MODERN® INDIA LTD

MODERN INDIA LIMITED

86th Annual Report
2019 - 2020

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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

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My dear fellow Shareholders,

Today the topic of discussion the world over is Impact of Covid 19 and as we are all aware there has been lockdown and unlocking going on in various parts of India and the world as a whole. The economies of all countries have gone for a toss, businesses are down, losses are piling up, unemployment is staring in the eyes. Light at the end of tunnel is that research for vaccines are on and its is expected soon however today the mantra is stay home stay safe and inline with this our Company has devised a work from home policy to enable the operations of the company to continue.The US-China trade war is accelerating and tensions between India China post the border skirmish have risen and there is a ban on Chinese products momentum in the country. The government of India and the various states are trying their best to get the situation under control. With the unlock phases now businesses are slowly opening up but it will take time to recover to its full potential. There are several challenges viz, labour movement, unemployment uncertainty of the spread of virus, etc however we are all confident that things will improve and with the new policies and stimulus package announced will herald a new era of growth for the Indian economy.

The year under review has not been good for the Company as there have been various setbacks, one was that there was no movement in the NSEL matter where the monies of the company are blocked however 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.

The merger of the two subsidiaries, M/s Modern India Property Developers and M/s Modern India Free Trade Warehousing Pvt Ltd has been completed with the receipt of the NCLT order in July 2019. The construction activity at its South Mumbai location has commenced but due to the pandemic and the migration of labour and lockdown activity in the last quarter came to a standstill and we expect the same to recommence soon. The Company is also in the process of taking clearances for its Boisar project.

The renewable energy sector is also hit as with the lockdown, the consumption of power by the industries, malls, etc the main energy guzzlers came to a standstill so the power which once used to fetch a price of Rs 5+ could not be sold in open market and hence the earning of the company were hit.

Your company's subsidiary M/s Verifacts Services Pvt Ltd has achieved a turnover of ` 20.19 croresas against 18.86 croresin the corresponding previous year, upmarginally. 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 $ **15,875,949**for the year 2019-20 as against US$ 13,755,023 for the year 2018-19.MIAL has set out aggressive growth plans and they are exploring opportunities in other emerging markets in Asia and in furtherance they have also opened a wholly owned subsidiary in Vietnam.

The company on a consolidated basis has achieved turnover of `193.21 croresas against`206.06 crores in the year 2018-19. Unfortunately the company has sustained a loss of `19.30 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. Due to the losses the Directors have not recommended a dividend for the year 2019-2020.

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 **86th Annual General Meeting** of the Members of Modern India Limited will be held on **Friday), the 21st day of August, 2020 at 4.00 pm** through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements (including Standalone and Consolidated Financial Statements) for the year ended 31st March, 2020, along with the reports of the Board and the Auditors thereon.

2. To appoint a Director in place of Smt.Gauri Jatia (DIN: 0096766) who retires by rotation, and being eligible, offers herself for re-appointment.

SPECIAL BUSINESS

3. To consider and if thought fit, to pass, the following Resolution as an **Ordinary Resolution**

CONSENT FOR RE-APPOINTMENT AND PAYMENT OF REMUNERATION TO SHRI.SIDHANT JATIA-PRESIDENT OF THE COMPANY

"**RESOLVED THAT** pursuant to the provisions of Section 188, and all other applicable provisions, if any of the Companies Act, 2013, read with the Companies (Meetings of Board and its Powers) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), consent of the Company be and is hereby accorded to Shri. Sidhant Jatia (relative of Shri. Vijay Kumar Jatia, Chairman & Managing Director and Smt. Gauri Jatia, Director of the Company) to hold and continue to hold an office or place of profit in the Company for a period of 3 years as President of the Company with effect from 01st October, 2020

RESOLVED FURTHER THAT Shri Sidhant Jatia, President shall receive remuneration ranging from` 84 lakhs p.a to` 1.25 crores on a cost to company basis spread over a period of 3 years as may be decided by the Board of Directors from time to time keeping in view the various perquisites provided including the amount of allowances, benefits, incentives, amenities, facilities and other perquisites provided by the Company or the cost whereof is borne by the Company, including leave encashment, contribution to provident fund, gratuity fund, superannuation fund, group insurance, etc. as are applicable to other employees in an equivalent salary scale or grade.

RESOLVED FURTHER THAT the Board shall have the authority from time to time (a) to make applicable to Shri. Sidhant Jatia such revisions in the aforesaid salary scale or grade together with revisions in such allowances, benefits, amenities, facilities and other perquisites including contribution to provident fund, gratuity fund, superannuation fund, etc. as are introduced from time to time in respect of employees of the Company in an equivalent salary scale or grade; and (b) to promote him to any higher position/designation or salary scale or grade in due course together with such allowances, benefits, amenities, facilities and other perquisites including contribution to provident fund, gratuity fund, superannuation fund, etc. as are applicable to other employees in an equivalent salary scale or grade, with such annual increments as may be permissible under the rules or practices adopted by the Company or as the Board may deem fit and proper subject to the overall cost to the company not exceeding `.1.25 crores per annum at any time."

Item no. 4

To consider and if thought fit, to pass the following Resolution as an **Ordinary Resolution**

CONSENT FOR RE-APPOINTMENT AND PAYMENT OF REMUNERATION TO SHRI. MUDIT JATIA- PRESIDENT OF THE COMPANY

"**RESOLVED THAT** pursuant to the provisions of Section 188, and all other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), consent of the Company be and is hereby accorded to Shri Mudit Jatia (relative of Shri. Vijay Kumar Jatia, Chairman & Managing Director and Smt. Gauri Jatia, Director of the Company) to hold and continue to hold an office or place of profit in the Company for a period of 3 years as President of the Company with effect from 1st October, 2020

RESOLVED FURTHER THAT Shri Mudit Jatia, President shall receive remuneration ranging from` 84 lakhs p.a to ` 1.25 crores on a cost to company basis spread over a period of 3 years as may be decided by the Board of Directors from time to time keeping in view the various perquisites provided including the amount of allowances, benefits, incentives, amenities, facilities and other perquisites provided by the Company or the cost whereof is borne by the Company, including leave encashment, contribution to provident fund, gratuity fund, superannuation fund, group insurance, etc. as are applicable to other employees in equivalent salary scale or grade.

RESOLVED FURTHER THAT the Board shall have the authority from time to time (a) to make applicable to Shri. MuditJatia such revisions in the aforesaid salary scale or grade together with revisions in such allowances, benefits, amenities, facilities and other perquisites including contribution to provident fund, gratuity fund, superannuation fund, etc. as are introduced from time to time in respect of employees of the Company in equivalent salary scale or grade; and (b) to promote him to any higher position/designation or salary scale or grade in due course together with such allowances, benefits, amenities, facilities and other perquisites including contribution to provident fund, gratuity fund, superannuation fund, etc. as are applicable to other employees in equivalent salary scale or grade, with such annual increments as may be permissible under the rules or practices adopted by the Company or as the Board may deem fit and proper subject to the overall cost to the company not exceeding `. 1.25 crores per annum at any time.

NOTES:

1 In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its circular dated May 5, 2020 read with circulars dated April 8, 2020 and April 13, 2020 (collectively referred to as "MCA Circulars") permitted the holding of the Annual General Meeting ("AGM") through VC / OAVM, without the physical presence of the Members at a common venue. Further, the Securities and Exchange Board of India ('SEBI') vide its circular dated 12th May 2020 ('SEBI Circular') has also granted certain relaxations. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and MCA Circulars, the AGM of the Company is being held through VC / OAVM.

2 The relative Explanatory Statement pursuant to Section 102 of the Act, setting out material facts concerning the business under Item Nos. 4 and 5 set out above and details under Regulations 26(4) and 36(3) of the Listing Regulations and Paragraph 1.2.5 of the Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of the Directors seeking appointment and/or re-appointment at the AGM are annexed hereto.

3 Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip including route map are not annexed to this Notice.

4 Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Company at info@modernindia.co.in

5 The Register of Members and Share Transfer Books of the Company will remain closed from 07.08.2020 to 21.08.2020 (both days inclusive), for record purposes.

6 Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

7 As per the provisions of Clause 3.A.III. of the General Circular No. 20/2020 dated 5th May 2020, the matter of Special Business as appearing at Item Nos. 3 and 4 of the accompanying Notice, is considered to be unavoidable by the Board and hence, forming part of this Notice.

8 **The ISIN of the Equity Shares of ` 2/- each is INE251D01023.**

9 **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 08th August, 2020.**

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.** Members are also requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number to their DPs in case the shares are held by them in electronic form and to the Company's RTA i.e Satellite Corporate Services Pvt Ltd in case the shares are held by them in physical form.

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 `4,36,638.50 (approx) for the year 2012-2013 is due to be transferred to the IEPF w.e.f **21st August, 2020**. For which Company Had intimated to all the Shareholder through Newspaper publication which was published in Business Standard (English) and Mumbai Lakshdeep (Marathi) on Saturday, 20th June, 2020 advising them to claim their unclaimed dividend for the year 2012-13 latest by 12.08.2020 to avoid transfer of dividend/shares and 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 3,68,320 shares in 748 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 remained unclaimed or unpaid for seven consecutive years or more, 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. There are 15,521 equity shares of 40 folios upto 31st March,2020 which is due to be transferred to the demat account of the IEPF. The said shares is due from the Financial year 2012-13 for seven consecutive years will be transferred to the demat account of the IEPF Authority in the month of September, 2020.

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 In compliance with the aforesaid MCA Circulars and SEBI Circular dated May 12, 2020, Notice of the AGM along with the Annual Report 2019-20 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2019-20 will also be available on the Company's website www.modernindia.co.in, websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com, and on the website of CDSL.

16 As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from, April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrars and Transfer Agents, Satellite Corporate Services Pvt Ltd for assistance in this regard.

17 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 cast their vote electronically, through the e-voting services provided by CDSL, on all the resolutions set forth in this Notice. The facility of casting votes by a member using remote e-voting system before the Meeting as well as e-voting during the AGM, will be provided by CDSL.

18 A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date i.e only shall be entitled to avail the facility of remote e-voting before the AGM as well as e-voting during the AGM. Any person who is not a member as on the cut-off date should treat this Notice for information purpose only. Any person, who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date, may obtain the User ID and Password by sending a request at helpdesk.evoting@cdslindia.com

19 The Chairman shall, at the AGM allow voting by use of e-voting system for all those Members who are present during the AGM through VC/OAVM but have not cast their votes by availing the remote e-voting facility before the AGM. The e-voting module during the AGM shall be disabled by CDSL for voting 30 minutes after the conclusion of the Meeting

20 All documents referred to in the accompanying Notice and the Explanatory Statement 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. Members who wish to inspect the relevant documents referred to in the Notice can send an email to info@modernindia.co.in to set up a prior appointment to come and inspect the said documents.

By Order of the Board of Directors

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

Mumbai
Dated: 29th June, 2020

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

Item no. 3

Shri. Sidhant Jatia was appointed as President of the Company with effect from 1st October, 2017 by the shareholders of Company in the meeting held on 08th August, 2017 wherein his appointment and remuneration was approved by the Members through Ordinary Resolution.

Shri. Sidhant Jatia is currently in charge of handling the subsidiaries of the Company and has also been given the authority to manage the operations of the Solar Power Plant at Satara. In view of his active participation, business development and growth of his role in the day to day management of the Company, it is proposed to renew his tenure as President

As per the provisions of section 188 of the Companies Act, 2013 and the Rules made thereunder, any appointment of a relative of director to any office or place of profit in the company, its subsidiary company or associate company shall be made with the prior approval of the shareholders by a Resolution.

It is therefore proposed to obtain the permission of the Members to re-appoint Shri. Sidhant Jatia to an office or place of profit in the company under section 188 of the Companies Act, 2013 by passing an Ordinary Resolution

Approval of the Members in General Meeting is sought to comply with these provisions.

The particulars of the contracts/transactions, pursuant to para 3 of Explanation (1) to Rule 15 of the Companies (Meetings of Board and its powers) Rules, 2014 are as under:

1 Name of the related party: Shri **Sidhant Jatia.**
2 Name of the director or Key managerial Personnel who is related: **Shri. Vijay Kumar Jatia and Smt. Gauri Jatia**
3 Nature of relationship : **Son**
4 Monetary value: **Upto `1,25crores per annum**
5 Nature, material terms and particulars of arrangement:

Contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.

Gratuity payable at the rate not exceeding half a month's salary for each complete year of service.

Earned privilege leave at the rate of one month's leave for every eleven months of service. Shri. Sidhant Jatia can accumulate a maximum of 90 days leave, as per rules of the Company.

Provision of Car with driver for business of the Company and Telephone at the residence of Shri. Sidhant Jatia shall not be treated as perquisites.

Any other information relevant or important for the members to make a decision on the proposed transaction:

Shri Sidhant Jatia is actively involved in the day to day activities of the Company and he is instrumental in setting up the Solar Power Plant. He is also handling the international business of export of construction material, luggage, textiles, etc. which is carried out through the subsidiary Modern International (Asia) Limited

The memorandum of appointment to Shri.Sidhant Jatia would be available for inspection by the members, by writing an email to the Company at info@modernindia.co.in

Shri. Vijay Kumar Jatia and Smt. Gauri Jatia shall be regarded as interested in the said resolutions being relatives of Shri. Sidhant Jatia. None of the other directors and Key Managerial Personnel or their relatives are in any way concerned or interested in the resolution.

The Board recommends the said Ordinary Resolution for your approval.

Item no. 4

Shri. Mudit Jatia, was appointed as President with effect from 1st October, 2017 by the shareholders of Company in the meeting held on 08th August, 2017 wherein his appointment and remuneration was approved by the Members through Ordinary Resolution.

Shri Mudit Jatia is currently in charge of handling the various business activities of Modern India Limited especially the development and execution of the Boisar project and also the proposed Development project of properties situated at Mahalaxmi, Mumbai.

In view of his active participation, business development and growth of his role in the day to day management of the Company, it is proposed to renew his tenure as President of the Company.

As per the provisions of section 188 of the Companies Act, 2013 and the Rules made thereunder, any appointment of a relative of director to any office or place of profit in the company, its subsidiary company or associate company shall be made with the prior approval of the shareholders by a Resolution.

It is therefore proposed to obtain the permission of the members to re-appoint Shri. Mudit Jatia to an office or place of profit in the company under section 188 of the Companies Act, 2013 by passing an Ordinary Resolution.

Approval of the members in General Meeting is sought to comply with these provisions.

The particulars of the contracts/transactions, pursuant to paragraph 3 of Explanation (1) to Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 are as under:

1 Name of the related party: Shri **Mudit Jatia.**
2 Name of the director or Key managerial Personnel who is related: **Shri. Vijay Kumar Jatia and Smt. Gauri Jatia**
3 Nature of relationship : **Son**
4 Monetary value :**Upto`1.25 crores** per annum
5 Nature, material terms and particulars of arrangement:

Contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.

Gratuity payable at the rate not exceeding half a month's salary for each complete year of service.

Earned privilege leave at the rate of one month's leave for every eleven months of service. Shri .Mudit Jatia can accumulate the maximum 90 days leave as per rules of the Company.

Provision of Car with driver for business of the Company and Telephone at the residence of Shri .Mudit Jatia shall not be treated as perquisites

Any other information relevant or important for the members to make a decision on the proposed transaction:

Shri. Mudit Jatia is actively involved in the day to day activities of Modern India Limited and he also handles the Joint development project at Boisar along with M/s Ashish Estate and Property Developers Limited and is very actively involved in the Development Project of properties situated at Mahalaxmi, Mumbai.

The memorandum of appointment to Shri.Mudit Jatia would be available for inspection by the members, by writing an email to the Company at info@modernindia.co.in

Shri. Vijay Kumar Jatia and Smt. Gauri Jatia shall be regarded as interested in the said resolutions being relatives of Shri Mudit Jatia.

None of the other directors and Key Managerial Personnel or their relatives are in any way concerned or interested in the resolution.

The Board recommends the said Ordinary Resolution for your approval.

By Order of the Board of Directors

SD/-

(Parind Badshah)
Vice-President & Company Secretary
FCS 5414
Address: 1, Mittal Chambers, 228, Nariman point, Mumbai-400 021

Place: Mumbai
Dated:29.06.2020

ANNEXURE TO NOTICE

Details of the Director seeking appointment and/or re-appointment at the Annual General Meeting

[Pursuant to Regulations 26(4) and 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Paragraph 1.2.5 of Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India]

Item no 2

Smt.Gauri Jatia (DIN:0096766) 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	Smt.Gauri Jatia
DIN	0096766
Date of Birth	03.01.1963
Date of Appointment	Re-appointed on 10.08.2018
Qualifications	Bachelor of Arts
Expertise in specific functional areas	Business
List of Other Directorship	Shree Rani Sati Investment & Finance Private Limited
	F Pudumjee Investment Company Private limited
	Sarat Leasing and Finance Private Limited
	Modern Derivatives and Commodities Private Limited
	Alcyone Trading Company Private Limited
	Vedant Mercantile Private Limited
	Candescent Traders Private Limited
	Camellia Mercantile Private Limited
	Jatia Properties Private Limited
	Vijay Jatia Foundation
	Mahabirprasad Jatia Foundation
Chairmanship/Membership of Committees of other Boards	NIL
The Attendance of meeting of Board and Committees	During the year Smt.Gauri Jatia attended 3 meeting of Board of Directors and 1 committee meeting of Modern India Limited
Company's Shares held (No of shares)	17850-Equity shares of Modern India Limited
Relationship with other Directors ,Manager and other KMP	Promoter and wife of CMD of the Company

REMOTE E-VOTING INSTRUCTIONS

1. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020. The forthcoming AGM will thus be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.

2. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.

3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.

5. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, , the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.

6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.modernindia.co.in. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com and. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. www.evotingindia.com.

7. The AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.

THE INTRUCTIONS FOR SHAREHOLDRES FOR REMOTE E-VOTING ARE AS UNDER:

(i) The voting period begins on 18th August,2020 at 9.00 hrs and ends on 20th August,2020 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 14.08.2020 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the Member, he shall not be allowed to change it subsequently. The voting rights of Members (for voting through remote e-voting before the AGM and e-voting during the AGM) shall be in proportion to their shares held in the paid up equity share capital of the Company as on cut-off date i.e. 14.08.2020

(ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

(iii) The shareholders should log on to the e-voting website www.evotingindia.com.

(iv) Click on "Shareholders" module.

(v) 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. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

(vi) Next enter the Image Verification as displayed and Click on Login.

(vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.

(viii) If you are a first time user follow the steps given below:

	For Shareholders 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) • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip indicated 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 (v).

(ix) After entering these details appropriately, click on “SUBMIT” tab.

(x) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders 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.

(xi) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xii) Click on the EVSN for the relevant **MODERN INDIA LIMITED**

(xiii) 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.

(xiv) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.

(xv) 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.

(xvi) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.

(xvii) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.

(xviii) 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.

(xix) Shareholders can also cast their vote using CDSL’s mobile app “**m-Voting’’.** The m-Voting app can be downloaded from respective Store. Please follow the instructions as prompted by the mobile app while Remote Voting on your mobile.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to **Company/RTA email id**.

2. For Demat shareholders -, please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to **Company/RTA email id**.

3. The company/RTA shall co-ordinate with CDSL and provide the login credentials to the above mentioned shareholders.

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

1. Shareholder will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at https://www.evotingindia.com under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.

2. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.

3. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

5. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their requisition advance atleast **6 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **6 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at (company email id). These queries will be replied to by the company suitably by email.

6. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING DURING THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.

2. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.

3. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility , then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

4. Shareholders who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

(xx) **Note for Non – Individual Shareholders and Custodians**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
- 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 mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; info@modernindia.co.in , if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

xxi In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com or call 1800225533.

xxii. 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 remote e-voting process before and during the AGM in a fair and transparent manner

xxiii The Scrutinizer shall, immediately after the conclusion of e-voting at the AGM, first count the votes cast during the Meeting, thereafter unblock the votes cast through remote e-voting before the Meeting and make, not later than 48 hours of conclusion of the Meeting, a consolidated Scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same.

xxiv. 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.

XXV Subject to the receipt of requisite number of votes, the Resolutions forming part of the AGM Notice shall be deemed to be passed on the date of the AGM i.e. 21ST August, 2020

xxvI. Please note the important dates

Event	Date	Time
CUT OFF DATE FOR VOTING	14.08.2020	17.00 hrs
EVOTING TO START	18.08.2020	09.00 hrs
EVOTING TO END	20.08.2020	17.00 hrs
AGM DATE	21.08.2020	16.00 hrs

ANNEXURE – FOR NOTE 9 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 RegistrationNo. (in case of companies)	
Unique Identification No.	
Father's/Mother's/SpouseName	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 sharesin demat mode are requested to update their above details in their Demat account

MODERN INDIA LIMITED
BOARD'S REPORT

Dear Members,

Your Directors are pleased to present the Eighty Sixth Annual Report along with Audited Statement of Accounts for the Financial Year ended 31st March, 2020.

FINANCIAL RESULTS **(` in lakhs)**

	Financial year 2019-20	Financial year 2018-19
Revenue from operations	**4465.30**	**7658.17**
Other Income	**1578.96**	**1461.35**
Total Income	**6044.27**	**9119.53**
EBITDA	**(593.73)**	**282.62**
Depreciation	**363.22**	**319.02**
Finance Cost	**1350.37**	**801.91**
Profit /Loss before exceptional item and tax	**(2307.32)**	**(838.31)**
Provision for taxes / Deferred tax gain / (loss)	**150.89**	**302.50**
Profit/(Loss) after tax	**(2156.44)**	**(535.81)**
Other comprehensive Income	**(3.32)**	**0.82**
Total comprehensive Income	**(2159.76)**	**(535.00)**

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 .

The economic impact of the 2019–20 coronavirus pandemic in India has been largely disruptive.

Our results have been impacted in a very severe manner. The first three quarters were average and the Company was looking forward to a good last quarter, however the pandemic struck and all business worldwide went for a toss and all economic activity came to a grinding halt with lock downs being announced by all countries to counter the pandemic. In India, our operations were disrupted right from Feb 2020 and with the restriction in March and finally the overall lockdown post 22nd March 2020 all activity stopped. Our performance was also impacted as both our subsidiaries also faced the blunt of the pandemic. Hiring was down to a trickle and this affected the business operation of Verifacts Services. Our subsidiary in HongKong was also affected as China too was under lockdown and business was shut to tackle the outbreak of the virus. The world is wary of China and its products and hence business of the company has been affected. However it should be noted that the Management has taken all necessary action to tackle this adverse phase, the priority is its human resources which is being cared for and despite the downward trend in revenues no employee has been terminated. The Management is of the view that once the lockdown

opens up and the economy slowly gains steam, our Company will be back with a new vigour and this will reflect in its performance.

The performance of the Company during the year under review the revenue from operation was Rs4465.30 as compared to Rs7658.17 the previous year 2018-19. Company has incurred losses to the tune of Rs (2156.44) during the year under consideration which is comparatively very high to the loss suffered in the year 2018-19. This loss is mainly due to fair valuation and reversal of differed tax assets.

EVENTS DURING THE YEAR UNDER REVIEW

Update on Construction at Modern Centre:

During the year under review,Shore piling, excavation work, foundation work is over in respect of one Tower. Now Basement RCC work is in progress. Company has also got approval for 3 FSI plans. MCGM and Environment clearance has also been received. Presently 1.33 FSI plans are operational and in due course of time plans for remaining FSI plan will be made operational gradually based on the progress of construction activities at the site.

About 150 to 200 construction workers were working at site besides team of Engineers and Contractor. One person of the Company undertakes visit to the site on weekly basis and takes photographs of the site and keeps the Company updated about the progress at site.

However now the projects have been delayed due to the coronavirus (COVID-19) pandemic as migrant workers left cities and supply of construction material has stopped. As a result, construction activities are set to be delayed due to the shortage of labour and a more pronounced liquidity crisis.

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)). During the year under review SLP (special Leave Petition)was filed by EOW against the order of Bombay High Court order in the matter of applicability of MPID to NSEL was yet to be heard by the Supreme Court of India. However status quo ordered in the matter was continuing.L. J. Tanna and others were pursuing the matter of release of funds lying with Competent Authority, High Court appointed Committee, MPID Court and Bombay High Court to the investors, however there was no clarity about the time and mode of payment in favour of investors. Main motion pertaining to recovery of sums isyet to be heard.

