875.90)	(303.94)
Non-Current Borrowings (Including Current Maturities)	158.60	8.49
Current Borrowings	-	64.72
Interest Payable	-	-
Net Debt	(717.30)	(230.73)

Particulars	Cash and Cash Equivalents and Bank overdraft	Non-Current Borrowings (Including Current Maturities)	Current Borrowings	Interest Payable	TOTAL
Net Debt as at 1st April, 2018	(303.94)	8.49	64.72	-	(230.73)
Cash Flows	(571.97)	150.11	(64.72)	-	(486.58)
Finance Cost	-	-	-	850.23	850.23
Interest Expense	-	-	-	(91.75)	(91.75)
Other Non Cash Movements					
- Fair Value Impact				(758.48)	(758.48)
Net Debt as at 31st March, 2019	(875.90)	158.60	-	-	(717.30)

Note No.41 - Disclosure of interest in Subsidiaries and interest of Non Controlling Interest

Details of the Group's material subsidiaries at the end of the reporting period are as follows:

Name of the Subsidiary	Principal Activity	Incorporation and Place of Operation	Proportion of Ownership Interest and Voting power held by the Group (in %)		Quoted (Y/N)
			31-Mar-19	31-Mar-18	
Modern International (Asia) Limited	Trading	Hong kong	100.00	100.00	N
Verifacts Services Private Limited (100% w.e.f. 25.10.2018)	Background Checking	India	100.00	76.00	N

Note - 42: Additional Information to the consolidated Financial Statements required by Schedule III

Following is the share of net assets and the profit or loss of the entities which have been consolidated for preparation of the consolidated financial statements of Modern india Limited for the financial year ended March 31, 2019:

Rs. in Lakhs

Name of the entity	Net assets (total assets minus liabilities)		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	Amount	As a % of consolidated net assets	Amount	As a % of consolidated profit or loss	Amount	As a % of consolidated profit or loss	Amount	As a % of consolidated profit or loss
Modern India Limited (Parent)								
31st March 2019	2,081.02	60.38	(554.70)	172.76	0.82	1.12	(553.88)	223.69
31st March 2018	2,747.89	67.48	(622.92)	119.60	1.75	14.01	(621.17)	122.20
Indian subsidiaries								
Verifacts Services Private Limited								
31st March 2019	277.55	8.05	92.57	(28.83)	0.35	0.48	92.92	(37.53)
31st March 2018	207.42	5.09	62.38	(11.98)	1.60	12.84	63.98	(12.59)
Foreign subsidiary								
Modern International (Asia) Limited								
31st March 2019	1,088.15	31.57	126.49	(39.39)	72.25	98.33	198.74	(80.26)
31st March 2018	889.41	21.84	20.09	(3.86)	8.64	69.16	28.73	(5.65)
Non-controlling Interest in all subsidiaries								
31st March 2019	-	-	14.55	(4.53)	0.06	0.08	14.61	(5.90)
31st March 2018	227.33	5.58	19.62	(3.77)	0.50	4.00	20.13	(3.96)
Total								
31st March 2019	**3,446.72**	**100.00**	**(321.09)**	**100.00**	**73.48**	**100.00**	**(247.61)**	**100.00**
31st March 2018	**4,072.05**	**100.00**	**(520.82)**	**100.00**	**12.49**	**100.00**	**(508.33)**	**100.00**

As per our report of even date attached
For Khandelwal Jain & Co.
Chartered Accountants
Firm Reg. No. 105049W

Narendra Jain
Partner
Membership No. 048725

Mumbai, dated August 13, 2019

For and on behalf of the Board of Directors
V. K. Jatia
Chairman & Managing Director

Parind Badshah
Vice President & Company Secretary

N. K. Deora
Sr. Vice President & Chief Financial Officer

Directors
A. Didwania **S. D. Israni**
K. Kalyaniwalla

Mumbai, dated August 13, 2019

MODERN INDIA LIMITED

Registered Office: 1,Mittal Chambers,228,Nariman Point,Mumbai-400 021
CIN : L17120MH1933PLC002031 website: www.modernindia.co.in, Tel. No. 022- 67444200

ATTENDANCE SLIP

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL

Joint Shareholders may obtain additional Slip at the venue of the meeting

DP Id*	
Client Id*	
Folio No.	
No. of Shares	

Name and Address of Shareholder:

I hereby record my presence at the 85th Annual General Meeting of the Company held on Friday, 27th September, 2019 at 4:00 pm at Kamalnayan Bajaj Hall, Bajaj Bhavan, Ground Floor, Nariman Point, Mumbai-400021.

*Applicable for investors holding shares in electronic form.

Signature of Shareholder/Proxy

MGT-11 - PROXY FORM

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

MODERN INDIA LIMITED

Registered Office: 1,Mittal Chambers,228,Nariman Point,Mumbai-400 021

CIN : L17120MH1933PLC002031 website: www.modernindia.co.in, Tel. No. 022- 67444200

Name of the Member(s)	
Registered address	
e-mail Id	
DP Id*	
Folio No./Client Id*	

I / We, being the Member(s) of _____shares of Modern India Limited, hereby appoint:

1._____of _____ having e-mail id_____ or failing him / her

2._____of _____ having e-mail id_____ or failing him / her

3._____of _____ having e-mail id_____

and whose signature(s) are appended below as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 84th Annual General Meeting of the Company, to be held on Friday, 27th September, 2019 at 4:00 pm at Kamalnayan Bajaj Hall, Bajaj Bhavan, Ground Floor, Nariman Point, Mumbai-400021 and at any adjournment thereof in respect of such resolutions as are indicated below:

Sr.No.	Resolution	For	Against
	Ordinary Resolution:		
1.	To receive, consider and adopt the Audited Financial Statements (including Audited Consolidated Financial Statements) for the year ended 31st March, 2019, along with the reports of the Board and the Auditors thereon		
2.	To declare dividend on Equity Shares for the year ended 31st March, 2019.		
3.	To appoint a Director in place of Shri. Pradip Kumar Bubna (DIN:00135014) who retires by rotation, and being eligible, offers herself for re-appointment.		

*Applicable for investor holding shares in electronic form.

Signed this _____ day of _____ 2019

Revenue Stamp One Rupee

_____

Signature of Shareholder

_____ _____ _____

Signature of first proxy holder | Signature of second proxy holder | Signature of third proxy holder

Notes:

1. **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.**
2. **A Proxy need not be a member of the Company.**
3. A person can act as proxy on behalf of the Member not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
4. *This is only optional. Please put a "X" in the appropriate column against the resolutions indicated in the Box. If you leave the "For" or "Against" column blank against any or all the resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.
5. Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.
6. In the case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.

MODERN® INDIA LTD

ANNUAL REPORT : 2018 - 2019

MODERN® INDIA LTD

Evolution is the name of game.
This mark symbolically represents the very nature
of development, which is in the form of swirls,
the colour adding meaning to the form.
Orange and Yellow are vibrant and successive,
depiciting a sequence, a process.

Registered Office : 1, Mittal Chambers, 228, Nariman Point, Mumbai - 400 021
CIN : L17120MH1933PLC002031, Tel: No. 022 67444200 Fax: 022 67444300
Email : info@modernindia.co.in / Website : www.modernindia.co.in