Update on Solar Power Plant:

The crisis caused by the COVID-19 have considerably disrupted our operations in this area. Company's solar power generation unit is situated at Satara and is operating at its capacity however since the national lockdown has been implemented the off take off power has come to an halt and therefore the company is now supplying the same to the grid, which in turn results in lesser revenue generation. REC, Market has fallen through and rates have crashed as there are almost negligent buyers due to lockdown which has led to closure of economic activities.

Update on Investments:

During the year under review Modern International (Asia) Limited, a wholly owned subsidiary of the Company has incorporated a new company in Vietnam naming it Modern International (Vietnam) Company Limited with the investment of USD15000 In view of this, Modern International (Vietnam) Company Limited being subsidiary of the Modern International (Asia) Limited now becomes a step down subsidiary of the Modern India Limited.

As informed earlier that Company has made an investment in Crediwatch Informations Analytics Private Limited. During the year under review Series A funding of US $ 3.2 Million is received by the Crediwatch during October, 19 at pre money valuation of `74Crores.

Modern's CCPS conversion into shares of the company is freezed @ `806.31 per share. New Investor ARTIS Lab and Abstract Ventures have subscribed to CCCP to be converted into shares @ `890.18 per share.

Update on CSR activities:

Considering losses in financial year 2017-18, 2018-19, 2019-20, no funds could be allocated for Corporate Social Responsibility for the financial year 2020-21. However, the Company intends to carry out Corporate Social Responsibility activities in due course of time.

CHANGE IN THE NATURE OF BUSINESS, IF ANY

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

EVENTS SUBSEQUENT TO THE DATE OF FINANCIAL STATEMENTS

The operations of the Company were disturbed due to the Corona Virus Pandamic because of which lockdown was imposed by the government as a result it affected our financial results apart from what has stated herein, no major event has occurred subsequent to the date of financial statements.

DIVIDEND AND RESERVES

Despite the losses incurred in the earlier year, your directors have been striving and have paid dividend without fail however due to the current scenario and losses incurred during the year under review, the Management is of the view that no dividend be paid and that the funds of the company be preserved and be utilised to restart the business activities post the lockdown, the Directors of the Company also are in agreement that the funds and resources of the company should be preserved and reinvested back into the business for its growth and better returns in future. Therefore in view of this no Dividend is recommended for the year 2019-20.

The Company has free reserves (including retained earnings)of `(1,168.16) lakhs as on 31st March, 2020.

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 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 19.03.2020.
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, 2020 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.AnandDidwania	Chairman
Shri.Pradip Kumar Bubna	Member
Shri. S. D. Israni	Member
Shri.KaiwanKalyaniwalla	Member

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. ParindBadshah, 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
Shri. Vijay Kumar Jatia	Member
Shri.AnandDidwania	Member
Shri.KaiwanKalyaniwala	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.ParindBadshah, 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 Attributesand 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.AnandDidwania	Chairman
Shri. Vijay Kumar Jatia	Member
Shri. Pradip Kumar Bubna	Memberf

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.SidhantJatia	President
Shri.MuditJatia	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 delegateAuthority 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.Renu Kapoor	External Member
Smt. Seema Patil	Presiding Officer
Smt.Ranju Nair	Member
Shri.ShahidBora	Member

The Committee organize awareness programmes within the organisation.

During the year, the Company had not received any complaints, necessary reports as required under law are filed with the statutory authorities.

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, 2020 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` Rs 1348.48 Lakhs (net of Rs 104.64 lakhs recovered till date) is outstanding as trade 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. In the Beginning of the year 2019-20 Company saw an increase in the revenue and profits earned by the Company despite the downturn in the Chinese economy. However things started getting worse when COVID-19 hit the Country and soon spread to the other countries. Also due to pandemic many shipments were deferred leading to weak quarter 4 results.

The Company achieved sales/ turnover of **US $ 15,875,949** for the year 2019-20 as against US$ 13,755,023 for the year 2018-19 .Efforts are being taken to increase the turnover in the coming year. The Company will continue to monitor the situation closely and take appropriate action as per regulatory guidelines.

STEPDOWN SUBSIDIARY - Modern International (Vietnam) Company Ltd

As informed earlier, during the year under review Modern International (Vietnam) Company Ltd which was incorporated on 17th October 2019 and it became step down subsidiary of our Company During the year Modern International (Vietnam) Company Ltd has suffered a loss of VND 88,799,588. The Company is yet to start full operations and this loss is due to the general expenses incurred in setting up the organisation and its administration.

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. As informed earlier that Modern India Limited acquired remaining 24% stake in Verifacts Services Private Limited therefore it is a wholly- owned subsidiary of Modern India Limited.

Due to COVID-19 pandemic, there is reduced hiring at this moment by client companies and this has had a negative impact on our revenue generation due to which quarter 4 results were affected and this is reflecting in the financial results for the year ended 31st March, 2020. It is important to note that during the current financial year, the clients are being serviced by the team under the work from home policy wherever possible and the company has resumed services in Bengaluru after the state government has eased lockdown restrictions. The operations are being carried out in accordance with the guidelines issued by the regulatory.

During the year under review, the Verifacts has achieved a marginal increase in turnover ` **2,019.48 lakhs**as compared to `**1,886.39** lakhs during the corresponding previous year. The profit after tax is `**49.39**as compared to `**107.64** lakhs in the corresponding previous year. The turnover has increased by 7.06%, and the profit after tax has decreased by 53.12% due to increase in finance and depreciation expenses.The Company's strategic business decisions are showing positive results and it is expected that it will show an upward march

ASSOCIATE COMPANIES

The Company does not have any associate companies nor does it have any existing joint venture as on 31st March, 2020.

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. It should be noted that during the year the Company received the order of merger from NCLT where by two subsidiaries namely Modern India Free Trade warehousing Pvt Ltd and Modern India Property Developers Ltd merged with the company and therefore the company now has only two fully owned subsidiary and one step down subsidiary.

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		
		Modern International(Asia) Limited	Verifacts Services Private Limited
1	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	N A	N A
2	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	1USD=75.32	N A
3	Share capital	USD 1280000	5000000
4	Reserves & surplus	12.09 Lakhs	1030.27 lakhs
5	Total assets	45.35 Lakhs	2031.88 lakhs
6	Total Liabilities	(20.61) Lakhs	951.60 lakhs
7	Investments*	**0.15 Lakhs**	551.25 lakhs
8	Turnover	158.76 Lakhs	2019.48 lakhs
9	Profit before taxation	0.65 Lakhs	70.73 lakhs
10	Profit after taxation	0.65 Lakhs	49.39 Lakhs
11	Proposed Dividend	NIL	50%
12	% of shareholding	100%	100%

***Total Investments of US$ 15000 made in Modern International (Vietnam) Company Ltd hence it became wholly owned subsidiary of Modern International (Asia) Ltd and step down subsidiary of Modern India Ltd**

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 (FRN105049W) the existing Statutory Auditor of the Company was appointed as auditor by the Members to hold office from conclusion of 83rdAnnual General Meeting until conclusion of 88thAnnual 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

There are no significant and material orders passed by the regulators or Court or Tribunals impacting the going concernstatus and the Company's operations in future.

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):	85.29 `
Secured Borrowings (Current):	1305.61
Current maturities of long –term debt:	48.89
TOTAL:	**1439.79**

SECURED LOANS (Given): 22.05

UNSECURED LOANS (Taken): NIL

UNSECURED LOANS (given): 116.71

CURRENT INVESTMENTS: 1.05

NON CURRENT INVESTMENTS: 9427.05

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 i.e. 2017-18, 2018-19, 2019-20 for the years 2020-21, 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, draws the remuneration of `

1.68 Crore per annum. During the year Shri. Vijay Kumar Jatia drew a total remuneration of Rs 1,79,26,339/-, the excess amount was received by him was due to leave encashment.

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 2020-2021 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.

Compliance with Secretarial Standards During the year under review, the Company has complied with all the applicable Secretarial Standards.

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 2020-21.

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.

Mumbai
Date: 29.06.2020

For and on behalf of the Board of Directors

SD/-
Vijay Kumar Jatia
Chairman & Managing Director

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 BOARDS' REPORT FOR THE YEAR ENDED 31ST MARCH, 2020

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, Vietnam, South East Asia & Middle East.
(b)	Total Foreign Exchange:		
	(i) Earnings	:	` Rs 6,618.23/-
	(ii) Outgoing	:	`Rs 47,24,928.38/-

ANNEXURE-B

MANAGEMENT DISCUSSION AND ANALYSIS

INDUSTRY STRUCTURE, DEVELOPMENTS AND OUTLOOK

The COVID-19 pandemic is inflicting high and rising human costs worldwide, and the necessary protection measures are severely impacting economic activity. As a result of the pandemic, the global economy is projected to contract sharply by –3 percent in 2020, much worse than during the 2008–09 financial crisis. In a baseline scenario--which assumes that the pandemic fades in the second half of 2020 and containment efforts can be gradually unwound—the global economy is projected to grow by 5.8 percent in 2021 as economic activity normalizes, helped by policy support. The risks for even more severe outcomes, however, are substantial. Effective policies are essential to forestall the possibility of worse outcomes, and the necessary measures to reduce contagion and protect lives are an important investment in long-term human and economic health. Because the economic fallout is acute in specific sectors, policymakers will need to implement substantial targeted fiscal, monetary, and financial market measures to support affected households and businesses domestically. And internationally, strong multilateral cooperation is essential to overcome the effects of the pandemic, including to help financially constrained countries facing twin health and funding shocks, and for channeling aid to countries with weak health care systems.

The economic impact of the 2019–20 coronavirus pandemic in India has been largely disruptive. The World Bank and credit rating agencies have downgraded India's growth for fiscal year 2021 with the lowest figures India has seen in three decades since India's economic liberalization in the 1990s. The former Chief Economic Advisor to the Government of India has said that India should prepare for a negative growth rate in FY21 and that the country would need a ₹10 trillion stimulus to overcome the contraction. However, the International Monetary Fund projection for India for the Financial Year 2021-22 of 1.9% GDP growth is the highest among G-20 nations. Within a month, unemployment rose from 6.7% on 15 March to 26% on 19 April. During the lockdown, an estimated 14 crore (140 million) people have lost employment. More than 45% of households across the nation have reported an income drop as compared to the previous year.

The Indian economy was expected to lose over ₹32,000 crore (US$4.5 billion) every day during the first 21-days of complete lockdown which was declared following the coronavirus outbreak. Under complete lockdown, less than a quarter of India's $2.8 trillion economy was functional. Up to 53% of businesses in the country were projected to be significantly affected. Supply chains have been put under stress with the lockdown restrictions in place.

The World Bank and the International Monetary Fund (IMF) warned that the virus is pushing the world economy into a recession worse than that after the 2008 financial crisis. Moody's downgraded India's GDP growth rate forecast for 2020 from 5.5% to 2.5%. A United Nations Conference on Trade and Development (UNCTAD) report titled *The Covid-19 Shock to Developing Countries* pleaded "governments to do whatever it takes" to stop economic contraction becoming a recession or worse, a prolonged depression, and to protect the poorest.

On 4 April, 2020 former Reserve Bank of India chief Raghuram Rajan said that the coronavirus pandemic in India may just be the "greatest emergency since Independence"

However despite the scenario, has to be noted that though India today ranks as the 5th nation with the no of corona patients, however our fatality rate is one of the lowest and our recovery rate is rising and today more than 50%. The Government of India on its own has provided a stimulus package of over Rs 20 lakh

crores to kick start the economy and give a fresh impetus to growth, currently we are in an unlock down phase and the economy is slowly opening up with various different sectors opening up and activity rebooting.

OPPORTUNITIES AND THREATS

THE REAL ESTATE BUSINESS

Real Estate is one of the key driving factors behind the growth of the **Indian Economy** and plays a pivotal role in the nation's GDP growth. The year 2019-2020 has been a period of ups and downs for the Indian real estate sector. The sector witnessed the impact of the ongoing NBFC crisis resulting in liquidity squeeze and the slow pace of recovery in sales. On the other hand, the successful launch of India's first Real Estate Investment Trust (REIT) opened new avenues for investments while multiple government sops provided relief to the housing sector.

If we look back at 2019, we can not deny that the government did not make sincere efforts to strengthen the sector. A series of reforms and policy changes were adopted. Some of them are:

- Reducing GST rates to 1% for affordable homes and 5% for under-construction flats/apartments
- The announcements about NHB raising liquidity to the housing finance companies
- The government slashed the corporate tax rate to 25.17% from 30% for existing Companies, and to 15% from 25% for new manufacturing companies etc.

Housing sales in 2019 saw a modest 4-5% annual growth with over 2.58 lakh homes sold during the year. New housing launches in 2019 saw an 18-20% annual growth with over 2.3 lakh units.

As per reports, office leasing increased by more than 30% annually to cross 47 million sq.ft. during the first three quarters of 2019, exceeding its previous high of 2018. The leasing exercise reached about 15.4 million sq.ft. during Q3 2019, rising by nearly 23% on an annual basis. Commercial office space also continued to be the most sought-after asset class.

However due to ongoing Covid19 outbreak and its impact the sentiment in real estate are at its all-time lowest level in the quarter ended March 2020. Both residential and commercial real estate sectors are expected to be hit in term of launches, sales and prices, showed a Knight Frank India survey.

India's real estate sector is estimated to face losses to the tune of as much as Rs 1 lakh crore by the end of the current financial year (2020-21) due to the COVID-19 pandemic. Real estate projects have been delayed due to the corona virus (COVID-19) pandemic as migrant workers have the left cities and supply of construction material has stopped. As a result, construction activities are delayed due to the shortage of labour and a more pronounced liquidity crisis.

TRADING

There is decline in exports mainly due to the ongoing global slowdown, which got aggravated due to the current Covid-19 crisis. The latter resulted in large scale disruptions in supply chains and demand resulting in cancellation of orders. 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 $ 15,875,949 in our subsidiary Modern International (Asia) Limited which is based in Hongkong, inspite of China facing a slowdown in its economic activities.

While the gloom and doom surrounding COVID-19 is palpable, the crisis might also throw up some great opportunities for India. There are already reports of several Western manufacturers looking at moving their factories out of China. Many Indian chemical producers have gone on record at having received enquiries from Western manufacturers who earlier never used to look towards India as a source. Tapping these opportunities, however, will require some serious innovation on the policy front. Indian policymakers need to hunker down and plan economic assistance that will not only help India's export sector survive the immediate crisis, but also retain stability and resume growth in the medium to long-term.

SOLAR POWER

Solar energy has experienced spectacular growth over the past two decades. But the crisis caused by the COVID-19 has considerably disrupted this momentum. More than ever, governments will be central in tackling these challenges and determining the pace of deployment of solar energy in the near future. Stimulus packages aimed at getting the global economy back on track will be particularly important.

The crisis caused by the COVID-19 have considerably disrupted our operations in this area. Company's solar power generation unit is situated at Satara and is operating at its capacity however since the national lockdown has been implemented the off take off power has come to an halt and therefore the company is now supplying the same to the grid, which in turn results in lesser revenue generation. REC, Market has fallen through and rates have crashed as there are almost negligent buyers due to liquidity crunch in market.

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	1.20	4186.94	259.68	17.48	4465.30
ii	Segment Result	(11.90)	(39.40)	(45.80)	-	(97.10)
iii	Segment Assets	3032.32	2648.68	1161.41	12166.71	19007.12
iv	Segment Liabilities	16332.96	686.59	29.26	2141.78	19190.59

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. The Management in consultation with the Board is taking all necessary actions to mitigate the risk posed by the pandemic and the company also adopted the work from home policy and upto a large extent currently work is being done through this medium.

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 year2019-20.

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 calibre 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, 2020

[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: 24.10.1993
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, Address 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:-

SI. No.	Name and Description of main products /services	NIC Code of the Product/ service	% to total turnover of the company
1	Trading	46411	93.77
2	Real Estate	68100	0.03
3	Renewable Energy	35105	5.82
4	Others		0.39

III. **PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -**

Sl. NO	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1	Verifacts Services Private Limited	U74140KA2005PTC035878	SUBSIDIARY	100	2(87)
2	Modern International (Asia) Limited	-	SUBSIDIARY	100.00	2(87)

During the year under review Modern International (Vietnam)Co. Ltd became step down subsidiary of Modern India Ltd

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

i) Category-wise Share Holding

STATEMENT SHOWING- SHAREHOLDING PATTERN 31.03.2020

MODERN INDIA LTD

Category of shareholders	No of shares held at the beginning of the year (as on 01.04.2019)				No of shares held at the end of the year (as on 31.03.2020)				%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
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
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		0	0	0.00		0	0	0.00	0.00
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	
Total Shareholding of Promoter (A) = (A)(1)+(A)(2)	**28157062**	**0**	**28157062**	75.00	**28157062**	**0**	**28157062**	75.00	0.00
Public Shareholding			0	0.00			0	0.00	
Institutions			0	0.00			0	0.00	
Mutual Funds	0	0	0	0.00	0	0	0	0.00	0.00
Financial Institutions / Banks	806203	48475	854678	2.28	803203	48475	851678	2.27	-0.01
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	4648799	0	4648799	12.38	0.50
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)	**6391763**	**48475**	**6440238**	17.15	**6576043**	**48475**	**6624518**	17.65	0.49
Non-Institutions			0	0.00			0	0.00	
Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
i) Indian	975982	**1175**	977157	2.60	941693	**1175**	942868	2.51	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	787919	362830	1150749	3.07	637109	339530	976639	2.60	-0.46
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	27	0	27	0.00	0.00
Overseas Corporate Bodies	0	0	0	0.00	0	0	0	0.00	0.00
Non Resident Indians	4093	0	4093	0.01	4093	0	4093	0.01	0.00
HUF	36154	0	36154	0.10	44566	625	45191	0.12	0.02
IEPF	776067	0	776067	2.07	791122	0	791122	2.11	0.04
Foreign National	0	0	0	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)	2581445	364005	2945450	7.85	2419840	341330	2761170	7.35	-0.49
Total Public Shareholding (B) = (B)(1)+(B)(2)	**8973208**	**412480**	**9385688**	25.00	**8995883**	**389805**	**9385688**	25.00	0.00
TOTAL (A)+(B)	**37130270**	**412480**	**37542750**	100.00	**37152945**	**389805**	**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)	37130270	412480	37542750	100.00	37152945	389805	37542750	100.00	0.00

ii) Shareholding of Promoters

Sr. No.	Name of the shareholders	Shareholding at the beginning of the year 1st April ,2019		Shareholding at the end of the year - 31st March, 2020	
		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

DETAIL OF TOP 10 SHAREHOLDERS

For Each of the Top 10 Shareholders	Name of Shareholder's	As On Date	No.of Shares held at the beginning of the year		Cumulative Shareholding during the year	
			No. of Shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year	**LTS INVESTMENT FUND LTD**	31-03-2019	1716519	4.57	1716519	4.57
Date wise Increase / Decrease in Share holding during the year		22/11/2019	95254	0.25	1811773	4.82
At the End of the year		31/03/2020	0	0.00	1811773	4.83
At the beginning of the year	**ERISKA INVESTMENT FUND LTD**	31-03-2019	1765000	4.70	1765000	4.70
Date wise Increase / Decrease in Share holding during the year			**NIL**	**NIL**		
At the End of the year		31/03/2020	0	0.00	1765000	4.70
At the beginning of the year	**APMS INVESTMENT FUND LTD**	31-03-2019	980000	2.61	980000	2.61
Date wise Increase / Decrease in Share holding during the year		22/11/2019	77026	0.21	1057026	2.81
		17/01/2020	15000	0.04	1072026	2.86
At the End of the year		31/03/2020	0	0.00	1072026	2.86
At the beginning of the year	**UNITED INDIA INSURANCE COMPANY LIMITED**	31-03-2019	824041	2.19	824041	2.19
Date wise Increase / Decrease in Share holding during the year			**NIL**	**NIL**		
At the End of the year		31/03/2020	0	0.00	824041	2.19
At the beginning of the year	**INVESTOR EDUCATION AND PROTECTION FUND A**	31-03-2019	774817	2.06	774817	2.06
Date wise Increase / Decrease in Share holding during the year		22/11/2019	16280	0.04	791097	2.11

		31/12/2019	-791097	2.11	0	0.00
		10/01/2020	791097	2.11	791097	2.11
At the End of the year		31/03/2020	0	0.00	791097	2.11
At the beginning of the year	**STATE BANK OF INDIA SAMB BANGALORE**	31-03-2019	753200	2.01	753200	2.01
Date wise Increase / Decrease in Share holding during the year			**NIL**	**NIL**		
At the End of the year		31/03/2020	0	0.00	753200	2.01
At the beginning of the year	**MILLENNIUM COMMERCIAL PVT LTD**	31-03-2019	552142	1.47	552142	1.47
Date wise Increase / Decrease in Share holding during the year		22/11/2019	-14000	0.04	538142	1.43
		27/03/2020	-50	0.00	538092	1.43
At the End of the year		31/03/2020	0	0.00	538092	1.43
At the beginning of the year	**GENERAL INSURANCE CORPORATION OF INDIA**	31-03-2019	300000	0.80	300000	0.80
Date wise Increase / Decrease in Share holding during the year			**NIL**	**NIL**		
At the End of the year		31/03/2020	0	0.00	300000	0.80
At the beginning of the year	**ECLAT DEVELOPERS PVT LTD**	31-03-2019	238092	0.63	238092	0.63
Date wise Increase / Decrease in Share holding during the year			**NIL**	**NIL**		
At the End of the year		31/03/2020	0	0.00	238092	0.63
At the beginning of the year	**ECLAT MERCANTILE PVT LTD**	31-03-2019	147656	0.39	147656	0.39
Date wise Increase / Decrease in Share holding during the year			**NIL**	**NIL**		
At the End of the year		31/03/2020	0	0.00	147656	0.39

(v)Shareholding of Directors and Key Managerial Personnel:

Sr No.		Shareholding at the Beginning of the year		Cumulative Shareholding during the year	
		No of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	**Shri Vijay Kumar Jatia**				
	At the beginning of the year	90005	0.24	90005	0.24
	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 31.03.2020 year	**90005**	**0.24**	**90005**	**0.24**
2	**Smt Gauri Jatia**				
	At the beginning of the year	17850	0.05	17850	0.05
	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 31.03.2020 year	**17850**	**0.05**	**17850**	**0.05**
3	**Shri. Pradip Kumar Bubna**				
	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 31.03.2020 year	**1230**	**0.003**	**1230**	**0.003**
4	**Shri. Nawalkishore Deora**				
	At the beginning of the year	25	0.00	25	0.00
	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 31.03.2020 year	**25**	**0.00**	**25**	**0.00**

V. INDEBTEDNESS

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

(Amt. in Lakhs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits*	Total Indebtedness
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 (A)	654.62	0	12709.82	13364.44
Change in Indebtedness during the financial year				
Addition	785.17	0	1211.40	1996.57
Deduction	0	0	0	0
Net Change	785.17	0	1211.40	1996.57
Indebtedness at the end of the financial year				
Principal Amount	1439.79	0	13921.22	15361.01
Interest due but not paid	0	0	0	0
Interest accrued but not due	0	0	0	0
TOTAL (B)	1439.79	0	13921.22	15361.01

*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:

(Amt. in Rs)

Sr. No.	Particulars of Remuneration	Name of MD/WTD/ Manager
		Shri Vijay Kumar
1	**Gross salary** 1. Salary as per provisions contained in section 17(1) of the Income-tax Act,1961 2. Value of perquisites u/s 17(2) Income-tax Act,1961 3. Profits in lieu of salary under section 17(3) Income-tax Act, 1961	`8400000 `8518339 -
2	**Stock Option**	-
3	**Sweat Equity**	-
4	**Commission** 1. as % of profit 2. others, specify	-
5	**Others, please specify: Contribution to Provident Fund**	`1008000
	Total (A)	**`17926339**
	Ceiling as per the Act	**`16800000**
	Note : As per approval of Central Govt.	

- Mr Vijay Kumar Jatia was entitled as per companies act,2013 for 16800000 however the excess amount was received by him was due to the leave encashment.

B. Remuneration to other directors:

Sr. No.	Particulars of Remuneration	Name of Directors					Total Amt (`)
		Independent Directors			Non-Executive Director		
		Shri Anand Didwania	Shri S D Israni	Shri Kaiwan Kalyaniwal	Shri Pradip Bubna	Smt Gauri Jatia	
	Fee for attending board /committee meetings	440000/-	440000/-	480000/-	320000/-	160000/-	1840000
	Commission	-	-	-	-	-	
	Others, please specify	-	-	-	-	-	
	Total	440000	440000	480000	320000	160000	1840000
	Overall Ceiling as per Act	As per section 197 of the Companies Act, 2013					

C. **Remuneration To Key Managerial Personnel other than MD/Manager/WTD**

Sr. no.	Particulars of Remuneration	Company Secretary	Chief Financial Officer	Total
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3)	960000 1922880	960000 2328000	1920000 4250880
2.	Stock Option	–	–	–
3.	Sweat Equity	–	–	–
4.	Commission -as % of Profit - others, specify	–	–	–
5.	Others, please specify(Provident Fund)	115200	115200	230400
	Total	**2998080**	**3403200**	**6401280**

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.

ANNEXURE-2

FORM No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2020

Pursuant to Section 04 of the Companies Act 0 3 and rule No. of the Companies Appointment and Remuneration of Managerial Personnel Rules 0 4

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 to the extent provided by the Company its officers agents and authorised representatives during the conduct of secretarial audit the explanations and clarifications given to us and the representations made by the Management and considering the relaxations granted by The Ministry of Corporate Affairs warranted due to the spread of the COVID- pandemic we hereby report that in our opinion the Company has during the audit period covering the financial year ended on 3 st March 0 0 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 Company for the financial year ended on 3 st March 0 0 according to the provisions of:

i The Companies Act 0 3 the Act and the rules made thereunder;

ii The Securities Contract Regulation Act 'SCRA' and the rules made thereunder;

iii The Depositories Act and the Regulations and Bye-laws framed thereunder;

iv Foreign Exchange Management Act 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 'SEBI Act'

a The Securities and Exchange Board of India Substantial Acquisition of Shares and Takeovers Regulations 0 ;

b The Securities and Exchange Board of India Prohibition of Insider Trading Regulations 0 and amendments from time to time;

c The Securities and Exchange Board of India Issue of Capital and Disclosure Requirements Regulations 0 8 and amendments from time to time;

d The Securities and Exchange Board of India Share Based Employee Benefits Regulations 0 4; Not applicable to the Company during the audit period

e The Securities and Exchange Board of India Issue and Listing of Debt Securities Regulations 008; 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 3 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 00 ; Not applicable to the Company during the audit period and

h The Securities and Exchange Board of India Buyback of Securities Regulations 0 8 and amendments from time to time; Not applicable to the Company during the audit period

vi Other laws applicablespecifically to the Company namely:

1) Transfer of Property Act,1882
2) Indian Contract Act,1872
3) Municipal Local Laws.
4) Electricity Act,2003 along with Govt 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 has been generally complied with.

During the period under review the Company has generally complied with the provisions of the Act Rules Regulations Guidelines etc.

We further report that:

The Board of Directors of the Company is constituted with 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 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 following events occurred which had bearing on the Company's affairs in pursuance of the above referred laws rules regulations guidelines etc:

a) Litigations in respect of Representative Suit filed by the Company against Financial Technologies (India) Ltd, National Spot Exchange Ltd and 36 others for recovery of its dues as an Investor for the Trade executed on the NSEL.

For Parikh & Associates

Company Secretaries

Place: Mumbai
Date: th June 0 0

SD/-:
Name of Company Secretary: Sarvari Shah

Partner

FCS No: 7 CP No: 7 7

UDIN: F00 7B0003 38

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.

. 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.

. 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.

. 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.

. 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

Place: Mumbai
Date: 29th June,2020

SD/-
Name of Company Secretary: Sarvari Shah
Partner
FCS No: 9697 CP No: 11717
UDIN: F00 7B0003 38

FORM No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2020

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

To,
The Members,
Verifacts Services Private Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Verifacts Services Private 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, to the extent information provided by the company, its officers, agents and authorised representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31stMarch, 2020, 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, 2020 according to the applicable provisions of:

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

(ii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iii) 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;

(iv) The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 and as amended from time to time are not applicable to the Company during the audit period.

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

1. Shops and Commercial Establishment Act.
2. The Foreign Exchange Management Act 1991
3. Good and Services Tax act of 2017
4. Indian Contract Act, 1872
5. Municipal Local Laws
6. The Micro, Small and Medium enterprises Development Act, 2006
7. Prevention of Corruption Act, 1988
8. The Information Technology Act, 2000
9. The Copyright Act, 1957

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.

During the period under review and as per the explanations given and the representations made by the Management, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, etc. mentioned above.

We further report that:

The Board of Directors of the Company is constituted with proper balance of 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 for meetings other than those held at shorter notice, 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 guidelinesetc.

We further report that during the audit period no events occurred which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines etc.

For Parikh & Associates
Company Secretaries

SD/-
Jeenal Jain
Partner
ACS No: 43855 CP No: 21246
UDIN: A043855B000372623

Place: Mumbai
Date: 24-06-2020

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
Verifacts Services Private 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/-
Jeenal Jain
Partner
ACS No: 43855 CP No: 21246
UDIN: A043855B000372623

Place: Mumbai
Date: 24-06-2020

ANNEXURE-3

ANNUAL REPORT ON CSR ACTIVITIES

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 consists of 4 Directors as follows :

Shri Vijay Kumar Jatia

Smt. Gauri Jatia

Shri Pradip Bubna

Shri Kaiwan Kalyaniwala

Average net Profit/Loss of the company for last three financial years: Rs (1088.95)Lakhs

Prescribed CSR Expenditure(two per cent. of the amount as in item 3 above) : NIL

Details of CSR spent during the financial year 2019-20 : NIL

Total amount to be spent for the financial year 2020-2021 : 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 or activity Identified.	Sector in which the Project is covered	Projects or programs (1)Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or Programs Subheads: (1)Direct expenditure on projects or Programs. (2) Overheads:	Cumulative expenditure upto to the reporting 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 Transactions were on an arm's length basis and in the 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. SidhantJatia 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	`8378146, /-
2	Shri. MuditJatia 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	`8378146, /-
3	Modern International (Asia) Limited-100%Subsidiary of Modern India Limited	Guarantee given	With effect from31.03.2016	Agreement providing Corporate Guarantee to Indian Overseas Bank	23.03.2017	US $ 5Million
4	Shri. Vijay kumarJatia 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	`17926339/-
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	`160000/-
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	30.05.2019	`34,03,200/-
7	Shri ParindBadshah 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	30.05.2019	Rs 29,98,080
8	Maneksha Sethna Law firm	Legal Fees paid	During the period under review	Payment of professional fees for services rendered		`1009578/-
9	SD Israni Law Chambers	Legal fees paid	During the period under review	Payment of professional fees for services rendered		` 70000/-

SD/-
Vijay Kumar Jatia
Chairman and Managing Director

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 737529 `/-

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 **29** 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 2019-20.

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;	Rs **17926339/-***
(iii) nature of employment, whether contractual or otherwise;	3 years contract
(iv) qualifications and experience of the employee;	B Com – 45years experience
(v) date of commencement of employment;	Re-appointed on 01.08.2018
(vi) the age of such employee;	62 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 -Director Shri SidhantJatia-President Shri MuditJatia -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.*

* Mr Vijay Kumar Jatia was entitled as per companies act,2013 for 16800000 however the excess amount was received by him due to the leave encashment.

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

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	1.78 crores	BCOM	46	30.12.1994	62	PUDUMJEE PULP &PAPER INDUSTRIES LTD.	0.24%

Age, experience and qualifications is as on 31st March 2020.

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

ANNEXURE-6

MODERN INDIA LIMITED

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.

The Company ensures full compliance with the requirements and disclosures as required by SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018. The Corporate Governance report for the year ended 31st March, 2020 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 any amendment thereafter 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 four Meetings of Board were held viz; on 30th May, 2019, 13th August, 2019, 04th November, 2019 and 13th February, 2020 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 Directors	Category	No. of other Directorship #	No. of Other Committees @		No. of Board Meetings Attended out of 4	Last AGM Attendance (Yes/No)	Name of the listed Entities & Categories of Directorship
			Chairman	Membership			
Shri Vijaykumar Jatia	Promoter Executiv	2*	-	1	4	Yes	Indian Hume Pipe Company Limited- Independent Director
Shri Anand Didwania	Independent Non Executive	1	1	-	4	Yes	-
Shri P. K. Bubna	Non-Independent Non Executive	-	-	-	3	No	-
Smt. Gauri Jatia	Promoter Non Executive	-	-	-	3	No	-
Shri.S.D.Israni	Independent Non Executive	3	-	3	4	Yes	Cravatex Limited- Director Advani Hotels And Resorts (India)Limited- Director
Shri. Kaiwan Kalyaniwala	Independent Non Executive	2	1	1	4	Yes	Allcargo Logistics Limited Gati Limited

***Shri Vijay Kumar Jatia was also a Director in Modern India Property Developers Limited (MIPDL) which was a public limited Company. It is to be noted that the MIPDL is amalgamated with Modern India Limited vide NCLT order dated 11.07.2019**

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 and participation, 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 45 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 42 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 two decades 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. Mrs. Jatia has over 26 years experience in business, and is a valuable advisor and member of the Board.
5	Shri.S.D. Israni	Shri. S. D. Israni (71) is an Advocate and Partner of S. D. Israni Law Chambers, Advocates & Solicitors (UK). He is

		qualified in the field of Law, Company Secretary ship and Management. Has over 38 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 56 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 26 years. Mr. 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

None of the Independent Directors Resigned from our Company during the year 2019-2020.

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 four meetings were held on 30th May, 2019, 13thAugust, 2019, , 04th November,2019 and 13th February,2020 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 Directorship	Attendance out of 4 Meetings
Shri. Anand Didwania	Chairman	Non-executive Independent Director	4
Shri. S.D.Israni	Member	Non-Executive Independent Director	4
Shri. Kaiwan Kalyaniwala	Member	Non-Executive Independent Director	4
Shri. P. K. Bubna	Member	Non-executive Non-Independent Director	3

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 30th May, 2019. The meeting was attended by all the members of the Committee.

The Chairman of the Nomination and Remuneration committee was present at the 85th Annual General Meeting held on 27th September, 2019

The information pertaining to attendance of each member at the meetings of the Nomination and 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. Anand Didwania	Member	Non-executive Independent Director	1
Shri. Kaiwan Kalyaniwalla	Member	Non-Executive Independent Director	1

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 2019-2020

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	160000	160000	40000	40000	-	-	40000	440000
Shri. P Bubna	120000	120000	-	40000	40000	-	-	320000
Smt. G Jatia	120000		-	-	40000	-	-	160000
Shri. S. D Israni	160000	160000	40000	-	-	40000	40000	440000
Shri. K. Kalyaniwalla	160000	160000	40000	-	40000	40000	40000	480000

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	440000	-	-
3	Shri. P.K.Bubna	320000	1230	-
4	Smt. Gauri Jatia	160000	17850	-
5	Shri.S.D. Israni	440000	-	-
6	Shri. Kaiwan Kalyaniwala	480000	-	-

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. and Shri Anand Didwania is the Chairman of the Committee .

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

During the year, the Committee met once, on 13th August, 2019. 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 17th March, 2020 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. Presentations are made by the Management to give an insight into the activities of the Companies and future plans and the model to achieve the same are also discussed.

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 being independent and two non-executive and one executive director. 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 30th May, 2019 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 30th May, 2019. 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

The Management regularly updates the Committee in case it forsees any imminent risk, the Board as the whole was informed and updated with the action taken to mitigate the risk when the YES Bank crises hit and also when Covid 19 lockdown was implemented.

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 six (15) meeting were held on 19.06.2019, 07.09.2019, 17.10.2019, 04.01.2020, 07.03.2020 ,11.03.2020,24.04.2020,28.04.2020, 05.052020, 12.05.2020, 19.05.2020, 26.05.2020, 03.06.2020, 09.06.2020 and 15.06.2020

Composition	**Designation**	**Category of Directorship**	**Attendance in Meeting out of 15**
Shri Vijaykumar Jatia	Chairman	Executive Director	15
Smt Gauri Jatia	Member	Non- Executive Director	14
Shri. P.K.Bubna	Member	Non- Executive Director	15
Shri Sidhant Jatia	Member	President	15
Shri Mudit Jatia	Member	President	15

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**
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
2018-19	27.09.2019	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
	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.	2017-2018	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.
3	2018-19	Sections 230-232 and other relevant provisions of the Companies Act, 2013 read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016;	Approving 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 and Creditors. ("the Scheme").
	Postal Ballot.	Sections 149, 150, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") , rules made thereunder and the applicable regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or reenactment(s) thereof for the time being in force) ("SEBI Listing Regulations")	1 Re-appointment of Shri. Anand Badriprasad Didwania (DIN 00022120), who holds office as Independent Director upto 22nd July, 2019, and who is eligible for reappointment and who meets the criteria for independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of SEBI Listing Regulations and who has submitted a declaration to that effect and in respect of whom the Company has received a notice in writing from a member under Section 160(1) of the Act signifying his intention to propose the candidature of Shri. Anand Badriprasad Didwania for the office of Director of the Company, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of 5 (five) consecutive years commencing from 23rd July, 2019 upto 22nd July, 2024.

			pursuant to Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, including any statutory modification or re-enactment thereof for the time being in force, approval of the Members be and is hereby granted to Shri. Anand Badriprasad Didwania (DIN 00022120) who is currently 73 years old, continuing as Non-Executive and Independent Director even after his attaining the age of 75 years during his tenure as a Non-Executive and Independent Director of the Company." 2.Re-appointment of Shri. Shivkumar Dhalumal Israni (DIN 00125532), as an Independent Director of the Company, not liable to retire by rotation. Shri. Shivkumar Dhalumal Israni(DIN00125532), who holds office as Independent Director upto 22nd July, 2019, and who is eligible for reappointment and who meets the criteria for independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of SEBI Listing Regulations and who has submitted a declaration to that effect and in respect of whom the Company has received a notice in writing from a member under Section 160(1) of the Act signifying his intention to propose the candidature of Shri. Shivkumar Dhalumal Israni for the office of Director of the Company, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of 5 (five) consecutive years commencing from 23rd July, 2019 upto 22nd July, 2024. 3.Re-appointment of Shri. Kaiwan Dossabhoy Kalyaniwalla (DIN 00060776) as an Independent Director of the Company, not liable to retire by rotation. Shri. Kaiwan Dossabhoy Kalyaniwalla(DIN 00060776), who holds office as Independent Director upto 22nd July, 2019,and who is eligible for reappointment and who meets the criteria for

			independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of SEBI Listing Regulations and who has submitted a declaration to that effect and in respect of whom the Company has received a notice in writing from a member under Section 160(1) of the Act signifying his intention to propose the candidature of Shri. Kaiwan Dossabhoy Kalyaniwalla for the office of Director of the Company, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of 5 (five) consecutive years commencing from 23rd July, 2019 upto 22nd July, 2024."

XI SUBSIDIARY COMPANIES

Post the merger of Modern India Property Developers Ltd and Modern India Free Trade warehousing Pvt Ltd with the company, the Company now has two wholly owned subsidiaries of which one is a Foreign Subsidiary Company. 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 mandated the Company for the appointment of independent director of a listed entity as a director on the board of an unlisted material subsidiary, whether incorporated in India or outside India whose net worth (i.e. paid-up capital and free reserves) exceed 20% of the consolidated net worth of the listed holding Company and its subsidiaries in the immediately preceding accounting year

In view of this the Company had appointed Mr Anand Didwania as Director of Modern International (Asia) Limited (MIAL) (Foreign Subsidiary) on 5th June 2019 to comply with the amended regulation.

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

STEP DOWN SUBSIDIARY

During the year, MIAL has set up another company in Vietnam, namely Modern International (Vietnam) Company Limited in which MIAL holds 100% equity, thereby making the said company a step down subsidiary of our Company. This company was incorporated on 17th October,2019 and has begun operations thereafter.

Details of the Company's Wholly Owned Subsidiary Companies (WOS) / Subsidiary as on March 31, 2020 are as under:

Name of the WOS	Date of becoming WOS	Country in which Incorporated
Foreign Subsidiary: Modern International (Asia) Limited - Hongkong (WOS)	August 2, 2004	Hong Kong
Indian Subsidiary: Verifacts Services Private Limited(WOS)	October 25 , 2018	India
Step Down Subsidiary	17th October,2019	Vietnam

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.

XI I 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 **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-		
Medical Reimbursement	1,97106	
H.R.A. (` 4,35,000 * 12 months)	52,20,000	
Electricity Charges	1,90,000	
Leave Encashment	20,71,233	
NPS Contribution	8,40,000	
Total Perquisites	85,18,339	
iv) Commission -		-
TOTAL		1,79,26,339

(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 21st August,2020

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)*
Smt Gauri Jatia	3.01.1963	30.06.2003	BA	Business	-	-	17850

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 of directors has 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 2019-2020.

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**	21st August, 2020, 4.00p.m. * Through Video Conference ("VC")/Other Audio Visual Means ("OAVM")	
Financial Calendar **(Tentative)**	Unaudited Financial Results for quarter ending 30th June, 2020	On or before 14th August, 2020
	Unaudited Financial Results for quarter ending 30th September, 2020	On or before 14th November, 2020
	Unaudited Financial Results for quarter ending 31st December, 2020	On or before 14th February, 2021
	Results for the year ending 31st March, 2021	Audited Financial Results - on or before 30th May, 2021
Date of Book closure	End of business hours on 07.08.2020 to 21.08.2020 (Both days inclusive), for the purpose 86th Annual General Meeting.	
Dividend payment	No Dividend is declared for the year 2019-20	

* In view of the prevailing conditions warranted by the pandemic – COVID 19 the Annual General Meeting will be conducted via video conferencing or any other audio/visual means as has been permitted by the Ministry of Corporate Affairs. The links to the meeting will be sent separately via email to all registered email accounts registered with the company. Shareholders who have not registered their email may contact the RTA for the Annual general meeting links.

Listing on Stock Exchanges	**:**	The Bombay Stock Exchange Limited, Mumbai. The Company has paid the Listing Fees for the year 2020-2021 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:

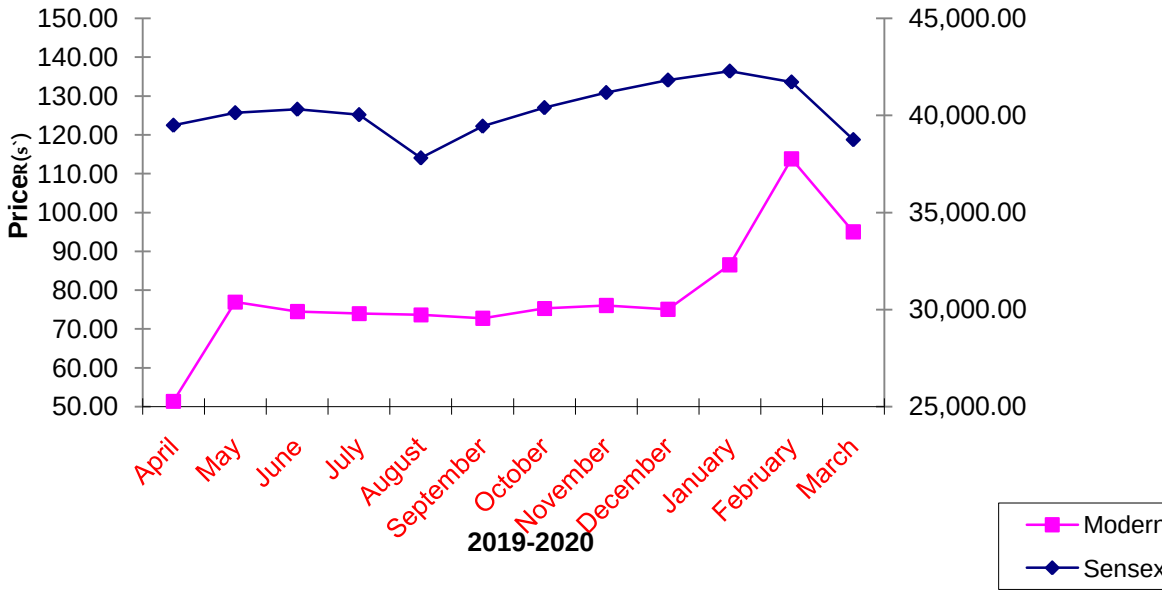
All the applications for transfer of shares in physical form are first processed by the Company's Share Transfer Agents M/s Satellite Corporate Services Pvt. Ltd. Thereafter the same are approved by the Managing Director/Company Secretary. The duly approved transfers are registered and the relevant certificates 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 (https://www.bseindia.com/Indices/IndexArchiveData.html

MONTHS	**Low**(`.) Stock Price	**High(`)** Stock Price	**High**(`) BSE Sensex
APRIL,2019	29.1	51.4	39487.45
MAY ,2019	45.15	76.95	40124.96
JUNE,2019	69	74.45	40312.07
JULY,2019	69.6	74	40032.41
AUGUST,2019	70.1	73.65	37807.55
SEPTEMBER,2019	71	72.7	39441.12
OCTOBER,2019	71.75	75.3	40392.22
NOVEMBER,2019	72	76	41163.79
DECEMBER,2019	68	75	41809.96
JANUARY,2020	71.5	86.5	42273.87
FEBRUARY,2020	90.75	113.8	41709.3
MARCH,2020	41.9	95	39083.17



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

Distribution of shareholding as on 31st March, 2020

Sr. No.	Shareholding of Nominal Value	Number of Shareholders	Percentage	Shares	Face Value Amount in `	Amount in Percentage
1	Up to 2500	1817	94.54	641076	1282152	1.71
2	2501 to 5000	52	2.71	171626	343252	0.46
3	5001 to 10000	19	0.99	133279	266558	0.36
4	10001 to 20000	11	0.57	146209	292418	0.39
5	20001 to 30000	1	0.05	27360	54720	0.07
6	30001 to 40000	2	0.10	68250	136500	0.18
7	40001 to 50000	1	0.05	50000	100000	0.13
8	50001to 100000	2	0.10	163181	326362	0.43
9	100001 and above.	17	0.88	36141769	72283538	96.27
Total		**1920**	**100**	**37542750**	**75085500**	**100**

Statement Showing Shareholding Pattern 31.03.2020

Category of shareholders	No of shares held at the beginning of the year (as on 01.04.2019)				No of shares held at the end of the year (as on 31.03.2020)				%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
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
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		0	0	0.00		0	0	0.00	0.00
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	
Total Shareholding of Promoter (A) = (A)(1)+(A)(2)	**28157062**	**0**	**28157062**	75.00	**28157062**	**0**	**28157062**	75.00	0.00
Public Shareholding			0	0.00			0	0.00	
Institutions			0	0.00			0	0.00	
Mutual Funds	0	0	0	0.00	0	0	0	0.00	0.00
Financial Institutions / Banks	806203	48475	854678	2.28	803203	48475	851678	2.27	-0.01
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	4648799	0	4648799	12.38	0.50
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)	**6391763**	**48475**	**6440238**	17.15	**6576043**	**48475**	**6624518**	17.65	0.49
Non-Institutions			0	0.00			0	0.00	
Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
i) Indian	975982	**1175**	977157	2.60	941693	**1175**	942868	2.51	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	787919	362830	1150749	3.07	637109	339530	976639	2.60	-0.46
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	27	0	27	0.00	0.00
Overseas Corporate Bodies	0	0	0	0.00	0	0	0	0.00	0.00
Non Resident Indians	4093	0	4093	0.01	4093	0	4093	0.01	0.00
HUF	36154	0	36154	0.10	44566	625	45191	0.12	0.02
IEPF	776067	0	776067	2.07	791122	0	791122	2.11	0.04
Foreign National	0	0	0	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)	2581445	364005	2945450	7.85	2419840	341330	2761170	7.35	-0.49
Total Public Shareholding (B) = (B)(1)+(B)(2)	**8973208**	**412480**	**9385688**	25.00	**8995883**	**389805**	**9385688**	25.00	0.00
TOTAL (A)+(B)	**37130270**	**412480**	**37542750**	100.00	**37152945**	**389805**	**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)	37130270	412480	37542750	100.00	37152945	389805	37542750	100.00	0.00

Share Ownership Pattern as on 31.03.2020

		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	8 78	7033	. 7
(iv)	Insurance Co	404	4808	.

(v)	Other Bodies Corporate/IEPF	7340 7	34 8034	4.
(vi)	Non-Residents /Foreign Nationals	4093	8186	0.01
(vii)	Overseas Body Corporate	0	0	0
(viii)	Foreign Institutional Investors	4 487	7 8	.38
(ix)	Public (Others)	0 830	043 0	.7
	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, 2020 is as follows:

Financial Year	**Unpaid/Unclaimed Dividend as on 31.03.2020**	**Date of Declaration**	**Date of Transfer to IEPF**
2012-13	436638.50	23.07.2013	**21.08.2020**
2013-14	466240.00	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	299776.20	08.08.2017	06.09.2024
2017-18	71001.60	10.08.2018	08.09.2025
2018-19	58086.48	27.09.2019	26.10.2026

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 21.08.2020 after sending necessary reminders/communication to the members intimating about transfer.

The shares on which dividends were due from the Financial year 2011-12 for seven consecutive years were transferred to the demat account of the IEPF Authority respectively on 19.11.2019 AND 22.11.2019 (CDSL) and (NSDL) respectively.

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 31.03.2020, 37152945 Equity Shares of the Company had been dematerialized, which represent 98.03% 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 2020

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 368320 shares under 748 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, 228,Nariman Point, Mumbai-400021 Ph. No.67444200 Fax Nos. 23075787/23004230 Email: info@modernindia.co.in	Satellite Corporate Services Pvt. Ltd. Unit No. 49, Bldg No.13-AB, 2nd Floor, Samhita Commercial Co-Op. Soc. Ltd, Off Andheri Kurla Rd, Mtnl Lane, Sakinaka, Mumbai - 400 072 Tel. No.: 28520461/28520462 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

Necessary reports are filed with the government agencies as required under the law.

(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 being 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, 2020.

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
Chairman & Managing Director

Mumbai, 29th June 2020

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: **29th June 2020**

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

INDEPENDENT AUDITORS' 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, 2020, 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 control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in 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 in accordance with the guidance note on Reports or Certificates for special purposes (Revised 2016) issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical 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, and other 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, 2020.

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 the members of the Company solely for the purpose of complying with the requirement of the Listing Regulations- 2015, and it should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

For Ashok Patel & Associates
Practicing Company Secretary

SD/-
Ashok Patel
Proprietor
Membership No.: 37323
COP No.: 15326

Place: Mumbai
Date: 29th June,2020
UDIN A037323B000413963

INDEPENDENT AUDITORS' REPORT

Tothe Membersof Modern India Limited

Report on the Audit of the Standalone Financial Statements

Qualified Opinion

We have audited the accompanying standalone financial statements of **Modern India Limited** the Company" which comprise the Balance Sheet as at March 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 the aforesaid standalone financial statements give the information required by the Companies Act the Act" in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section of the Act read with the Companies Indian Accounting Standards Rules as amended Ind AS" and other accounting principles generally accepted in India of the state of affairs of the Company as at March 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 8 8 lakhs net of Rs 6 lakhs recovered till date is outstanding as trade receivables as at March 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 6 Moons Technologies Limited with NSEL which was held up by the Hon'ble High Court of Bombay The same 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 of the Companies Act 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 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 Matter

We draw attention to Note 8 to the Standalone Financial Statements in which the company describes the uncertainties arising from the COVID 9 pandemic

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

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 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 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 Matters	o 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 6 6 lakhs as at March 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 i forimpairment of equity investment in subsidiary	**Our audit procedures included** Comparison of the carrying amount of investments with subsidiary's balance sheet as at March 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 subsidiarycompany 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 last available 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
Modified Audit Procedures carried out in light ofCOVID outbreak Due to COVID- 9 pandemic Nation-wide lockdownand travel restrictions imposed by Central/StateGovernment/ Local Authorities during the period of ouraudit audit could not be conducted by visiting thepremises of the Company As we could not gather audit evidence in person/physically/ through personalinteractions with the officials of the Company we have identifiedsuch modified audit procedures as a Key Audit Matter Accordingly our audit procedures were modified tocarry out the audit remotely	Due to the outbreak of COVID- 9 pandemic that causednationwide lockdown and other travel restrictions imposedby the Central and State Governments/local administrationduring the period of our audit we could not visit the Company and carryout the audit processes physically at the office premises of the Company Since physical access was not possible necessaryrecords/ reports/ documents were madeavailable to us by the Company through digital medium emails and remote access and accounting application software To this extent the audit process was carried outon the basis of such documents reports and records madeavailable to us which were relied upon as audit evidence forconducting the audit and reporting for the current period Accordingly we modified our audit procedures as follows: a Conducted verification of necessary records/ documents and accounting Application softwareelectronically through remote access/emails as physical accesswas not possible b Carried out verification of scanned copies of thedocuments deeds and the related recordsmade available to us through emails

	and remote access c Making enquiries and gathering necessary auditevidence through dialogues anddiscussions over phone calls emailsand similar communication channels d Resolution of our audit observations telephonically/through email instead of a face-to-face interaction withthe designated officials

Responsibilities of Management and Those Charged ith Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 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 sufficientand 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 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

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 para 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, 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 asit appears from our examination of those books and records of the Company;

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 possible 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, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act;

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:

i. The Company has disclosed the impactof pending litigations as at March 31, 2020on its financial position in itsstandalonefinancial statements – Refer Note 8(i) to the standalone financial statements;

ii. The Company did not have any long term contracts including derivatives contracts as at March 31, 2020 for which there were any material foreseeable losses- Refer Note 35 to the standalone financial statements; and

iii. During the year ended March 31, 2020, 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

SD/-
Narendra Jain
Partner
Membership No. 048725
UDIN:20048725AAAACJ7254

Place: Mumbai
Date: June29, 2020

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

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 the Immovable properties as disclosed in Note to the standalone financial statements 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 89 the Act Therefore the provisions of Clause 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 8 and 86 of the Companies Act 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 7 7 7 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 of section 8 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 for a period of more than six months from the date they became payable

b According to the information and explanations given to us the dues of Income Tax Sales Tax Service Tax Goods and Service Tax Duty of Custom Duty of Excise and Value Added Tax which have not been deposited on account of disputes and the forum where the dispute is pending are as under:

Sr No	Name of Statue	Nature of the Dues	Period to hich the amount relates Assessment ear	Amount in lakhs	Forum here the dispute is pending
	Income Tax Act	**Income Tax and Interest thereon Sec**			**Commissioner of Income tax Appeals**
	Income Tax Act	**Income Tax and Interest thereon Sec**			**As informed the Company is in the process of filing the rectification application**
	Income Tax Act	**Income Tax and Interest thereon Sec**			**As informed the Company is in the process of filing the rectification application**

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 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 97 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 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 77 and 88 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 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 xv of the Order are not applicable to the Company

xvi The Company is not required to be registered under section -IA of the Reserve Bank of India Act 9 Accordingly the provisions of clause xvi of the Order are not applicable to the Company

For **Khandel al Jain Co**
Chartered Accountants
Firm Registration No 9W

SD
Narendra Jain
Partner
Membership No
UDIN AAAACJ

Place: Mumbai
Date: June 9

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

Report on the Internal Financial Controls under Clause i of Sub section of Section of the Act

We have audited the internal financial controls over financial reporting of **Modern India Limited** the Company" as of March 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

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 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 obtainedis 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 pertain to the maintenance of records that in reasonable detail accurately and fairly reflect the transactions and dispositions of the assets of the company; 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 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 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

For **Khandel al Jain Co**
Chartered Accountants
Firm Registration No 9W

SD
Narendra Jain
Partner
Membership No
UDIN AAAACJ

Place: Mumbai
Date: June 9

Modern India Limited

Standalone Balance Sheet As at March 31, 2020 (` in Lakhs)

		Particulars	Note No.	As at March 31, 2020	As at March 31, 2019
A		**ASSETS**			
	1	**Non-current assets**			
	(a)	Property, Plant and Equipment	3 (a)	2,105.56	1,908.48
	(b)	Capital work-in-progress		365.87	365.87
	(c)	Investment Property	3 (b)	468.36	473.25
	(d)	Intangible assets	4	16.40	13.80
	(e)	Financial Assets			
		(i) Investments	5 (a)	9,427.05	10,114.50
		(ii) Others Financial Assets	6 (a)	294.92	410.08
	(f)	Non Current Tax Assets (Net)	25	59.28	51.39
	(g)	Deferred tax assets (net)	25	1,146.73	994.73
	(h)	Other non-current assets	6 (b)	182.58	169.69
				14,066.75	14,501.79
	2	**Current assets**			
	(a)	Inventories	7	1,783.29	1,565.47
	(b)	Financial Assets			
		(i) Investments	5 (b)	1.05	523.30
		(ii) Trade receivables	8	2,503.05	2,530.64
		(iii) Cash and cash equivalents	9	26.12	26.36
		(iv) Bank balances other than (iii) above	10	17.38	30.40
		(v) Loans	11 (a)	138.77	440.51
		(vi) Other Financial Assets	11 (b)	109.30	56.56
	(c)	Current Tax Assets (Net)		56.83	56.83
	(d)	Other current assets	11 (c)	304.58	565.22
				4,940.37	5,795.29
		TOTAL ASSETS		**19,007.12**	**20,297.08**
B		**EQUITY AND LIABILITIES**			
	1	**Equity**			
	(a)	Equity Share capital	12	750.86	750.86
	(b)	Other Equity	13	(934.32)	1,330.16
		TOTAL		(183.46)	2,081.02
	2	**Liabilities:**			
		Non-current liabilities			
	(a)	Financial Liabilities			
		(i) Borrowings	14 (a)	85.29	115.72
		(ii) Other financial liabilities	15 (a)	14,306.17	12,709.82
	(b)	Provisions	16 (a)	40.70	39.36
	(c)	Other Non current liabilities	17 (a)	1,271.84	2,411.74
				15,704.01	15,276.65
	3	**Current liabilities**			
	(a)	Financial Liabilities			
	(b)	(i) Borrowings	14 (b)	1,305.61	496.02
		(ii) Trade payables			
		Total outstanding dues of Micro and Small Enterprises		-	-
		Total outstanding dues of creditors other than Micro and Small Enterprises	18	686.59	1,103.57
		(iii) Other financial liabilities	15 (b)	295.80	134.74
	(c)	Provisions	16 (b)	35.02	55.21
	(d)	Other current liabilities	17 (b)	1,163.56	1,149.87
				3,486.57	2,939.41
		TOTAL EQUITY AND LIABILITIES		**19,007.12**	**20,297.08**
		Basis of preparation, measurement and significant accounting policies	2		

The accompanying notes are an integral part of these financial statements 0 0

As per our report of even date attached

For Khandelwal Jain & Co.

Chartered Accountants

Firm Reg. No. 105049W

SD/-

Narendra Jain

Partner

Membership No. 048725

Mumbai: June 29, 2020

For and on behalf of the Board of Directors

SD/-

Vijay Kumar Jatia

Chairman and **Managing Director**

SD/-

Anand Didwania

Director

SD/-

Parind Badshah

Vice President - CS

SD/-

Nawalkishore Deora

Sr. Vice President & C. F. O.

Mumbai: June 29, 2020

Modern India Limited

Standalone Statement of Profit and Loss for the Year ended March 31, 2020

(` in Lakhs)

	Particulars	Note No.	Year Ended March 31, 2020	Year Ended March 31, 2019
I	**INCOME**			
	Revenue from operations	19	4,465.30	7,658.17
	Other Income	20	1,578.97	1,461.36
	Total income		**6,044.27**	**9,119.53**
II	**EXPENSES**			
	(a) Purchases of Stock-in-trade		4,129.33	7,280.40
	(b) Changes in inventories of Stock-in-Trade	21	(217.82)	(319.86)
	(c) Employee benefit expense	22	586.03	591.17
	(d) Finance costs	23	1,350.37	801.92
	(e) Depreciation and amortisation expense	3 & 4	363.22	319.02
	(f) Fair Valuation Loss (Net) / Impairment of Investments		817.39	-
	(g) Other expenses	24	1,323.06	1,285.19
	Total Expenses		**8,351.59**	**9,957.84**
III	**(Loss) before exceptional items and tax**		**(2,307.33)**	**(838.32)**
IV	**Exceptional Items**		**-**	**-**
V	**(Loss) before tax**		**(2,307.33)**	**(838.32)**
VI	**Tax Expense**	25		
	(a) Current tax		-	-
	(b) Deferred tax		(150.89)	(302.50)
	Total Tax Expense		**(150.89)**	**(302.50)**
VII	**(Loss) for the year**		**(2,156.44)**	**(535.81)**
VIII	**Other comprehensive Income / (Loss)**			
	A (i) Items that will not be reclassified subsequently to profit or loss			
	Remeasurement of the net defined benefit plans		(4.44)	1.23
	Income tax relating to items that will not be reclassified to profit or loss		1.12	(0.41)
	B Items that will be reclassified subsequently to profit or loss			
IX	**Total comprehensive income / (loss) for the year**		**(2,159.76)**	**(535.00)**
X	**Earnings per equity share : (In Rupees)**	26		
	(1) Basic (Face Value of ` 2/- each)		(5.74)	(1.43)
	(2) Diluted (Face Value of ` 2/- each)		(5.74)	(1.43)
	Basis of preparation, measurement and 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

SD/-
Narendra Jain
Partner
Membership No. 048725
Mumbai: June 29, 2020

For and on behalf of the Board of Directors

SD/-
Vijay Kumar Jatia
Chairman and **Managing Director**

SD/-
Anand Didwania
Director

SD/-
Parind Badshah
Vice President - CS

SD/-
Nawalkishore Deora
Sr. Vice President & C. F. O.

Mumbai: June 29, 2020

Modern India Limited

Standalone Statement of Cash Flow for the Year ended March 31, 2020

(` in Lakhs)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Cash flows from operating activities		
Loss before tax for the year	**(2,307.33)**	(838.32)
Adjustments for:		
Interest Expense	113.24	43.44
Unwinding of Finance costs relating to valuations of Security Deposit	1,211.39	758.48
Real Estate income on fair valuation of security deposit	(1,143.02)	(964.35)
Interest income recognized in profit or loss	(230.72)	(201.62)
Interest on financial Assets at Amortized Cost	(1.64)	(5.16)
Dividend income	(37.72)	(41.56)
Investment (income)/Loss recognized in profit or loss	26.16	(53.87)
Gain on disposal of property, plant and equipment	(1.56)	0.76
Net (gain)/loss arising on financial assets mandatorily measured at fair value through profit or loss	817.39	(80.82)
Provision no longer required	(18.97)	(3.64)
Provision for doubtful debts and advances	476.22	86.04
Interest Expenses as per IND AS 116	25.74	-
Amortization as per IND AS 116	58.67	-
Depreciation and amortization of non-current assets	304.55	319.02
	(707.58)	**(981.58)**
Movements in working capital:		
(Increase)/decrease in trade receivables	27.59	(14.09)
=	(217.82)	(319.86)
(Increase)/decrease in Other receivable	75.07	(116.22)
(Increase)/decrease in other assets	(213.10)	11.20
Increase/(decrease) in trade and other payables	(418.01)	(49.35)
Increase/(decrease) in provisions	(23.29)	14.92
Increase in Security Deposit received	-	(0.00)
(Decrease)/increase in financial and non financial liabilities	96.98	(25.32)
Cash generated from operations	**(1,380.16)**	**(1,480.29)**
Income taxes paid	(7.90)	(30.24)
Net cash (used in)/generated from operating activities	**(1,388.06)**	**(1,510.53)**
Cash flows from investing activities		
Proceeds from disposal of property, plant and equipment	8.30	2.12
Payments for property, plant and equipment	(49.38)	(265.74)
Payments for Intangible assets	(10.00)	(0.57)
Interest received	204.33	181.50
Dividends received from Subsidiary	25.00	19.00
Other dividends received	12.72	22.56
Investment in subsidiary companies	-	(158.96)
Proceeds/(Payments) for purchase of current and non current investments (Net)	366.14	1,878.06
Fixed Deposit with Banks	13.03	(6.95)
Other Loans Given	2.18	(0.80)
Inter corporate Deposit given	319.57	(54.58)
Net cash (used in)/generated from investing activities	**891.87**	**1,615.64**
Cash flows from financing activities		
(Repayment) / Proceeds from Current borrowings (Net)	-	-
(Repayment) / Proceeds from Non-Current borrowings (Net)	(24.42)	150.11
Dividend paid (including DDT)	(107.74)	(134.93)
Payment towards lease obligations	(68.25)	-
Interest paid	(113.24)	(43.44)
Net cash (used in)/generated from financing activities	**(313.65)**	**(28.25)**
Net increase in cash and cash equivalents	**(809.83)**	**76.86**
Cash and cash equivalents at the beginning of the year	(469.66)	(546.52)
Cash and cash equivalents at the end of the year	**(1,279.49)**	**(469.66)**
Cash and cash equivalents as per Balance Sheet (Note 9)	26.12	26.36
Loans repayable on demand	(1,305.61)	(496.02)
	(1,279.49)	**(469.66)**

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

SD/-

Narendra Jain

Partner

Membership No. 048725

Mumbai: June 29, 2020

For and on behalf of the Board of Directors

SD/-
Vijay Kumar Jatia
Chairman and **Managing Director**

SD/-
Anand Didwania
Director

SD/-
Parind Badshah
Vice President - CS

SD/-
Nawalkishore Deora
Sr. Vice President & C. F. O.

Mumbai: June 29, 2020

Modern India Limited

Standalone Statement of changes in Equity for the Year Ended March 31, 2020

A. Equity Share Capital

	Equity Shares of ` 2/- each	` in Lakhs
Balance as at March 31, 2018	**375**	**751**
Changes during the year	-	-
Balance as at March 31, 2019	**375**	**751**
Changes during the year	-	-
Balance as at March 31, 2020	**375**	**751**

B. Statement of Changes in Equity for the period ended March 31, 2020

	Reserves and Surplus					
	Capital reserve	General reserve	Common Control Transactions Capital Reserve	Capital Redemption Reserve	Retained earnings	**Total**
Balance as at 1st April 2018 (A)	**231.44**	**317.59**	**(6.51)**	**8.91**	**1,445.60**	**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**	**(6.51)**	**8.91**	**778.73**	**1,330.16**
						-
Balance as at 1st April 2019 (A)	**231.44**	**317.59**	**(6.51)**	**8.91**	**778.73**	**1,330.16**
Additions during the year						-
Loss for the year					(2,156.44)	(2,156.44)
Other Comprehensive income for the year					(3.32)	(3.32)
						-
Total Comprehensive income for the year (B)	-	-		-	(2,159.76)	(2,159.76)
Reduction during the year						-
Dividend on Equity Shares					(90.10)	(90.10)
Dividend Distribution Tax					(14.62)	(14.62)
Total (C)	-	-		-	**(104.72)**	**(104.72)**
Balance as at 31st March 2020 (D) = (A+B+C)	**231.44**	**317.59**	**(6.51)**	**8.91**	**(1,485.75)**	**(934.32)**

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

SD/-

Narendra Jain

Partner

Membership No. 048725

Mumbai: June 29, 2020

For and on behalf of the Board of Directors

SD/-
Vijay Kumar Jatia
Chairman and **Managing Director**

SD/-
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Director

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Vice President - CS

SD/-
Nawalkishore Deora
Sr. Vice President & C. F. O.

Mumbai: June 29, 2020

Modern India Limited
Notes to the standalone financial statements for the year ended March 31, 2020

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, 2020 were approved for issue in accordance with a resolution of the Board of Directors on 29th June, 2020.

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 realization 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 recognized 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 by the end of each financial year 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 recognized 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 capitalized 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 amortization 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 recognized as at April 1, 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of intangible assets.

Amortization

Intangible assets comprise of Brands / Trademarks and Computer Software. Intangible assets are amortized over the useful life of 3 years. 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 amortization 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 recognized 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 is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates. Sales include excise duty recoverable. Liquidated damages are accounted for as and when they are ascertained.

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.

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 recognized 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 recognized 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 realizable 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 recognized initially at fair value and subsequently measured at amortized 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 recognized 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. The Company has elected to measure debt instruments at amortized cost

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 recognized 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 recognized 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-recognized 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 recognized 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 recognized when the company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortized cost unless at initial recognition, they are classified as fair value through profit and loss.

Subsequent measurement

Financial liabilities are subsequently measured at amortized 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 recognized 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 amortized 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 derecognized 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, maximizing the use of relevant observable inputs and minimizing 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 summarizes accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

(k) Leases

As a lessee

The Company adopted Ind AS 116 with effect from 1st April, 2019 i.e. no change to prior period financial statements and has applied the standard to contracts or arrangements that were previously identified as leases applying Ind AS 17. The Ministry of Corporate Affairs has notified Indian Accounting Standard 116 ("Ind AS 116"), Leases, with effect from 1st April, 2019. The Standard primarily requires the Company, as a lessee, to recognize, at the commencement of the lease a right-to-use asset and a lease liability (representing present Value of unpaid lease payments). Such right-to-use assets are subsequently depreciated and the lease liability reduced when paid, with the interest on the lease liability being recognized as finance costs, subject to certain remeasurement adjustments. As permitted by the standard, the Company has elected to apply this standard to its leases w.e.f. 1st April, 2019 and comparatives for the previous period / year have not been restated.

At the commencement date of a lease, the Company recognizes a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). Right-of-use assets are measured at cost, less any accumulated depreciation, impairment losses and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized and lease payments made at or before the commencement date. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

The Company recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification or a change in the lease term. The Company separately recognizes the interest expense on the lease liability as finance cost and the depreciation expense on the right-of-use asset.

As a lessor

Lease income from operating leases where the Company is a lessor is recognized 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 recognized 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 recognized 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 recognized 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 recognized 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 realized.

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 recognized 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 utilized 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 recognized 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 recognized 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 recognized 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 recognized at net of transaction costs incurred and measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized 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 recognized amounts and there is an intention to settle on a net basis to realize 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.

Modern India Limited

Notes to the Standalone Financial Statements As at March 31, 2020

Note No. 3 (a) - Property, Plant & Equipment

(` in Lakhs)

	Owned Assets					Right of Use Assets		
Description of Assets	**Land - Freehold**	**Buildings**	**Plant and Equipment ***	**Furniture and Fixtures**	**Vehicles**	**Office Premises**	**Total**	**Capital Work-in-Progress**
Gross Carrying amount								
Balance as at 31st 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 31 March, 2019	**289.50**	**176.87**	**1,526.00**	**63.42**	**400.42**	**-**	**2,456.21**	**365.87**
Additions		-	24.95	0.23	24.20	505.38	554.75	-
Disposals	-	-		-	106.04	-	106.04	-
Balance as at 31st March 2020	**289.50**	**176.87**	**1,550.95**	**63.66**	**318.57**	**505.38**	**2,904.92**	**365.87**
Accumulated Depreciation								
Balance as at 31st March, 2018	-	25.74	119.15	26.87	80.97	-	**252.74**	
Depreciation / amortization expense for the year	-	14.48	212.27	9.45	73.14	-	309.35	
Depreciation on Disposal		-	-	-	14.36	-	14.36	
Balance as at 31 March, 2019	**-**	**40.22**	**331.42**	**36.33**	**139.76**	**-**	**547.73**	
Depreciation / amortization expense for the year	-	15.01	187.36	7.06	82.83	58.67	350.93	
Depreciation on Disposal	-	-	-	-	99.30		99.30	
Balance as at 31st March 2020	**-**	**55.23**	**518.79**	**43.38**	**123.29**	**58.67**	**799.36**	
Net Carrying amount								
Balance as at 31 March, 2019	**289.50**	**136.65**	**1,194.58**	**27.10**	**260.66**	**-**	**1,908.48**	**365.87**
Balance as at 31st March 2020	**289.50**	**121.64**	**1,032.16**	**20.27**	**195.28**	**446.70**	**2,105.56**	**365.87**
(*) includes Plant, Office Equipment and Computers.								

Modern India Limited

Notes to the Standalone Financial Statements As at March 31, 2020

Note No. 3 (b) - Investment Property

(` in Lakhs)

Description of Assets	Building	Land	Total
I. Gross Carrying Amount			
Balance as at 31st March, 2018	226.23	244.00	470.22
Addition	14.65		14.65
Disposals	-		
Balance as at 31 March, 2019	240.88	244.00	484.88
Addition	-		
Disposals	-		
Balance as at 31st March 2020	240.88	244.00	484.88
II. Accumulated Amortization and impairment			
Balance as at 31st March, 2018	8.72		8.72
Charge for the period	2.91		2.91
Reversals/ Disposals during the period			
Balance as at 31 March, 2019	11.63	-	11.63
Charge for the period	4.89		4.89
Reversals/ Disposals during the period			
Balance as at 31st March 2020	16.52	-	16.52
Net Carrying value			
Balance as at 31 March, 2019	229.25	244.00	473.25
Balance as at 31st March 2020	224.36	244.00	468.36

The Company's investment properties consist of one Residential Duplex Flat in India. Management determined that the investment properties consist of one class of assets − "residential" − 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	31.03.2020	31.03.2019
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	9.77	6.14

* Valuations are based on Stamp Duty Ready Reckoner

Note No. 4 - Intangible Assets

(` in Lakhs)

Description of Assets	Computer Software		Brands/ Trademarks	Total
Intangible Assets				
Balance as at 31st March, 2018	20.61		0.00	20.61
Additions	0.57		-	0.57
Disposals	-		-	-
Balance as at 31 March, 2019	**21.17**		**0.00**	**21.17**
Additions	10.00		-	10.00
Disposals	-		-	-
Balance as at 31st March 2020	**31.17**		**0.00**	**31.17**
II. Accumulated depreciation and impairment				
Balance as at 31st March, 2018	0.61		-	0.61
Additions	6.76		-	6.76
Disposal				
Balance as at 31 March, 2019	**7.37**		**-**	**7.37**
Additions	7.40		-	7.40
Disposal	-		-	-
Balance as at 31st March 2020	**14.77**		**-**	**14.77**
Net carrying amount				
Balance as at 31 March, 2019	13.80		0.00	13.80
Balance as at 31st March 2020	**16.40**		0.00	16.40

Modern India Limited

Notes to the Standalone Financial Statements As at March 31, 2020

Financial Assets:

Note No. 5 (a) - Investments - Non Current

(` in Lakhs)

Particular	As at March 31, 2020		As at March 31, 2019	
	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	3,062.36
Total Unquoted Investments in Subsidiaries		**3,616.25**		**3,616.25**
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	-	2.26
		7.26		**7.26**
INVESTMENTS CARRIED AT COST [A+B]		**3,623.51**		**3,623.51**
C. Investment in Debentures & Bonds				
Quoted				
At Amortized Cost				
Laxmi Vilas Bank Tier II Bonds Series X of ` 5,00,000/- each	40	200.00	40	200.00
SREI Equipment Finance Ltd of ` 1,000/- each	10000	100.00	10,000	100.00
IndusInd Bank of ` 10,00,000/- each	10	99.69	10	99.55
Yes Bank of ` 10,00,000/- each	15	149.09	15	149.09
Less: Provision for Impairment / Diminution in Value		(149.09)		-
TOTAL INVESTMENTS CARRIED AT AMORTISED COST [C]		**399.69**		**548.65**
D. Investments stated at Fair Value Through Profit and Loss				
(i) Quoted Investments				
Investments in Equity Instruments		813.31		1,041.38
Quoted Investments in Equity Instruments		**813.31**		**1,041.38**
Investments In other Instruments				
IRB Invit Fund	435,000	112.68	435,000	290.10
India Grid Trust	229,635	205.41	229,635	187.73
Quoted Investments in Other Instruments		**318.09**		477.83
Total Aggregate Quoted Investments (i)		**1,131.40**	**-**	**1,519.21**
Unquoted Investments In other Instruments				
CreditWatch Information Analytics P Ltd (CCPS of ` 1/- each)	**30,750**	**331.21**	30,750	375.00
		331.21		375.00
(ii) Unquoted Investments				
In Units of Mutual Funds / Other Funds		3,941.24		4,048.14
Unquoted Investments in Mutual Funds / Other Funds (ii)		**3,941.24**		**4,048.14**
INVESTMENTS CARRIED AT FVTPL [D]=(i)+(ii)		**5,403.85**		**5,942.35**
TOTAL INVESTMENTS [A+B+C+D]		**9,427.05**		**10,114.50**
Other disclosures				
Aggregate amount of quoted investments		1,531.09		2,067.86
Aggregate amount of Market value of quoted investments		1,131.41		2,060.00
Aggregate amount of unquoted investments		7,895.96		8,046.65
Aggregate amount of impairment in value of investments		(149.09)		-

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

Particular	As at March 31, 2020		As at March 31, 2019	
	QTY	Amounts	QTY	Amounts
Investments - Unquoted				
In Units of Mutual Funds				
At Fair value through Profit and Loss		1.05		523.30
Unquoted Investments in Mutual Fund Units		**1.05**		**523.30**
INVESTMENTS CARRIED AT FVTPL		**1.05**		**523.30**
TOTAL INVESTMENTS CARRYING VALUE		**1.05**		**523.30**
Other disclosures				
Aggregate amount of quoted investments		**-**		**-**
Aggregate amount of unquoted investments		**1.05**		**523.30**

Modern India Limited
Notes to the Standalone Financial Statements As at March 31, 2020
Note No. 6 (a):- Other Financial Assets - Non current

(` in Lakhs)

Particulars	**As at March 31, 2020**	**As at March 31, 2019**
Financial assets carried at amortized cost		
Other items - unsecured considered good		
Security Deposits	294.92	310.08
Application Money Paid towards Securities	-	100.00
TOTAL	**294.92**	**410.08**

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

Particulars	**As at March 31, 2020**	**As at March 31, 2019**
Others - Unsecured considered good		
Expenses on Project under implementation	170.69	169.69
Deferred Lease Prepaid Expenses	11.89	-
TOTAL	182.58	169.69

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

Particulars	**As at March 31, 2020**	**As at March 31, 2019**
Stock-in-trade of goods acquired for trading	6.43	7.42
Traded Goods		
Real Estate Business:		
(i) Land & Structures - Refer Note 21	1,556.25	1,343.38
(ii) Land	220.61	214.67
TOTAL	**1,783.29**	**1,565.47**

Note No. 8 :- Trade receivables

Particulars	As at March 31, 2020	As at March 31, 2019
Trade receivables:		
Trade Receivables Considered Good - Secured	-	-
Trade Receivables Considered Good - Unsecured	2,503.05	2,530.64
Trade Receivables which have significant increase in Credit Risk	-	-
Trade Receivables - Credit Impaired	192.81	192.81
Less: Allowance for doubtful trade receivables	(192.81)	(192.81)
TOTAL	**2,503.05**	**2,530.64**

(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, 2020	As at March 31, 2019
Balances with banks (of the nature of cash and cash equivalents):		
- Current Accounts	19.71	25.28
- Cash on hand	6.42	1.08
TOTAL	**26.12**	**26.36**

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

Particulars	As at March 31, 2020	As at March 31, 2019
Earmarked balances with banks:		
Deposit with Bank under Lien	-	10.00
Unpaid Dividend	17.38	20.40
Fixed Deposits with Banks		
(Deposits are given as lien against Short Term Borrowing)		
TOTAL	**17.38**	**30.40**

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

Particulars	As at March 31, 2020	As at March 31, 2019
Financial assets carried at amortized cost:		
- Loans Receivables considered good - Secured	22.05	57.75
(Secured against Equity Shares and Land)		
- Loans Receivables considered good - Unsecured	116.72	380.59
- Loans Receivables which have significant increase in Credit Risk	-	-
- Loans Receivables - credit impaired	39.97	59.97
Less: Allowance for expected credit loss	-39.97	-59.97
Loans to Employee	-	2.18
TOTAL	**138.77**	**440.51**
Name of the Company, Nature, Purpose		
Prabal Investrade Pvt. Ltd., Secured, Working Capital	62.02	117.72
Nine Globe Industry Pvt. Ltd. Unsecured, Working Capital	116.72	380.59

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

Particulars	As at March 31, 2020	As at March 31, 2019
Financial assets carried at amortized cost:		
Other receivable	35.89	9.54
Interest Receivable	73.41	47.02
TOTAL	**109.30**	**56.56**

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

Particulars	As at March 31, 2020	As at March 31, 2019
(a) Advances to suppliers	210.09	484.07
(b) Balances with government authorities (other than income taxes)	71.62	61.77
(c) Prepaid Expenses	11.59	13.95
(d) Other Receivable	7.79	5.42
(e) Deferred Lease Prepaid Expenses	3.49	-
(f) Advance which have significant increase in credit risk	-	-
(g) Advance given - Credit Impaired	621.80	145.58
Less: Allowance for doubtful advance given	(621.80)	(145.58)
TOTAL	**304.58**	**565.22**

Modern India Limited
Notes to the Standalone Financial Statements As at March 31, 2020
Note No. 6 (a):- Other Financial Assets - Non current

(` in Lakhs)

Particulars	**As at March 31, 2020**	**As at March 31, 2019**
Financial assets carried at amortized cost		
Other items - unsecured considered good		
Security Deposits	294.92	310.08
Application Money Paid towards Securities	-	100.00
TOTAL	**294.92**	**410.08**

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

Particulars	**As at March 31, 2020**	**As at March 31, 2019**
Others - Unsecured considered good		
Expenses on Project under implementation	170.69	169.69
Deferred Lease Prepaid Expenses	11.89	-
TOTAL	182.58	169.69

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

Particulars	**As at March 31, 2020**	**As at March 31, 2019**
Stock-in-trade of goods acquired for trading	6.43	7.42
Traded Goods		
Real Estate Business:		
(i) Land & Structures - Refer Note 21	1,556.25	1,343.38
(ii) Land	220.61	214.67
TOTAL	**1,783.29**	**1,565.47**

Note No. 8 :- Trade receivables

Particulars	As at March 31, 2020	As at March 31, 2019
Trade receivables:		
Trade Receivables Considered Good - Secured	-	-
Trade Receivables Considered Good - Unsecured	2,503.05	2,530.64
Trade Receivables which have significant increase in Credit Risk	-	-
Trade Receivables - Credit Impaired	192.81	192.81
Less: Allowance for doubtful trade receivables	(192.81)	(192.81)
TOTAL	**2,503.05**	**2,530.64**

(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, 2020	As at March 31, 2019
Balances with banks (of the nature of cash and cash equivalents):		
- Current Accounts	19.71	25.28
- Cash on hand	6.42	1.08
TOTAL	**26.12**	**26.36**

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

Particulars	As at March 31, 2020	As at March 31, 2019
Earmarked balances with banks:		
Deposit with Bank under Lien	-	10.00
Unpaid Dividend	17.38	20.40
Fixed Deposits with Banks		
(Deposits are given as lien against Short Term Borrowing)		
TOTAL	**17.38**	**30.40**

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

Particulars	As at March 31, 2020	As at March 31, 2019
Financial assets carried at amortized cost:		
- Loans Receivables considered good - Secured	22.05	57.75
(Secured against Equity Shares and Land)		
- Loans Receivables considered good - Unsecured	116.72	380.59
- Loans Receivables which have significant increase in Credit Risk	-	-
- Loans Receivables - credit impaired	39.97	59.97
Less: Allowance for expected credit loss	-39.97	-59.97
Loans to Employee	-	2.18
TOTAL	**138.77**	**440.51**
Name of the Company, Nature, Purpose		
Prabal Investrade Pvt. Ltd., Secured, Working Capital	62.02	117.72
Nine Globe Industry Pvt. Ltd. Unsecured, Working Capital	116.72	380.59

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

Particulars	As at March 31, 2020	As at March 31, 2019
Financial assets carried at amortized cost:		
Other receivable	35.89	9.54
Interest Receivable	73.41	47.02
TOTAL	**109.30**	**56.56**

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

Particulars	As at March 31, 2020	As at March 31, 2019
(a) Advances to suppliers	210.09	484.07
(b) Balances with government authorities (other than income taxes)	71.62	61.77
(c) Prepaid Expenses	11.59	13.95
(d) Other Receivable	7.79	5.42
(e) Deferred Lease Prepaid Expenses	3.49	-
(f) Advance which have significant increase in credit risk	-	-
(g) Advance given - Credit Impaired	621.80	145.58
Less: Allowance for doubtful advance given	(621.80)	(145.58)
TOTAL	**304.58**	**565.22**

Modern India Limited
Notes to the Standalone Financial Statements As at March 31, 2020

Note No. 12 :- Equity Share Capital

(` in Lakhs)

Particulars	As at March 31, 2020		As at March 31, 2019	
	No. of shares	Amount	No. of shares	Amount
Authorised:				
Equity Shares of ` 2/- each	3,750.00	7,500.00	3,750.00	7,500.00
Preference Shares of ` 100/- each	5.00	500.00	5.00	500.00
		8,000.00		**8,000.00**
Issued:				
Equity Shares of ` 2/- each	375.47	750.94	375.47	750.94
Subscribed and Fully Paid:				
Equity Shares of ` 2/- each	375.43	750.86	375.43	750.86
Forfeited Equity Shares - Amount originally Paid up(#)		0.00		0.00
Total		**751**		751
(#) represents amount less than one thousand)				

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

Equity Shares	As at March 31, 2020		As at March 31, 2019	
	No. of Shares	Amount	No. of Shares	Amount
Shares outstanding at the beginning of the year	375.43	750.86	375.43	750.86
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	375.43	750.86	375.43	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 the meeting on May 30, 2019, proposed a final dividend of ` 0.24 per equity shares for the Financial Year ended March 31, 2019 which has been approved by the shareholders at the Annual General Meeting held on 27th September, 2019. The dividend paid during the year ended March 31, 2020 amounts to ` 90.10 Lakhs plus dividend distribution tax of ` 14.62 Lakhs (Net of credit in respect of taxes paid under section115 - O of the Income Tax Act, 1961 on dividend received from subsidiary Company).

The Board of Directors, in their meeting on June 29, 2020 have not proposed any dividend.

(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, 2020.

(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, 2020		As at March 31, 2019	
	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	8,299,108	22.11	8,299,108	22.11
Sarat Leasing & Finance Pvt. Ltd	7,707,500	20.53	7,707,500	20.53
F Pudumjee Investment Company Pvt. Ltd	5,772,008	15.37	5,772,008	15.37

Note No. 13 :- Other Equity

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

		As at March 31, 2020	As at March 31, 2019
(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
(iv)	General Reserve	317.59	317.59
(v)	Retained Earnings	-1,485.75	778.73
		-934.32	1,330.16

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.

Modern India Limited
Notes to the Standalone financial statements for the Year ended March 31, 2020

Note No. 14 (a) :- Borrowings - Non current

(` in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Measured at amortized cost		
Secured Borrowings:		
Term Loans		
From Banks (*)	85.29	115.72
Total	**85.29**	115.72

(*) During the current financial year 2019-20, 1 car finance loan was taken from Bank repayable in 36 monthly installments with interest @ 9.45% per annum and the last installments is due in September - 2022.

During the previous financial year 2018-19, 4 car finance loans were taken from Bank repayable in 36 monthly installments with interest @ 07.71% per annum and the last installments is due in September - 2021. Also a car finance loan was taken from Bank repayable in 60 monthly installments with interest @ 8.81% per annum and the last installments 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, 2020	As at March 31, 2019
A. Secured Borrowings		
Loans repayable on demand		
From Banks (#)	1,305.61	496.02
Total Secured Borrowings	**1,305.61**	**496.02**
B. Unsecured Borrowings		
Loans from related parties	-	-
Total Unsecured Borrowings	**-**	**-**
Total	**1,305.61**	**496.02**

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.

Modern India Limited
Notes to the Standalone financial statements for the Year ended March 31, 2020
Note No. 15 (a) :- Other Financial Liability - Non current

Particulars	As at March 31, 2020	As at March 31, 2019
Other non current financial liability		
(a) Security Deposits (*)	13,921.22	12,709.82
(b) Liability for Right of Use Assets	384.95	-
TOTAL	**14,306.17**	**12,709.82**

(*) Repayment of Security Deposits of ` 16,800.00 Lakhs (Fair Valued at ` 13,921.22 Lakhs) is dependent on development of some of the properties in Mumbai. The deposits do not carry any interest.

During the earlier 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 us from the purchaser for the said land shall be 50% of the realizations 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, 2020	As at March 31, 2019
(a) Current maturities of long-term debt (*)	48.89	42.88
(b) Unpaid dividends (#)	17.38	20.40
(c) Security Deposits	1.35	1.35
(d) Liability for Right of Use Assets	77.91	-
(e) Liabilities for expenses	150.27	70.11
TOTAL	**295.80**	**134.74**

(*) During the current financial year 2019-20, 1 car finance loan was taken from Bank repayable in 36 monthly installments with interest @ 9.45% per annum and the last installments is due in September - 2022.

During the previous financial year 2018-19, 4 car finance loans were taken from Bank repayable in 36 monthly installments with interest @ 07.71% per annum and the last installments is due in September - 2021. Also a car finance loan was taken from Bank repayable in 60 monthly installments with interest @ 8.81% per annum and the last installments 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, 2020	As at March 31, 2019
Provision for employee benefits		
(a) Gratuity (Unfunded)	28.21	20.18
(b) Leave Encashment (Unfunded)	12.49	19.19
TOTAL	**40.70**	**39.36**

Modern India Limited
Notes to the Standalone financial statements for the Year ended March 31, 2020

Note No. 16 (b) :- Provisions - Current

Particulars	As at March 31, 2020	As at March 31, 2019
Provision for employee benefits		
(a) Gratuity (Unfunded)	24.15	28.55
(b) Leave Encashment (Unfunded)	10.86	26.66
TOTAL	**35.02**	**55.21**

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

Particulars	As at March 31, 2020	As at March 31, 2019
Deferred revenue on security deposit	1,271.84	2,411.74
TOTAL	1,271.84	2,411.74

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

Particulars	As at March 31, 2020	As at March 31, 2019
a. Income received in advance	1.40	3.62
b. Deferred revenue on security deposit	1,139.90	1,143.02
c. Statutory dues	22.26	2.67
d. Others	-	0.55
TOTAL	1,163.56	1,149.87

Note No. 18 :- Trade Payable

Particulars	As at March 31, 2020	As at March 31, 2019
Trade payable for goods & services (Outstanding dues of other than Micro and Small Enterprises)	686.59	1,103.57
TOTAL	**686.59**	**1,103.57**

There are no Micro and Small Enterprises to whom the Company owes dues, which are outstanding for more than 45 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.

Modern India Limited

Notes to the Standalone financial statements for the Year ended March 31, 2020

Note No. 19 :- Revenue from Operations

(` in Lakhs)

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
(a) Sale of Goods Traded	4,186.94	7,389.59
(b) Revenue from Renewable Energy Generation	259.68	253.93
(c) **Sale of Services:**		
(i) Vocational Trainning Fees	-	0.63
(ii) Income from Real Estate Business	1.20	1.50
(d) **Other Operating Revenues**		
Rent Income	17.48	12.52
TOTAL	**4,465.30**	**7,658.17**

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, 2020	Year Ended March 31, 2019
(a) Interest Income on	**232.36**	**206.78**
(1) Financial Assets at Amortized Cost	1.64	5.16
(2) Loans and Others	230.72	201.62
(b) Dividend Income	**37.72**	**41.56**
(1) Dividend from Subsidiary	25.00	19.00
(2) Others	12.72	22.56
(c) Net Gain / (Loss) on sale of investments	-	53.87
(d) Income from Business Support Services	78.00	78.00
(e) Provision no longer required Written Back (Net)	18.97	3.64
(f) Miscellaneous income	67.35	32.35
(g) Profit on Sale of PPE (Net)	1.56	-
(h) Fair value gain on financial instruments at FVTPL	-	80.82
(i) Real Estate Income on fair valuation of security deposit	1,143.02	964.35
TOTAL	**1,578.97**	**1,461.36**

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

(` in Lakhs)

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Inventories at the end of the year:		

Trading Business		
Traded Goods	6.43	7.42
Real Estate Business		
(i) Land & Structure	1,878.79	1,277.42
Less: Net impact due to Fair Value of Security Deposit	(467.04)	(535.41)
Add: Expenses incurred during the year	144.50	601.37
	1,556.25	**1,343.38**
(ii) Land	220.61	214.67
	1,783.29	**1,565.47**
Inventories at the beginning of the year:		
Trading Business		
Traded Goods	7.42	6.40
Real Estate Business		
(i) Land & Structure	1,878.79	1,277.42
Less: Net impact due to Fair Value of Security Deposit	(535.41)	(329.55)
	1,343.38	**947.87**
(ii) Land	214.67	214.67
Renewable Energy Certificates	-	76.67
	1,565.47	**1,245.61**
Net increase / (decrease)	217.82	319.86

Note No. 22 :- Employee Benefits Expense

Particulars	**Year Ended March 31, 2020**	**Year Ended March 31, 2019**
(a) Salaries, wages and bonus	519.65	517.68
(b) Contribution to provident and other funds	28.07	27.23
(c) Gratuities	5.50	5.45
(d) Directors Sitting Fees	18.40	27.60
(e) Staff welfare expenses	14.41	13.21
TOTAL	**586.03**	**591.17**

Note No. 23 :- Finance Cost

(` in Lakhs)

Particulars	**Year Ended March 31, 2020**	**Year Ended March 31, 2019**
(a) Interest expense	113.24	43.44
(b) Interest on Assets under Lease	25.74	-
(c) Unwinding of finance cost relating to fair valuation of security deposit	1,211.39	758.48
TOTAL	**1,350.37**	**801.92**

Note No. 24 :- Other Expenses

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
(a) Power & Fuel	17.43	18.80
(b) Rent Paid	116.89	115.16
Less: Transferred to Lease Liability in respect of Right of Use Assets as per Ind AS - 116	(68.25)	-
(c) Water Charges	0.14	0.29
(d) Repairs to Buildings	44.28	-
(e) Repairs to Machinery	10.92	4.35
(f) Repairs and maintenance - Others	4.46	1.79
(g) Rates and taxes	22.96	22.56
Business support changes		
(h) Insurance charges	10.36	11.18
(i) Provision for doubtful debts and advances	476.22	86.04
(j) Payment to Auditors:		
(i) Statutory Audit Fees	9.25	7.97
(ii) Tax Audit Fees	-	1.00
(iii) For Company Law matters	-	-
(iii) Certification and Other services	7.05	1.73
Less: Transferred to Amalgamation Expenses	-	(0.15)
(iv) Reimbursement of expenses	0.40	0.38
(k) Other expenses		
(1) Legal and other professional fees	221.82	161.67
(2) Travelling and conveyance Expenses	67.45	67.19
(3) Other General Expenses	179.75	159.81
(4) Real Estate Business Expenses	150.43	601.37
(5) Loss on Sale of PPE (net)	-	0.76
(6) Loss on Sale of Investments (Net)	26.16	-
(7) Security Charges	25.32	23.28
TOTAL	**1,323.06**	**1,285.19**

Modern India Limited
Notes to the Standalone financial statements for the Year ended March 31, 2020

Note No. 25 :- Current Tax and Deferred Tax
(a) Income Tax recognized in profit and loss

(` in Lakhs)

Particulars	For the year ended March 31, 2020	For the year ended 31 March, 2019
Current Tax:		
Adjustments in respect of prior years	-	-
Deferred Tax		
Deferred tax Charge / (credit)	-150.89	-302.50
Total Tax Expense recognized in profit and loss account	**-150.89**	**-302.50**

(b) Numerical Reconciliation between average effective tax rate and applicable tax rate : -

Particulars	As at March 31, 2020	As at March 31, 2019
Loss Before tax	-2,307.33	-838.32
Enacted income tax rate in India applicable to the company	25.168%	33.384%
Income Tax using the Company's domestic Tax rate	-580.71	-279.86
Tax Effect of :		
Dividend Income	-9.34	-13.67
Expenditure Disallowed U/s. 14A	3.23	5.48
Deduction Under Section 24(a) of Annual Value	-0.36	-0.01
Deemed income of House Property	0.24	0.42
On account of Corporate Guarantee	4.74	5.78
Change in Rate of Tax	454.60	-
Others	-23.29	-20.63
Total Tax Expense recognized in profit and loss account	-150.89	-302.49

(c) Income Tax Assets / (Liabilities)

Particulars	As at March 31, 2020	As at March 31, 2019
Opening Balance	108.22	77.98
Income Tax Paid /(Refund) - Net	7.90	30.24
Current Tax	-	-
Current Tax of earlier years	-	-
Net current income tax asset / (liability)	**116.11**	**108.22**
Non current Tax assets	59.28	51.39
Current Tax Assets	56.83	56.83
Current Tax Liability	-	-

(d) Movement of Deferred Tax

Particulars	Opening Balance as on 1st April 18	Recognized in profit and Loss in 18-19	Recognized in OCI in 18-19	Closing Balance as on 31st March 19	Recognized in profit and Loss in 19-20	Recognized in OCI in 19-20	Closing Balance as on March 31, 2020
Tax effect of items constituting deferred tax liabilities							
Depreciation	404.45	-60.73		343.72	-124.90		218.82
FVTPL financial asset	62.76	8.75		71.52	-185.80		-114.28
Other item	-	3.66		3.66	-3.66		-
	467.22	**-48.31**	-	**418.90**	**-314.37**	-	**104.54**
Tax effect of items constituting deferred tax assets							
Employee Benefits	25.76	5.35	-0.41	30.69	-13.17	1.12	18.65
Provision for doubtful debt	55.66	28.73	-	84.39	94.05		178.44
Carry forward Tax Loss	998.18	190.05		1,188.23	-242.33		945.90
Minimum Alternate Tax Credit	80.25	-	-	80.25		-	80.25
Other items		30.07		30.07	-2.04		28.03
	1,159.85	254.19	-0.41	1,413.63	-163.48	1.12	1,251.27
Net Tax Asset (Liabilities)	**692.63**	**302.50**	**-0.41**	**994.73**	**150.89**	**1.12**	**1,146.73**

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.

Note No. 26 :- Earning Per Share

Particulars	For the year ended March 31, 2020	For the year ended 31 March, 2019
(Loss) for the year attributable to owners of the Company	(2,156.44)	(535.81)
Weighted average number of equity shares	37,542,750	37,542,750
Earnings per share - Basic & Diluted	**(5.74)**	**(1.43)**

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.

Modern India Limited
Notes to the Standalone financial statements for the Year ended March 31, 2020

Note No. 27 :- Contingent liabilities and commitments

(` in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Contingent liabilities (to the extent not provided for)		
(i) Corporate Guarantee of USD 5.00 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.	3,768.38	3,460.00
(ii) Income Tax Demand for Assessment Year 2012-13 against which the Company has filed an appeal with CIT (Appeal).	290.63	-
Commitments		
Estimated Value of Contracts in Capital Account remaining to be executed and not provided for	-	-

Note No. 28 :- Disclosures under Ind AS 116

Particulars	For the year ended March 31, 2020	For the year ended 31 March, 2019
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	117.00	37.38
later than one year and not later than five years	452.40	-
later than five years	-	-
Expenses recognized in the Statement of Profit and Loss including applicable Service Tax		
Minimum Lease Payments	68.25	89.70

Modern India Limited
Notes to the Standalone financial statements for the Year ended March 31, 2020

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, 2020 and 31st March, 2019 and recognized in the financial statements in respect of Employee Benefit Schemes:

(` in Lakhs)

Particulars	For the year ended March 31, 2020	For the year ended 31 March, 2019
I. Change in the defined benefit obligation		
1. Present value of defined benefit obligation at the beginning of the year	48.72	46.12
Current Service Cost	1.70	1.86
Past Service Cost	0.00	0.00
Interest Cost	3.80	3.59
Remeasurement gains / (losses)	4.44	-1.23
Benefit payments	-6.29	-1.62
Others (Specify)		
Present value of defined benefit obligation at the end of the year	**52.37**	**48.72**
II. Expense recognized in the Statement of Profit and Loss		
1. Current service cost	1.70	1.86
2. Past Service Credit	0.00	0.00
3. Interest cost	3.80	3.59
TOTAL	**5.50**	**5.45**
III. Remeasurement (gains) / losses recognized in other Comprehensive Income		
Actuarial gains and loss arising from changes in financial assumptions	2.76	(0.02)
Actuarial gains and loss arising from experience adjustments	1.68	(1.21)
TOTAL	**4.44**	**(1.23)**
IV. Actuarial assumptions	**31-Mar-20**	**31-Mar-19**
1. Discount rate	6.87%	7.79%
2. Salary escalation rate - over a long-term	6%	6%
3. Mortality rate	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-20**	**31-Mar-19**
	0.5% increase	
Discount rate	(1.55)	(1.14)
Salary escalation rate - over a long-term	0.75	0.49
Attrition rate	1.17	1.11
	0.5% Decrease	
Discount rate	1.69	1.24
Salary escalation rate - over a long-term	-0.70	-0.47
Attrition rate	-1.24	-1.19
VI. Maturity analysis of defined benefit obligation		
Within the next 12 months	24.15	28.55
Between 2 and 5 years	6.99	5.74
Between 6 and 10 years	10.47	8.41
11 years and above	56.81	49.62
Total expected payments	**98.42**	**92.32**

B. Defined Contribution Plans:

(a) The Company has recognized the following amounts in the Statement of Profit and Loss for the year:

(` in Lakhs)

Particulars	31-Mar-20	31-Mar-19
Contribution to provident fund and other fund	28.07	27.23

(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 ` 20.31 Lakhs (Previous Year ` 12.51 Lakhs).

(c) Current/ non-current classification

Particulars	31-Mar-20	31-Mar-19
Gratuity		
Current	24.15	28.55
Non Current	28.21	20.18
Leave Encashment		
Current	10.86	26.66
Non Current	12.49	19.19

Modern India Limited

Notes to the Standalone financial statements for the Year ended March 31, 2020

Note No. 31 :- Related Party Disclosures as per Ind AS 24 **(` in Lakhs)**

Relationships :		Ownership Interest (%)	
		31st March, 2020	31st March, 2019
Where Control Exists : Subsidiary Companies:			
Modern International (Asia) Limited (MIAL)	Hong Kong	100	100
Modern International (Vietnam) Company Limited (Subsidiary of MIAL w.e.f. 17.10.2019)	Vietnam	100	N. A.
Verifacts Services Private Limited	India	100	100
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. 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, 2020	31st March, 2019
Dividend Received		
Verifacts Services Pvt. Ltd	**25.00**	19.00
Service Charges Received		
Verifacts Services Pvt. Ltd	**78.00**	78.00
Verification Charges Paid		
Verifacts Services Pvt. Ltd	**-**	0.01
Managerial Remuneration		
Mr. Vijay Kumar Jatia	**179.26**	157.49
(Including Leave Encashment of earlier Years)		
Sitting Fees to Non Executive Directors	**18.40**	27.60

Remuneration:		
Mr. Sidhant Jatia	**83.78**	75.89
Mr. Mudit Jatia	**83.78**	75.89
Legal Fees Paid		
Maneksha & Sethna	**10.10**	9.15
S. D. Israni Law Chambers	**0.70**	0.75
Inter Corporate Deposit given		
Verifacts Services Private Limited	**-**	100.00
Repayment of Inter Corporate Deposit given		
Verifacts Services Private Limited	**-**	100.00
Interest on Inter Corporate Deposit given		
Verifacts Services Private Limited	**-**	0.00
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**	3,062.36
Trade Receivable:		
Verifacts Services Private Limited - Equity Shares	**14.04**	-
Legal Fees Payable:		
Maneksha & Sethna	**-**	4.30
Guarantees Given		
Modern International (Asia) Ltd.	**3,768.38**	3,460.00

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, 2020**	**31st March, 2019**
Short-term employee benefits	169.18	147.41
Post-employment benefits	10.08	10.08
Other long-term benefits	-	-
Total	**179.26**	157.49

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 recognized 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 same are included as and when paid.

The remuneration of directors and key executives is determined by the remuneration committee having regard to the performance of individuals.

Modern India Limited
Notes to the Standalone financial statements for the Year ended March 31, 2020

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 Group'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 Group 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 March 31, 2020	As at March 31, 2019
Total Borrowings	1,439.79	654.62
% of Borrowings out of above bearing variable rate of interest	**90.68%**	**75.77%**

Interest rate sensitivity
A change of 50 bps in interest rates would have following Impact on loss before tax

	2019-20	2018-19
50 bp increase would increase the loss before tax by	**7.20**	3.27
50 bp decrease would decrease the loss before tax by	**7.20**	3.27

(ii) Market Risk- Price Risk
Exposure

The Group's exposure to equity securities price risk arises from investments held by the Group 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 Group diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Group.

Sensitivity

The table below summarizes the impact of increases/decreases of the BSE index on the Group'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 Group's equity instruments moved in line with the index.

Impact on Loss before tax on account of quoted equity shares

Particulars	As at March 31, 2020	As at March 31, 2019
Increase 5%	**56.57**	75.96
Decrease 5%	**56.57**	75.96
Impact on Loss before tax on account of units of mutual funds		
Increase 5%	**197.06**	202.41
Decrease 5%	**197.06**	202.41

Above referred sensitivity pertains to quoted equity investment and units of mutual funds. Loss 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 2020, an amount of ` 3,768.38 Lakhs (31 March 2019: ` 3,460.00 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 March 31, 2020	As at March 31, 2019
Not due		
0 to 3 months	1,152.16	1,157.13
3 to 6 months	-	25.03
6 to 12 months	0.43	-
beyond 12 months	1,350.46	1,348.48
Total	**2,503.05**	**2,530.64**

Movement in provisions of doubtful debts

Particulars	As at March 31, 2020	As at March 31, 2019
Opening provision	**192.81**	136.76
Add:- Provision made during the year	**0.00**	56.04
Less:- Provision write off	**-**	-
Less:- Provision reversed	-	-
Closing provisions	**192.81**	192.81

Movement in provisions of doubtful advances

Particulars	As at March 31, 2020	As at March 31, 2019
Opening provision	205.55	175.55
Add:- Provision made during the year	476.22	30.00
Less:- Provision write off	-	-
Less:- Provision reversed	-20.00	-
Closing provisions	**661.77**	205.55

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 minimize 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 5 years	Total
31-Mar-20				
Long term borrowings (Including current maturity of long term debt)	48.89	85.29	-	134.18
Short term borrowings	1,305.61			1,305.61
Total	**1,354.50**	**85.29**	**-**	**1,439.79**
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**

As at 31st March, 2020	Carrying Amount	upto 12 months	More than 12 months	Total
Trade Payable	686.59	686.59	-	686.59
Other Financial liability (Current and Non Current)	14,553.08	246.91	14,306.17	14,553.08
Total	**15,239.67**	**933.50**	**14,306.17**	**15,239.67**

As at 31st March, 2019	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 and Non 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**

(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 March 31, 2020	As at March 31, 2019
Equity shares		
Final dividend for the year ended 31st March, 2019 of ` 0.24 (31st March, 2018 : ` 0.30) per fully paid share	90.10	112.63
Dividends not recognized at the end of the reporting period		
Board of Directors in their meeting held on June 29, 2020 have not recommended any dividend.	-	90.10

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	As at March 31, 2020	As at March 31, 2019
Borrowings	1,439.79	654.62
Less : Cash and Cash equivalents	-26.12	-26.36
Less : Other Bank Balances	-17.38	-30.40
Less : Current Investments	-1.05	-523.30
Total Debt	**1,395.24**	**74.56**
Equity	-183.46	2,081.02
Total Equity	**-183.46**	**2,081.02**
Debt Equity Ratio	**-7.60**	**0.04**

Modern India Limited

Notes to the Standalone financial statements for the Year ended March 31, 2020

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, 2020	Routed through Profit and Loss		Carried at amortized cost				Total amount
	Level 1	Total	Level 1	Level 2	Level 3	Total	
Financial Assets							
Non Current Investments							
- Equity instrument	813.31	813.31				-	813.31
- Other instrument	649.30	649.30					649.30
- Mutual Funds	3,941.24	3,941.24				-	3,941.24
- Bonds & Debentures	-	-	399.69			399.69	399.69
Current Investments in mutual funds	1.05	1.05				-	1.05
Other financial assets - Non current	-	-			294.92	294.92	294.92
Trade receivables		-			2,503.05	2,503.05	2,503.05
Cash and cash equivalents		-			26.12	26.12	26.12
Bank balances other than cash & cash equivalents		-			17.38	17.38	17.38
Loans					138.77	138.77	138.77
Other financial assets - current		-			109.30	109.30	109.30
Total	**5,404.91**	**5,404.91**	**399.69**	**-**	**3,089.54**	**3,489.23**	**8,894.13**
Financial Liabilities							
Non Current Borrowings					85.29	85.29	85.29
Current Borrowings					1,305.61	1,305.61	1,305.61
Non Current Other financial liabilities					14,306.17	14,306.17	14,306.17
Current Other financial liabilities					295.80	295.80	295.80
Trade payables					686.59	686.59	686.59
Total	**-**	**-**	**-**	**-**	**16,679.46**	**16,679.46**	**16,679.46**

Financial Assets and Liabilities as at 31st March, 2019	Routed through Profit and Loss		Carried at amortized cost				Total amount
	Level 1	Total	Level 1	Level 2	Level 3	Total	
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	-	-	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**

B - Fair value of financial assets and liabilities measured at amortized cost

(` in Lakhs)

	As at 31st March, 2020		As at 31st March, 2019	
	Carrying amount	Fair Value	Carrying amount	Fair Value
Financial Assets				
Investment In Bonds & Debentures	399.69	324.00	548.65	540.78
Financial assets - Current & non current	3,089.54	3,089.54	3,494.55	3,494.55
Total	**3,489.23**	**3,413.54**	**4,043.20**	**4,035.34**
Financial liabilities				
Financial liabilities - Current & non current	15,288.56	15,288.56	13,948.13	13,948.13
Borrowings	1,390.90	1,390.90	611.74	611.74
Total	**16,679.46**	**16,679.46**	**14,559.88**	**14,559.88**

Modern India Limited
Notes to the Standalone financial statements for the Year ended March 31, 2020

Note No. 34 :-

In the opinion of the Board, current assets, loans and advances are approximately of the value stated, if realized 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 :-

(i) 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 taken over. However on conservative basis provision for the same is made during the year.

(ii) 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. 37 :-

The Ministry of Corporate Affairs has notified Indian Accounting Standard 116 ("Ind AS 116"), Leases, with effect from 1st April, 2019. The Standard primarily requires the Company, as a lessee, to recognize, at the commencement of the lease a right-to-use asset and a lease liability (representing present Value of unpaid lease payments). Such right-to-use assets are subsequently depreciated and the lease liability reduced when paid, with the interest on the lease liability being recognized as finance costs, subject to certain remeasurement adjustments. As permitted by the standard, the Company has elected to apply this standard to its leases w.e.f. 1st April, 2019 and comparatives for the previous year have not been restated. The effect of this adoption is insignificant on the Loss for the year. The net assets (PPE) and net liabilities as at March 31, 2020 have increased by `446.70 Lakhs and ` 462.86 Lakhs respectively.

Note No. 38 :-

The outbreak of Covid-19 pandemic is causing significant disturbance and slowdown of economic activities globally. The nationwide lockdown ordered by the Government of India has resulted in significant reduction in economic activities and also the business operations of the Company in terms of trading sales, real estate and solar power generation however the Company is of the view that there is no significant impact on the financial performance of the Company for the year ended March 31, 2020. Further, as at March 31, 2020, the Company expects to fully recover the carrying amount of its assets and liabilities. Based on the current indicators of future economic conditions, the management expects to recover the carrying amount of the assets. However, due to the uncertainties associated with the pandemic, the actual impact may not be in line with current estimates. The management will continue to closely monitor any material changes based on future economic conditions. Given the uncertainties, the final impact on Company's operating results, financial condition and cash flows cannot be predicted at this time and in future may differ from that estimated as at the date of approval of these financial statements. Further, the impact assessment does not indicate any adverse impact on the ability of the company to continue as a going concern.

Note No. 39 :-

Previous year’s figures have been regrouped / reclassified / restated wherever necessary to correspond with the current year's classification/disclosure.

(In Lakhs)

Note No. 40 :- Net Debt Reconciliation

Particulars	31st March, 2020	31st March, 2019
Cash and Cash Equivalents and Bank overdraft	(1,279.49)	(469.66)
Non-Current Borrowings (Including Current Maturities)	134.18	158.60
Current Borrowings		
Interest Payable	-	-
Net Debt	(1,145.30)	(311.06)

Particulars	Cash and Cash Equivalents and Bank overdraft	Non-Current Borrowings (Including Current	Current Borrowings	Interest Payable	TOTAL
Net Debt as at 1st April, 2019	(469.66)	158.60	-	-	(311.06)
Cash Flows	(809.82)	-24.42	-		(834.24)
Finance Cost	-	-	-	1,350.37	1,350.37
Interest paid	-	-	-	(113.24)	(113.24)
Other Non Cash Movements					
- Fair Value Adjustments				(1,237.13)	(1,237.13)
Net Debt as at 31st March, 2020	-1,279.49	134.18	-	-	(1,145.30)

As per our report of even date attached

For Khandelwal Jain & Co.

Chartered Accountants

Firm Reg. No. 105049W

SD/-

Narendra Jain

Partner

Membership No. 048725

Mumbai: June 29, 2020

For and on behalf of the Board of Directors

SD/-

Vijay Kumar Jatia

Chairman and Managing Director

SD/-

Anand Didwania

Director

SD/-

Parind Badshah

Vice President - CS

SD/-

Nawalkishore Deora

Sr. Vice President & C. F. O.

Mumbai: June 29, 2020

INDEPENDENT AUDITORS' REPORT

Tothe Membersof Modern India Limited

Report on the Audit of the Consolidated Financial Statements

Qualified Opinion

We have audited the accompanyingconsolidated financial statements of**Modern India Limited** hereinafter referred to as the 'HoldingCompany" and its subsidiaries Holding Company and itssubsidiaries together referred to as the Group" which comprise the consolidated balance sheet as atMarch and the consolidated statement of profit and loss including other comprehensive income/ loss consolidated statementof changes in equity and consolidated statement of cash flowsfor the year then ended and notes to the consolidated financialstatements including a summary of significant accounting policiesand other explanatory information hereinafter referred to as theconsolidated financial statements"

In our opinion and to the best of our information and accordingto 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 considerationof reports of other auditors on separate financial statements ofsuch subsidiaries as were audited by the otherauditors the aforesaid consolidated financial statements give theinformation required by the Companies Act Act" in themanner so required and give a true and fair view in conformitywith the accounting principles generally accepted in India of theconsolidated state of affairs of the Group as atMarch 9 of its consolidated loss and total comprehensiveloss consolidated changes in equity and consolidated cashflows for the year then ended

Basis for Qualified Opinion

In case of the Holding Company an amount of Rs 8 8 lakhs net of Rs 6 lakhs recovered till date is outstanding as trade receivables as at March in respect of commodities trading transaction done on National Spot ExchangeLimited NSEL The Holding Company has filed a representative suit in the Hon'bleBombay High Court for recovery of the same Ministry of Corporate Affairs MCA had ordered merger of 6 Moons Technologies Limited with NSEL which was held upby the Hon'ble High Court of Bombay The same has been set aside by the Hon'bleSupreme Court of India Pending outcome of the legal suit and resolution ofuncertainties 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 Standardson Auditing SAs specified under Section of the Act Our responsibilities under those SAs are further described inthe Auditor's Responsibilities for the Audit of the ConsolidatedFinancial Statements section of our report We are independent ofthe Group in accordance with theCode of Ethics issued by the Institute of Chartered Accountantsof India and we have fulfilled our other ethical responsibilities inaccordance with the provisions of the Act We believe that theaudit evidence we have obtained andthe audit evidence obtained by the other auditors in termsof their reports referred to in Other Matter paragraph below is sufficient and appropriate toprovide a basis for our qualified opinion

Emphasis of Matter

We draw attention to Note 8 to the Consolidated Financial Statements in which theGroup describes the uncertainties arising from the COVID 9 pandemic
Our opinion on the consolidated financial statements is not modified in respect of the above matter

Information Other than the Consolidated FinancialStatements 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 performedand the reports of the otherauditors as furnished to us refer Other Matter paragraph below 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 professionaljudgment were of most significance in our audit of the consolidatedfinancial statements of the current period These matters wereaddressed in the context of our audit of the consolidated financialstatements as a whole and in forming our opinion thereon andwe do not provide a separate opinion on these matters In addition to the matters described inthe Basis for Qualified Opinion and Emphasis of Matter sections we have determined the matters described below to be the key audit matter to be communicated in our report

Key Audit Matters	o our audit addressed the key audit matter
Impairment evaluation of Good ill The carrying amount of Goodwill amounting to Rs 79 86 lakhs as at March In consolidated financial statements the said Goodwill is arisen on account of investment in Verifacts Services Private Limited subsidiarycompany 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 Goodwillarising on account of investment in Verifacts Services Private Limited subsidiarycompany For the said investment where the carrying amount exceeded the net assets value comparing the carrying amount of the investment in standalone financial statementswith the expected value of the business based on latest available 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
Modified Audit Procedures carried out in light ofCOVID outbreak Due to COVID- 9 pandemic Nation-wide lockdownand travel restrictions imposed by Central/State Government/ Local Authorities during the period of ouraudit audit could not be conducted by visiting thepremises of the Company As we could not gather audit evidence in person/physically/ through personalinteractions with the officials of the Company we have identifiedsuch modified audit procedures as a Key Audit Matter Accordingly our audit procedures were modified tocarry out the audit remotely	Due to the outbreak of COVID- 9 pandemic that causednationwide lockdown and other travel restrictions imposedby the Central and State Governments/local administrationduring the period of our audit we could not visit the Company and carryout the audit processes physically at the office premises of the Company Since physical access was not possible necessaryrecords/ reports/ documents were madeavailable to us by the Company through digital medium emails and remote access and accounting application software To this extent the audit process was carried outon the basis of such documents reports and records madeavailable to us which were relied upon as audit evidence forconducting the audit and reporting for the current period Accordingly we modified our audit procedures as follows: a Conducted verification of necessary records/ documents and accounting Application softwareelectronically through remote access/emails as physical accesswas not possible b Carried out verification of scanned copies of the documents deeds and the related recordsmade available to us through emails and remote access

	c Making enquiries and gathering necessary auditevidence through dialogues anddiscussions over phone calls emailsand similar communication channels d Resolution of our audit observations telephonically/through email instead of a face-to-face interaction withthe designated officials

Responsibilities of Management and ThoseCharged ith Governance for the ConsolidatedFinancial Statements

The Holding Company's management and Board of Directorsare responsible for the preparation and presentation of theseconsolidated financial statements in terms of the requirementsof the Act that give a true and fair view of the consolidated stateof affairs consolidated loss and other comprehensive income/ loss consolidated statement of changes in equity and consolidatedcash flows of the Group including in accordancewith the accounting principles generally accepted in India including the Indian Accounting Standards Ind AS specifiedunder Section of the Act The respective Board of Directorsof the companies included in the Group are responsible for maintenance of adequate accounting recordsin accordance with the provisions of the Act for safeguardingthe assets of each company and for preventing and detectingfrauds and other irregularities; the selection and application ofappropriate accounting policies; making judgments and estimatesthat are reasonable and prudent; and the design implementationand maintenance of adequate internal financial controls that wereoperating effectively for ensuring accuracy and completenessof the accounting records relevant to the preparation andpresentation of the consolidated financial statements that givea true and fair view and are free from material misstatement whether due to fraud or error which have been used for thepurpose of preparation of the consolidated financial statementsby the Directors of the Holding Company as aforesaid

In preparing the consolidated financial statements the respectivemanagement and Board of Directors of the companies includedin the Group are responsible for assessingthe ability of each company to continue as a going concern disclosing as applicable matters related to going concern andusing the going concern basis of accounting unless managementeither intends to liquidate the Company or to cease operations orhas no realistic alternative but to do so

The respective Board of Directors of the companies included in theGroup is responsible for overseeing thefinancial reporting process of each company

Auditor's Responsibilities for the Audit of theConsolidated Financial Statements

Our objectives are to obtain reasonable assurance about whetherthe consolidated financial statements as a whole are free frommaterial misstatement whether due to fraud or error and toissue an auditor's report that includes our opinion Reasonableassurance is a high level of assurance but is not a guarantee thatan audit conducted in accordance with SAs will always detect amaterial misstatement when it exists Misstatements can arisefrom fraud or error and are considered material if individually orin the aggregate they could reasonably be expected to

influencethe economic decisions of users taken on the basis of theseconsolidated financial statements

As part of an audit in accordance with SAs we exercise professionaljudgment and maintain professional skepticism throughout theaudit We also:

- Identify and assess the risks of material misstatement of theconsolidated financial statements whether due to fraud orerror design and perform audit procedures responsive tothose risks and obtain audit evidence that is sufficient andappropriate to provide a basis for our opinion The risk of notdetecting a material misstatement resulting from fraud ishigher than for one resulting from error as fraud may involvecollusion forgery intentional omissions misrepresentations or the override of internal control

- Obtain an understanding of internal control relevant tothe audit in order to design audit procedures that areappropriate in the circumstances Under section i ofthe Act we are also responsible for expressing our opinionon whether the Holding Company and such companiesincorporated in India which are its subsidiary companieshave adequate internal financial controls with reference tofinancial statements in place and the operating effectivenessof such controls

- Evaluate the appropriateness of accounting policies usedand the reasonableness of accounting estimates and relateddisclosures made by management

- Conclude on the appropriateness of management's use ofthe going concern basis of accounting in preparation ofconsolidated financial statements and based on the auditevidence obtained whether a material uncertainty existsrelated to events or conditions that may cast significant doubton the ability of the Group to continue as a going concern If we concludethat a material uncertainty exists we are required to drawattention in our auditor's report to the related disclosures inthe consolidated financial statements or if such disclosuresare inadequate to modify our opinion Our conclusions are based on the audit evidence obtained up to the date of ourauditor's report However future events or conditions maycause the Group to cease to continue as a going concern

- Evaluate the overall presentation structure and content of theconsolidated financial statements including the disclosures and whether the consolidated financial statements representthe underlying transactions and events in a manner thatachieves fair presentation

- Obtain sufficient appropriate audit evidence regarding thefinancial information of such entities or business activitieswithin the Group to express an opinionon the consolidated financial statements We are responsiblefor the direction supervision and performance of theaudit of financial information of such entities included inthe consolidated financial statements of which we are theindependent auditors For the other entities included in theconsolidated financial statements which have been auditedby other auditors such other auditors remain responsiblefor the direction supervision and performance of the auditscarried out by them We remain solely responsible for ouraudit opinion

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 andthe consideration of audit reports of the other auditors referredto in Other Matter paragraph below issufficient and appropriate to provide a basis for our audit opinionon the consolidated financial statements

We communicate with those charged with governance ofthe Holding Company and such other entities included in theconsolidated financial statements of which we are the independentauditors regarding among other matters the planned scope andtiming of the audit and significant audit findings including anysignificant deficiencies in internal control that we identify duringour audit

We also provide those charged with governance with a statementthat we have complied with relevant ethical requirementsregarding independence and to communicate with themall relationships and other matters that may reasonably bethought to bear on our independence and where applicable related safeguards

From the matters communicated with those charged withgovernance we determine those matters that were of mostsignificance in the audit of the consolidated financial statementsof the current period and are therefore the key audit matters We describe these matters in our auditors' report unless law orregulation precludes public disclosure about the matter or when in extremely rare circumstances we determine that a mattershould not be communicated in our report because the adverseconsequences of doing so would reasonably be expected tooutweigh the public interest benefits of such communication

Other Matter

We did not audit the financial statements of the three subsidiaries whose financial statements reflect total assets as at March and total revenue net profit/ loss after tax total comprehensive income/ loss net cash inflow/ outflow for the year ended on that date considered as under in the consolidated financial statements based on respective audited financial statements by other auditors:

Rs in Lakhs

Name of the subsidiary	Total Assets as at March	Total Revenue for the year ended March	Net Profit loss after tax for the year ended March	Total comprehensive income loss for the year ended March	Net Cash Inflo Outflo for the year ended March
Direct Subsidiaries					
Verifacts Services Private Limited	88	87	9 9	6	6 8
Modern International Asia Limited	66	9 67	6	6	8
Indirect Subsidiary step-down subsidiary w e f 7 9					
Modern International Vietnam Company Limited	9 7	Nil	66	8	9 9

these subsidiaries are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles

generally accepted in that respective country and which has been audited by other auditors under generally accepted auditing standards applicable in that respective country The Holding Company's management has converted the financial statements of the said subsidiaries 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 subsidiaries 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

The above referred financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements insofar as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms ofsub-section of Section of the Act including reporton Other information insofar as it relates to the aforesaidsubsidiaries is based solely on the reports ofthe other auditors

Report on Other Legal and Regulatory Requirements

A As required by Section 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 matter' paragraph above 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 possible 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 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 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary company incorporated in India none of the directors of the

Holding company and its subsidiary company incorporated in India is disqualified as on March from being appointed as a director in terms of Section 6 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 financialcontrols with reference to financial statementsof the Holding Company and its subsidiarycompany incorporated in India and the operatingeffectiveness of such controls refer to our separateReport in **"Annexure A"**

B With respect to the other matters to be included in the Auditor's Report in accordance with Rule of the Companies Audit and Auditor's Rules 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 Matter' 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 long term contracts including derivatives contracts as at March for which there were any material foreseeable losses– Refer note to the consolidated financial statements

c During the year ended March 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 company incorporated in India

C With respect to the matter to be included in the Auditor'sreport under Section 97 6 of the Act:

In our opinion and according to the information andexplanations given to us the remuneration paid during the current year by the HoldingCompanyto its directors is in accordance withthe provisions of Section 97 of the Act Further based on the report of the statutory auditors of the subsidiary company incorporated in India namelyVerifacts Services Private Limited which was not audited by us the said subsidiary company has not paid any remuneration to its directors during the year hence the provisions of section 97 of the Act is not applicable

For **Khandel al Jain Co**
Chartered Accountants
Firm Registration No 9W

SD
Narendra Jain
Partner
Membership No
UDIN AAAACK

Place: Mumbai
Date: June 9

Annexure 'A'referred in the Independent Auditor's Report of even date to the members of Modern India Limited on the consolidated financial statements for the year ended March

Report on the internal financial controls under Clause i of Sub section of Section of the Companies Act

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 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 which is its subsidiary company 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 internal financial controls over financial reporting with reference to consolidated financial statements 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 of the Companies 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 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

Annexure 'A'referred in the Independent Auditor's Report of even date to the members of Modern India Limited on the consolidated financial statements for the year ended March 31, 2020

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, 2020, 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 is its subsidiary company, 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 internal financial controls over financial reporting with reference to consolidated financial statements 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 audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Holding Company's and its subsidiary company, which is 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 ortimely detection of unauthorized acquisition, use, or dispositionof the company's assets that could have a material effect on thefinancial 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 overrideof controls, material misstatements due to error or fraud mayoccur and not be detected. Also, projections of any evaluationof the internal financial controls with reference to consolidatedfinancial statements to future periods are subject to the risk thatthe internal financial controls with reference to consolidatedfinancial statements may become inadequate because of changesin conditions, or that the degree of compliance with the policies orprocedures may deteriorate.

Opinion

In our opinion, the Holding Company and its subsidiary company,which is incorporated in India, 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, 2020, 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 Matter

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 with reference to consolidatedfinancial statements insofar as it relates to a subsidiary company, which isa company incorporated in India, is based on the corresponding report of the auditors of such company incorporated in India.

Our opinion is not modified in respect of this matter.

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

SD/-
Narendra Jain
Partner
Membership No. 048725
UDIN: 20048725AAAACK2541

Place: Mumbai
Date: June29, 2020

Modern India Limited

Consolidated Balance Sheet as at March 31, 2020

(` in Lakhs)

		Particulars	Note No.	As at March 31, 2020	As at March 31, 2019
A		**ASSETS**			
	1	**Non-current assets**			
	(a)	Property, Plant and Equipment	3 (a)	2,627.04	1,948.77
	(b)	Capital work-in-progress	3 (a)	398.89	365.87
	(c)	Investment Property	3(b)	468.36	473.25
	(d)	Goodwill	4	2,279.86	2,279.86
	(e)	Intangible assets	4	30.66	49.48
	(f)	Financial Assets			
		(i) Investments	5 (a)	6,359.80	6,619.57
		(ii) Others Financial Assets	6(a)	334.52	448.53
	(g)	Non Current Tax Assets (Net)	25	324.55	278.86
	(h)	Deferred tax assets (net)	25	1,192.31	1,023.26
	(i)	Other non-current assets	6 (b)	182.58	169.69
				14,198.57	**13,657.14**
	2	**Current assets**			
	(a)	Inventories	8	1,783.29	1,565.47
	(b)	Financial Assets			
		(i) Investments	5 (b)	1.05	523.30
		(ii) Trade receivables	9	4,862.30	4,495.53
		(iii) Cash and cash equivalents	10(a)	44.28	43.42
		(iv) Bank balances other than (iii) above	10(b)	917.46	979.15
		(v) Loans	7(a)	223.77	595.51
		(vi) Other Financial Assets	11	341.12	104.48
	(c)	Current Tax Assets (Net)	25	56.83	215.18
	(d)	Other current assets	7 (b)	666.33	1,281.55
				8,896.43	**9,803.59**
		TOTAL ASSETS		**23,094.99**	**23,460.73**
B		**EQUITY AND LIABILITIES**			
	1	**Equity**			
	(a)	Equity Share capital	12	750.86	750.86
	(b)	Other Equity	13	655.06	2,695.86
		Equity Attributable to owners		**1,405.92**	**3,446.72**
		Non Controlling interest		-	-
		Total Equity		**1,405.92**	**3,446.72**
	2	**Non-current liabilities**			
	(a)	Financial Liabilities			
		(i) Borrowings	14 (a)	99.12	115.72
		(ii) Other financial liabilities	15 (a)	14,739.60	12,709.82
	(b)	Provisions	16 (a)	93.45	79.11
	(c)	Other Non current liabilities	17 (a)	1,271.84	2,411.74
				16,204.02	**15,316.40**
	3	**Current liabilities**			
	(a)	Financial Liabilities			
	(b)	(i) Borrowings	14 (b)	1,646.18	919.32
		(ii) Trade payables			
		Total outstanding dues of Micro and Small Enterprises		-	-
		Total outstanding dues of creditors other than Micro and Small Enterprises	18	2,001.67	1,954.90
		(iii) Other financial liabilities	15 (b)	476.86	225.48
	(c)	Provisions	16 (b)	36.67	56.82
	(d)	Other current liabilities	17 (b)	1,323.68	1,541.08
				5,485.06	**4,697.61**
		TOTAL EQUITY AND LIABILITIES		**23,094.99**	**23,460.73**
		Basis of preparation, measurement and significant accounting policies	2		

The accompanying notes are an integral part of these financial statements -0 -0

As per our report of even date attached

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

SD/-
Narendra Jain
Partner
Membership No. 048725
Mumbai : June 29, 2020

For and on behalf of the Board of Directors

SD/-
Vijay Kumar Jatia
Chairman and Managing Director

SD/-
Parind Badshah
Vice President - CS

SD/-
Anand Didwania
Director

SD/-
Nawalkishore Deora
Sr. Vice President & C. F. O.

Mumbai : June 29, 2020

Modern India Limited

Consolidated Statement of Profit and Loss for the year ended March 31, 2020

(` in Lakhs)

	Particulars	Note No.	Year ended March 31, 2020	Year ended March 31, 2019
I	**INCOME**			
	Revenue from operations	19	17,744.59	19,161.72
	Other Income	20	1,573.83	1,444.20
	Total income		**19,318.42**	**20,605.92**
II	**EXPENSES**			
	(a) Purchases of Stock-in-trade		15,087.16	16,538.66
	(b) Changes in inventories of stock-in-trade	21	(217.82)	(319.86)
	(c) Employee benefit expense	22	1,682.70	1,493.61
	(d) Finance costs	23	1,432.30	850.23
	(e) Depreciation and amortisation expense	3 & 4	486.51	363.12
	(f) Fair Valuation Loss (Net) / Impairment		849.36	-
	(g) Other expenses	24	2,215.95	2,263.18
	Total Expenses		**21,536.16**	**21,188.94**
III	**(Loss) before exceptional items and tax**		**(2,217.74)**	**(583.02)**
IV	**Exceptional Items**		**-**	**-**
V	**(Loss) before tax**		**(2,217.74)**	**(583.02)**
VI	**Tax Expense**	25		
	(a) Current tax		38.71	50.21
	(b) Deferred tax		(168.26)	(312.13)
	Total tax expense		**(129.55)**	**(261.92)**
VII	**(Loss) for the year**		**(2,088.19)**	**(321.09)**
	Owners of the Company		(2,088.19)	(327.01)
	Non controlling interests		-	5.91
VIII	**Other comprehensive income / (Loss)**			
	(a) Items that will not be reclassified to profit or loss			
	Remeasurement of the defined benefit liabilities / (Assets)		(3.15)	1.79
	Income Tax relating to items that will not be reclassified to profit or loss		0.79	(0.57)
	(b) Items that will be reclassified to profit or loss			
	Changes in Foreign Currency Translation Reserve		159.61	72.25
			157.25	73.47
IX	**Total comprehensive income / (Loss) for the period**		**(1,930.94)**	**(247.62)**
	(Loss) for the year attributable to:			
	(a) Owners of the Company		(2,088.19)	(335.65)
	(b) Non controlling interests		-	14.55
			(2,088.19)	(321.09)
	Other Comprehensive Income / (Loss) of the year attributable to:			
	(a) Owners of the Company		157.25	73.42
	(b) Non controlling interests		-	0.06
			157.25	73.47
	Total Comprehensive Income / (Loss) of the year attributable to:			
	(a) Owners of the Company		(1,930.94)	(262.23)
	(b) Non controlling interests		-	14.61
			(1,930.94)	(247.62)
X	**Earnings per equity share (In Rupees):**	26		
	(1) Basic (Face Value of ` 2/- each)		(5.56)	(0.89)
	(2) Diluted (Face Value of ` 2/- each)		(5.56)	(0.89)
	Basis of preparation, measurement and significant accounting policies	**2**		

The accompanying notes are an integral part of these financial statements

For and on behalf of the Board of Directors

As per our report of even date attached

For Khandelwal Jain & Co.

Chartered Accountants

Firm Reg. No. 105049W

SD/-

Vijay Kumar Jatia

Chairman and **Managing Director**

SD/-

Anand Didwania

Director

SD/-

Narendra Jain

Partner

Membership No. 048725

Mumbai : June 29, 2020

SD/-

Parind Badshah

Vice President - CS

SD/-

Nawalkishore Deora

Sr. Vice President & C. F. O.

Mumbai : June 29, 2020

Modern India Limited
Consolidated Statement of Cash Flow for the Year ended March 31, 2020

(` in Lakhs)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Cash flows from operating activities		
Loss before tax for the year	**(2,217.74)**	(583.02)
Adjustments for:		
Interest Expense	148.73	91.75
Unwinding of Finance costs relating to valuations of Security Deposit	1,211.39	758.48
Real Estate income on fair valuation of security deposit	(1,143.02)	(964.35)
Interest income recognized in profit or loss	(298.84)	(271.90)
Interest on financial Assets at Amortized Cost	(3.91)	(9.64)
Dividend income	(12.72)	(22.56)
Investment (income)/Loss recognized in profit or loss	24.05	(53.87)
Gain on disposal of property, plant and equipment	(1.13)	8.93
Net (gain)/loss arising on financial assets mandatorily measured at fair value through profit or loss	849.36	(72.48)
Provision no longer required	(18.97)	(3.64)
Bad Debts	-	28.12
Provision for doubtful debts and advances	479.12	86.04
Interest Expenses as per IND AS 116	72.17	-
Amortization as per IND AS 116	139.62	-
Depreciation and amortization of non-current assets	346.89	363.12
	(424.99)	**(645.01)**
Movements in working capital:		
(Increase)/decrease in trade receivables	(366.78)	(1,273.06)
(Increase)/decrease in inventories	(217.82)	(319.86)
(Increase)/decrease in Other receivable	(112.18)	(114.88)
(Increase)/decrease in other assets	140.07	(430.87)
Increase/(decrease) in trade and other payables	45.73	606.05
Increase/(decrease) in provisions	(8.97)	21.06
Increase in Security Deposit received	-	(0.00)
Increase/(decrease) in Foreign Currency Fluctuation	159.61	72.25
(Decrease)/increase in financial and non financial liabilities	**(110.16)**	230.17
Cash generated from operations	**(895.48)**	**(1,854.14)**
Income taxes paid	73.95	(213.16)
Net cash (used in)/generated from operating activities	**(821.53)**	**(2,067.30)**
Cash flows from investing activities		
Proceeds from disposal of property, plant and equipment	9.05	11.17
Payments for property, plant and equipment	(115.86)	(276.22)
Payments for Intangible assets	(10.00)	(31.69)
Investment in subsidiary companies	-	(158.96)
Interest received	275.46	218.85
Other dividends received	12.72	22.56
Investment in subsidiary companies	-	2,041.63
Proceeds/(Payments) for purchase of current and non current investments (N	(91.39)	(54.18)
Fixed Deposit with Banks	61.69	(0.80)
Other Loans Given	2.18	(124.58)
Inter corporate Deposit given	389.56	-
Net cash (used in)/generated from investing activities	**533.40**	**1,647.77**
Cash flows from financing activities		
(Repayment) / Proceeds from Current borrowings (Net)	26.05	(64.72)
(Repayment) / Proceeds from Non-Current borrowings (Net)	(7.41)	150.11
Dividend paid (including DDT)	(112.88)	(146.07)
Payment towards lease obligations	(168.85)	-
Interest paid	(148.73)	(91.75)
Net cash (used in)/generated from financing activities	**(411.83)**	**(152.42)**
Net increase in cash and cash equivalents	**(699.95)**	**(571.95)**
Cash and cash equivalents at the beginning of the year	(875.90)	(303.94)
Cash and cash equivalents at the end of the year	**(1,575.86)**	**(875.90)**
Cash and cash equivalents as per Balance Sheet (Note 9)	44.28	43.42
Loans repayable on demand	(1,620.13)	(919.32)
	(1,575.86)	**(875.90)**

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

SD/-
Narendra Jain
Partner
Membership No. (
Mumbai : June 29, 2020

For and on behalf of the Board of Directors

SD/-
Vijay Kumar Jatia
Chairman and **Managing Director**

SD/-
Parind Badshah
Vice President - CS

SD/-
Anand Didwania
Director

SD/-
Nawalkishore Deora
Sr. Vice President & C. F. O.

Mumbai : June 29, 2020

Modern India Limited
Consolidated Statement of changes in Equity for the year ended March 31, 2020

A. Equity Share Capital

	Equity Shares of ` 2/- each	` in Lakhs
Paid up Capital at April 1, 2018	37,542,750	750.86
Changes during the period	-	-
Balance as at March 31, 2019	37,542,750	750.86
Changes during the period	-	-
Balance as at March 31, 2020	37,542,750	750.86

B. Statement of Changes in Equity for the year ended March 31, 2020

	Reserves and Surplus					Other Reserve	Other Equity Attributable to Owners	Non Controlling interest	Total
	Capital Reserve	General reserve	Common Control Transactions Capital Reserve	Capital Redemption Reserve	Retained earnings	Currency Fluctuation reserve			
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								**(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**	**-**	**2,695.86**
								-	-
Balance as at 1st April 2019 (A)	**231.44**	**328.96**	**(6.51)**	**8.91**	**1,722.95**	**410.11**	**2,695.86**	**-**	**2,695.86**
Additions during the year								-	-
Profit / (Loss) for the year	-	-		-	(2,088.19)		(2,088.19)		(2,088.19)
Other Comprehensive income for the year	-	-		-	(2.35)	159.61	157.25		157.25
Total Comprehensive income for the year (B)	**-**	**-**		**-**	**(2,090.55)**	**159.61**	**(1,930.94)**	**-**	**(1,930.94)**
Reduction during the year								-	-
Dividend on Equity Shares	-	-		-	(90.10)		(90.10)		(90.10)
Dividend Distribution Tax	-	-		-	(19.75)		(19.75)		(19.75)
Total (C)	**-**	**-**		**-**	**(109.86)**	**-**	**(109.86)**	**-**	**(109.86)**
Balance as at 31st March, 2020 (D) = (A+B+C)	**231.44**	**328.96**	**(6.51)**	**8.91**	**(477.45)**	**569.71**	**655.06**	**-**	**655.06**

For and on behalf of the Board of Directors

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

SD/-
Vijay Kumar Jatia
Chairman and **Managing Director**

SD/-
Anand Didwania
Director

SD/-
Narendra Jain
Partner
Membership No. 048725
Mumbai : June 29, 2020

SD/-
Parind Badshah
Vice President - CS

SD/-
Nawalkishore Deora
Sr. Vice President & C. F. O.

Mumbai : June 29, 2020

Modern India Limited
Notes to the Consolidated Financial Statements for the year ended March 31, 2020

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, 2020.

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, 2020 were approved for issue in accordance with a resolution of the Board of Directors on 29th June, 2020.

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 recognized 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 recognized 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 Group 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 Group'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 realization 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 recognized 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 Group 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 Group, 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 capitalized to the asset’s carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group 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 amortization and accumulated impairment loss, if

Amortization

Intangible assets comprise of Brands / Trademarks and Computer Software. Intangible assets are amortized over the useful life of 3 years. 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.

In case of VSPL, Trade logo are amortized 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 amortization 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 recognized 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 Group 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 Group.
Revenue includes only the gross inflows of economic benefits, received and receivable by the Group, 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 Group transfers all significant risks and rewards of ownership of the goods to the buyer, while the Group 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.

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 recognized 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 Group 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 recognized 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 Group, 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 realizable 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 recognized initially at fair value and subsequently measured at amortized 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 Group'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 recognized 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 Group commits to purchase or sell the asset.

Subsequent measurement:

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. The Group has elected to measure debt instruments at amortized cost.

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 Group 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 Group 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 Group 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 Group has not designated any debt instrument as at FVTPL.

Equity investments (Other than investment in subsidiary)

The Group subsequently measures all equity investments at fair value. Where the Group'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 recognized in profit or loss as other income when the Group'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 recognized 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 Group 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).

Derecognition:

A financial asset is de-recognized only when

- The Group 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 Group 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 Group has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is de-recognized if the Group has not retained control of the financial asset. Where the Group retains control of the financial asset, the asset is continued to be recognized to the extent of continuing involvement in the financial asset.

Impairment of financial assets

In accordance with Ind AS 109, the Group 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 Group 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 recognizes 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 Group 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 recognizing 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 Group 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 recognized when the Group becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortized cost unless at initial recognition, they are classified as fair value through profit and loss.

Subsequent measurement

Financial liabilities are subsequently measured at amortized 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 recognized in the statement of profit and loss.

Trade and other payables

These amounts represent liabilities for goods and services provided to the Group 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 amortized 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 derecognized when the obligation under the liability is discharged or cancelled or expires.

(j) Fair Value:

The Group 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 Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing 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 Group 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 summarizes accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

(k) Leases

As a lessee

The Group adopted Ind AS 116 with effect from 1st April, 2019 i.e. no change to prior period financial statements and has applied the standard to contracts or arrangements that were previously identified as leases applying Ind AS 17. The Ministry of Corporate Affairs has notified Indian Accounting Standard 116 ("Ind AS 116"), Leases, with effect from 1st April, 2019. The Standard primarily requires the Group, as a lessee, to recognize, at the commencement of the lease a right-to-use asset and a lease liability (representing present Value of unpaid lease payments). Such right-to-use assets are subsequently depreciated and the lease liability reduced when paid, with the interest on the lease liability being recognized as finance costs, subject to certain remeasurement adjustments. As permitted by the standard, the Group has elected to apply this standard to its leases w.e.f. 1st April, 2019 and comparatives for the previous period / year have not been restated.

At the commencement date of a lease, the Group recognizes a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). Right-of-use assets are measured at cost, less any accumulated depreciation, impairment losses and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized and lease payments made at or before the commencement date. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

The Group recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification or a change in the lease term. The Group separately recognizes the interest expense on the lease liability as finance cost and the depreciation expense on the right-of-use asset.

As a lessor

Lease income from operating leases where the Group is a lessor is recognized 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 Group 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 Group'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 recognized 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 recognized 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 recognized 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 recognized 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 realized.

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 Group 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 Group 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 Group 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 recognized 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 utilized 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 recognized in the Statement of Profit and Loss.

(iii) Post-employment obligations

The Group 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 recognized 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 recognized 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. Group'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 Group 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 recognized at net of transaction costs incurred and measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized 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 Group 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 Group 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 recognized amounts and there is an intention to settle on a net basis to realize 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.

Modern India Limited

Notes to the Consolidated Financial Statements for the year ended March 31, 2020

Note No. 3(a) - Property, Plant & Equipment

(` in Lakhs)

	Owned Assets					Right of Use Assets		
Description of Assets	**Land - Freehold**	**Buildings**	**Plant and Equipment ***	**Furniture and Fixtures**	**Vehicles**	**Office Premises**	**Total**	**Capital Work-in-Progress**
Gross Carrying amount								
Balance as at 31st 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**
Additions	-	-	37.60	0.33	44.91	1,056.15	1,138.99	33.02
Disposals	-	-	2.69	1.59	106.05	-	110.33	-
Balance as at 31st March 2020	**289.50**	**176.87**	**1,696.15**	**75.44**	**339.28**	**1,056.15**	**3,633.40**	**398.89**
Accumulated depreciation / amortization								
Balance as at 31st March, 2018	-	25.74	206.82	38.89	82.57	-	**354.02**	-
Depreciation / amortization 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**	**-**
Depreciation / amortization expense for the year	-	15.01	203.54	8.89	85.75	139.62	452.79	-
Depreciation on Disposal	-	-	2.06	1.04	99.31	-	102.41	-
Balance as at 31st March 2020	**-**	**55.23**	**635.07**	**50.23**	**126.20**	**139.62**	**1,006.36**	**-**
Net Carrying amount								
Balance as at 31 March, 2019	**289.50**	**136.65**	**1,227.64**	**34.32**	**260.66**	**-**	**1,948.77**	**365.87**
Balance as at 31st March 2020	**289.50**	**121.64**	**1,061.08**	**25.21**	**213.08**	**916.54**	**2,627.04**	**398.89**
(*) includes Plant, Office Equipment and Computers.								

Modern India Limited

Notes to the Consolidated Financial Statements for the year ended March 31, 2020

Note No. 3 (b) - Investment Property

(` in Lakhs)

Description of Assets	Building	Land	Total
I. Gross Carrying Amount			
Balance as at 31st March, 2018	226.23	244.00	470.22
Addition	14.65	-	14.65
Disposals	-	-	-
Balance as at 31 March, 2019	240.88	244.00	484.88
Addition	-	-	-
Disposals	-	-	-
Balance as at 31st March 2020	240.88	244.00	484.88
II. Accumulated depreciation and impairment			
Balance as at 31st March, 2018	8.72	-	8.72
Charge for the period	2.91	-	2.91
Reversals/ Disposals during the period	-	-	-
Balance as at 31 March, 2019	11.63	-	11.63
Charge for the period	4.89	-	4.89
Reversals/ Disposals during the period	-	-	-
Balance as at 31st March 2020	16.52	-	16.52
	-	-	-
Net Carrying value	-	-	-
Balance as at 31 March, 2019	229.25	244.00	473.25
Balance as at 31st March 2020	224.36	244.00	468.36

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 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	**31.03.2020**	**31.03.2019**
Fair value of the Investment Property - Flat *	1189.60	1189.60
Fair value of the Investment Property - Land *	660.45	660.45
Total	**1850.05**	**1850.05**
Rental Income	0.00	0.00
Direct Operating Expense	9.77	6.14

* 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 31st March, 2018	68.89	3.10	71.99	2,279.86
Additions	31.69	-	31.69	-
Disposals	-	-		-
Balance as at 31 March, 2019	**100.58**	**3.10**	**103.68**	**2,279.86**
Additions	10.00	-	10.00	
Disposals	-	-		-
Balance as at 31st March 2020	**110.58**	**3.10**	**113.68**	**2,279.86**
II. Accumulated depreciation and impairment				
Balance as at 31st 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**	**-**
Additions	28.82	-	28.82	
Disposal	-	-		-
Balance as at 31st March 2020	**80.09**	**2.93**	**83.02**	**-**
Net carrying amount				
Balance as at 31 March, 2019	49.31	0.18	49.48	2,279.86
Balance as at 31st March 2020	**30.48**	**0.18**	**30.66**	2,279.86

Modern India Limited
Notes to the Consolidated Financial Statements for the year ended March 31, 2020

Note No. 5 (a) - Investment - Non Current **(` in Lakhs)**

Particular	As at March 31, 2020		As at March 31, 2019	
	OTY	Amounts	OTY	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 LLP (50%)	-	-		2.26
Total Unquoted Investments		**5.00**		**7.26**
INVESTMENTS CARRIED AT COST [A]		**5.00**		**7.26**
B. Investment in Debentures & Bonds				
Quoted				
At Amortized Cost				
Laxmi Vilas Bank Tier II Bonds Series X of ` 5,00,000/- each	40	200.00	40	200.00
SREI Equipments Finance Ltd of ` 1,000/- each	10000	100.00	10,000	100.00
IndusInd Bank of ` 10,00,000/- each	10	99.69	10	99.55
Yes Bank of ` 10,00,000/- each	15	149.09	15	149.09
Less: Provision for Impairment / Diminution in Value		(149.09)		-
		-		
TOTAL INVESTMENTS CARRIED AT AMORTISED COST [B]		**399.69**		**548.65**
C. Investments stated at Fair Value Through Profit and Loss				
Quoted Investments				
Investments in Equity Instruments		813.31		1,041.38
Quoted Investments in Equity Instruments		**813.31**		**1,041.38**
Investments In other Instruments				
IRB Invit Fund	495,000	128.01	495,000	330.12
India Grid Trust	270,459	241.83	270,459	221.10
Quoted Investments in Other Instruments		**369.84**		**551.22**
Total Aggregate Quoted Investments		**1,183.15**		**1,592.60**
Unquoted Investments In other Instruments				
CreditWatch Information Analytics P Ltd (CCPS of ` 1/- each)	30,750	**331.21**	30,750	375.00
		331.21		**375.00**
Unquoted Investments				
In Units of Mutual Funds		4,440.76		4,096.08
Unquoted Investments in Mutual / Other Funds		**4,440.76**		**4,096.08**
INVESTMENTS CARRIED AT FVTPL [D]=(i)+(ii)		**5,955.11**		**6,063.67**
TOTAL INVESTMENTS (A) + (B)+ (C)		**6,359.80**		**6,619.57**
Other disclosures				
Aggregate amount of quoted investments		**1,582.83**		**2,141.24**
Aggregate amount of Market value of investments		**1,131.41**		**2,133.38**
Aggregate amount of unquoted investments		**4,776.97**		**4,478.33**
Aggregate amount of impairment in value of investments		**(149.09)**		-

Note No. 5 (b) - Investment - Current

Particular	As at March 31, 2020		As at March 31, 2019	
	QTY	Amounts	QTY	Amounts
Investments - Unquoted				
In Units of Mutual Funds				
At Fair value through Profit and Loss		1.05		523.30
Unquoted Investments in Mutual Fund Units		**1.05**		**523.30**
INVESTMENTS CARRIED AT FVTPL		**1.05**		**523.30**
Other disclosures				
Aggregate amount of quoted investments		**-**		**-**
Aggregate amount of unquoted investments		**1.05**		**523.30**

Modern India Limited
Notes to the Consolidated Financial Statements for the year ended March 31, 2020

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

(` in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Financial assets at amortized cost		
Other items - unsecured considered good		
Security Deposits	334.52	348.53
Application Money Paid towards Securities	-	100.00
TOTAL	**334.52**	**448.53**

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

Particulars	As at March 31, 2020	As at March 31, 2019
Others - Unsecured considered good		
Expenses on Project under implementation	170.69	169.69
Deferred Lease Prepaid Expenses	11.89	-
TOTAL	182.58	169.69

Note No. 7 (a) :- Loans - Current

Particulars	As at March 31, 2020	As at March 31, 2019
Financial assets carried at amortized cost:		
- Loans Receivables considered good - Secured	22.05	57.75
(Secured against Equity Shares and Land)		
- Loans Receivables considered good - Unsecured	201.72	535.59
- Loans Receivables which have significant increase in Credit Risk	-	-
- Loans Receivables - credit impaired	39.97	59.97
Less: Allowance for expected credit loss	(39.97)	(59.97)
Loans to Employee	-	2.18
	223.77	**595.51**
Name of the Company, Nature, Purpose		
Prabal Investrade Pvt. Ltd., Secured, Working Capital	62.02	117.72
Nine Globe Industry Pvt. Ltd. Unsecured, Working Capital	201.72	535.59

Note No. 7 (b) :- Other Assets - Current

Particulars	As at March 31, 2020	As at March 31, 2019
(a) Advances to suppliers	552.26	1,131.29
(b) Balances with government authorities (other than income taxes)	75.86	66.02
(c) Prepaid expenses	13.95	18.84
(d) Others - unsecured considered good		
- Unbilled revenue	-	48.54
- Other Receivable	7.83	5.42
- Deferred Lease Prepaid Expenses	16.42	11.45
(e) Advance which have significant increase in credit risk		
(f) Advance given - Credit Impaired	621.80	145.58
Less: Allowance for doubtful advance given	(621.80)	(145.58)
TOTAL	666.33	1,281.55

Note No. 8 :- Inventories (As taken, valued and certified by the Management)

Refer Note 2.4 (f) of Consolidated Accounting Policies for Accounting Policy on Inventories **(` in Lakhs)**

Particulars	As at March 31, 2020	As at March 31, 2019
Stock-in-trade of goods acquired for trading	6.43	7.42
Traded Goods		
Real Estate Business:		
(i) Land & Structures Refer Note 21	1,556.25	1,343.38
(ii) Land	220.61	214.67
TOTAL	**1,783.29**	**1,565.47**

Note No. 9 :- Trade receivables

Particulars	As at March 31, 2020	As at March 31, 2019
Trade receivables:		
Trade Receivables Considered Good - Secured	-	-
Trade Receivables Considered Good - Unsecured	4,862.30	4,495.53
Trade Receivables which have significant increase in Credit Risk	-	-
Trade Receivables - Credit Impaired	192.81	192.81
Less: Allowance for expected credit loss	(192.81)	(192.81)
TOTAL	**4,862.30**	**4,495.53**

(i) In respect of the Holding Company, an amount of ` 1,348.48 Lakhs (Net of ` 104.64 Lakhs recovered till date) 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, 2020	As at March 31, 2019
Balances with banks (of the nature of cash and cash equivalents):		
- Current Accounts	22.67	41.95
- Cash on Hand	21.61	1.47
TOTAL	**44.28**	**43.42**

Note No. 10 (b) :- Bank Balances other than Cash and Cash Equivalents

Particulars	As at March 31, 2020	As at March 31, 2019
Earmarked balances with banks:		
Deposit with Bank under Lien	-	10.00
Unclaimed Dividend	17.38	20.40
Fixed Deposits with Banks *	900.08	948.75
TOTAL	**917.46**	**979.15**
* Pledged to Banks for working capital facilities sanctioned		

Note No. 11 :- Other financial assets - Current

Particulars	As at March 31, 2020	As at March 31, 2019
Financial assets carried at amortized cost:		
Other receivable	222.78	9.54
Interest Receivable	118.33	94.95
TOTAL	**341.12**	**104.48**

Modern India Limited
Notes to the Consolidated Financial Statements for the year ended March 31, 2020

Note No. 12 :- Equity Share Capital

(` in Lakhs)

Particulars	As at March 31, 2020		As at March 31, 2019	
	No. of shares	Amount	No. of shares	Amount
Authorised:				
Equity Shares of ` 2/- each	3,750	7,500.00	3,750	7,500.00
Preference Shares of ` 100/- each	5	500.00	5	500.00
Issued, Subscribed and Fully Paid:		**8,000.00**		8,000.00
Equity Shares of ` 2/- each	375.47	750.94	375.47	750.94
Issued, Subscribed and Partly Paid:				
Equity Shares of ` 2/- each	375.43	750.86	375.43	750.86
Forfeited Equity Shares - Amount originally Paid up(#)		0.00		0.00
Total		750.86		750.86
(#) represents amount less than one thousand)				

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

Equity Shares	As at March 31, 2020		As at March 31, 2019	
	No. of Shares	Amount	No. of Shares	Amount
Shares outstanding at the beginning of the year	375.43	750.86	375.43	750.86
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	375.43	750.86	375.43	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 the meeting on May 30, 2019, proposed a final dividend of `0.24 per equity shares for the Financial Year ended March 31, 2019 which has been approved by the shareholders at the Annual General Meeting held on 27th September, 2019. The dividend paid during the year ended March 31, 2020 amounts to ` 90.10 Lakhs plus dividend distribution tax of `14.62 Lakhs (Net of credit in respect of taxes paid under section115 - O of the Income Tax Act, 1961 on dividend received from subsidiary Company).

The Board of Directors, in their meeting on June 29, 2020 have not proposed any dividend.

(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, 2020.

(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, 2020		As at March 31, 2019	
	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 Ranisati Investment & Finance Ltd	8,299,108	22.11	8,299,108	22.11
Sarat Leasing & Finance Ltd	7,707,500	20.53	7,707,500	20.53
F Pudumjee Investment Company Ltd	5,772,008	15.37	5,772,008	15.37

Note No. 13 :- Other Equity

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

		As at March 31, 2020	As at March 31, 2019
(i)	Capital Reserve	**231.44**	231.44
(ii)	Common Control Transactions Capital Reserve	**(6.51)**	(6.51)
(iii)	Capital Redemption Reserve	**8.91**	8.91
(iv)	General Reserve	**328.96**	328.96
(v)	Retained Earnings	**(477.45)**	1,722.95
(vi)	Currency Fluctuation Reserve	**569.71**	410.11
	Total Attributable to owners of the Company	**655.06**	2,695.86
(vi)	Non Controlling Interest	**-**	-
		655.06	2,695.86

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.

Modern India Limited

Notes to the Consolidated Financial Statements for the year ended March 31, 2020

Note No. 14 (a) :- Borrowings - Non Current

(` in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Measured at amortized cost		
Secured Borrowings:		
Term Loans		
From Banks (*)	99.12	115.72
Total	99.12	115.72

(*) During the current financial year 2019-20, 2 car finance loan was taken from Banks repayable in 36 monthly installments with interest @ 9.16% to 9.45% per annum and the last installment is due in September - 2022.

During the previous financial year 2018-19, 4 car finance loans were taken from Bank repayable in 36 monthly installments with interest @ 07.71% per annum and the last installment is due in September - 2021. Also a car finance loan was taken from Bank repayable in 60 monthly installments with interest @ 8.81% per annum and the last installment 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, 2020	As at March 31, 2019
A. Secured Borrowings		
Loans repayable on demand - Current		
From Banks (#)	1,620.13	919.32
Total Secured Borrowings	**1,620.13**	**919.32**
B. Unsecured Borrowings		
Loans from related parties	26.05	-
Total Unsecured Borrowings	**26.05**	**-**
Total	**1,646.18**	**919.32**

` 1305.61 Lakhs (Previous year ` 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.

` 149.08 Lakhs Secured by hypothecation of Investments in Units of Mutual Funds. The rate of Interest is in the range of 8.45% to 8.85% per annum.

` 165.45 Lakhs (Previous year ` 249.89 Lakhs) Secured by pledge of Bank Fixed Deposits and Corporate Guarantee given by the Company.

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

Particulars	As at March 31, 2020	As at March 31, 2019
Other non current financial liability		
(a) Deposits received	13,921.22	12,709.82
(b) Liability for Right of Use Assets	818.38	-
TOTAL	**14,739.60**	**12,709.82**

(*) Repayment of Security Deposits of ` 16,800.00.00 Lakhs (Fair valued at ` 13,921.22 Lakhs) is dependent on development of some of the properties in Mumbai. The deposits do not carry any interest.

During the earlier 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 us from the purchaser for the said land shall be 50% of the realizations 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).

Notes to the Consolidated Financial Statements for the year ended March 31, 2020

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

Particulars	As at March 31, 2020	As at March 31, 2019
(a) Current maturities of long-term debt (*)	52.07	42.88
	-	
(b) Unclaimed dividends (#)	17.38	20.40
(c) Deposits	1.35	1.35
(d) Liability for Right of Use Assets	141.09	-
(e) Liabilities for expenses	264.97	160.85
TOTAL	**476.86**	**225.48**

(*) During the current financial year 2019-20, 2 car finance loan was taken from Banks repayable in 36 monthly installments with interest @ 9.16% to 9.45% per annum and the last installment is due in September - 2022.

During the previous financial year 2018-19, 4 car finance loans were taken from Bank repayable in 36 monthly installments with interest @ 07.71% per annum and the last installment is due in September - 2021. Also a car finance loan was taken from Bank repayable in 60 monthly installments with interest @ 8.81% per annum and the last installment 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

(` in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Provision for employee benefits		
(a) Gratuity (Unfunded)	80.96	59.93
(b) Leave Encashment (Unfunded)	12.49	19.19
TOTAL	**93.45**	**79.11**

Note No. 16 (b) :- Provisions - current

Particulars	As at March 31, 2020	As at March 31, 2019
Provision for employee benefits		
(a) Gratuity (Unfunded)	25.81	30.16
(b) Leave Encashment (Unfunded)	10.86	26.66
TOTAL	**36.67**	**56.82**

Modern India Limited

Notes to the Consolidated Financial Statements for the year ended March 31, 2020

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

Particulars	As at March 31, 2020	As at March 31, 2019
Deferred revenue on security deposit	1,271.84	2,411.74
TOTAL	1,271.84	2,411.74

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

Particulars	As at March 31, 2020	As at March 31, 2019
a. Income received in advance	130.01	3.62
b. Deferred revenue on security deposit	1,139.90	1,143.02
c. Statutory dues	53.77	57.02
d. Others	-	337.41
TOTAL	1,323.68	1,541.08

Note No. 18 :- Trade Payable

Particulars	As at March 31, 2020	As at March 31, 2019
Trade payable for goods & services (Outstanding dues of other than Micro and Small Enterprises)	2,001.67	1,954.90
TOTAL	**2,001.67**	**1,954.90**

There are no Micro and Small Enterprises to whom the Company owes dues, which are outstanding for more than 45 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.

Modern India Limited
Notes to the Consolidated Financial Statements for the year ended March 31, 2020

Note No. 19 :- Revenue from Operations

(` in Lakhs)

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
(a) Sale of Goods Traded	15,446.75	17,006.75
(b) Revenue from Renewable Energy Generation	259.68	253.93
(c) **Sale of Services:**		
(i) Revenue from Background Check Services	2,019.48	1,886.39
(ii) Vocational Trainning Fees	-	0.63
(iii) Income from Real Estate Business	1.20	1.50
(d) **Other Operating Revenues**		
Rent Income	17.48	12.52
TOTAL	**17,744.59**	**19,161.72**

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, 2020	Year Ended March 31, 2019
(a) Interest Income on	**302.75**	**281.54**
(1) On Financial Assets at Amortized Cost	3.91	9.64
(2) Loans and others	298.84	271.90
(b) Dividend Income	12.72	22.56
(c) Net Gain on sale of investments	-	53.87
(d) Provision no longer required Written Back (Net)	18.97	3.64
(e) Miscellaneous income	95.24	37.43
(f) Profit on Sale of PPE (Net)	1.13	-
(g) Fair value gain on financial instruments at FVTPL	-	80.82
(h) Real Estate income on fair valuation of security deposit	1,143.02	964.35
TOTAL	**1,573.83**	**1,444.20**

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

(` in Lakhs)

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Inventories at the end of the year:		
Trading Business		
Traded Goods	6.43	7.42
Real Estate Business		
(i) Land & Structure	1,878.79	1,277.42
Less: Net Impact due to fair valuation of security deposit	(467.04)	(535.41)
Add: Expenditure incurred during the year	144.50	601.37
	1,556.25	**1,343.38**
(ii) Land	220.61	214.67
	1,783.29	**1,565.47**
Inventories at the beginning of the year:		
Trading Business		
Traded Goods	7.42	6.40
Real Estate Business		
(i) Land & Structure	1,878.79	1,277.42
Less: Net Impact due to fair valuation of security deposit	(535.41)	(329.55)
	1,343.38	**947.87**
(ii) Land	214.67	214.67
Renewable Energy Certificates	-	76.67
	1,565.47	**1,245.61**
TOTAL - Net increase /(decrease)	**217.82**	319.86

Note No. 22 :- Employee Benefits Expense

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
(a) Salaries and wages, including bonus	1,491.06	1,323.81
(b) Contribution to provident and other funds	112.94	90.03
(c) Gratuities	26.92	22.52
(d) Directors Sitting Fees	24.50	30.90
(e) Staff welfare expenses	27.28	26.34
TOTAL	**1,682.70**	**1,493.61**

Note No. 23 :- Finance Cost

(` in Lakhs)

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
(a) Interest expense	148.73	91.75
(b) Interest on Assets under Lease	72.17	-
(c) Unwinding of finance cost relating to valuations of Security Deposit	1,211.39	758.48
TOTAL	**1,432.30**	**850.23**

Note No. 24 :- Other Expenses

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
(a) Verification charges	422.69	363.37
(b) Power & Fuel	50.79	48.21
(c) Rent Paid	230.52	230.66
Less: Transferred to Lease Liability in respect of Right of Use Assets as per Ind As - 116	(168.85)	-
(d) Water Charges	0.14	0.29
(e) Repairs to buildings	44.80	6.18
(f) Repairs to machinery	17.68	13.27
(g) Repairs and maintenance - Others	4.67	4.35
(h) Rates and taxes	24.14	26.69
(i) Insurance charges	10.48	11.96
(j) Provision for doubtful debts and advances	479.12	86.04
(k) Donations	6.00	0.02
(l) Payment to Auditors:		
(1) Statutory Audit Fees	18.80	13.32
(2) Tax Audit Fees	0.75	1.75
(3) Certification and Other services	5.25	2.73
Less: Transferred to Amalgamation Expenses	-	(0.15)
(4) Reimbursement of expenses	0.40	0.37
(m) Bad Debts	-	28.12
(n) Other expenses		
(1) Legal and other professional fees	366.85	223.13
(2) Travelling and conveyance Expenses	99.61	117.45
(3) Other General Expenses	388.21	293.58
(4) Commission on sales	14.11	149.94
(5) Real Estate Business Expenses	150.43	601.37
(6) Loss on Sale of PPE (Net)	-	8.93
(7) Loss on Sale of Investments (Net)	24.05	-
(8) Fair Value gain on financial instruments at FVTPL	-	8.34
(9) Security Charges	25.32	23.28
TOTAL	**2,215.95**	**2,263.18**

Modern India Limited
Notes to the Consolidated Financial Statements for the year ended March 31, 2020

Note No. 25 :- Current Tax and Deferred Tax

(a) Income Tax recognized in profit and loss

Particulars	For the year ended 31 March, 2020	For the year ended 31 March, 2019
Current Tax:		
Current tax on taxable income of the year	38.71	50.21
Adjustments in respect of prior years	-	-
Deferred Tax		
Deferred tax Charge / (credit)	-168.26	-312.13
Total Tax Expense recognized in profit and loss account	**-129.55**	**-261.92**

(b) Numerical Reconciliation between average effective tax rate and applicable tax rate : -

Particulars	For the year ended 31 March, 2020	For the year ended 31 March, 2019
Loss Before tax	-2217.74	-583.02
Enacted income tax rate in India applicable to the company	25.17%	33.38%
Income Tax using the Company's domestic Tax rate #	-558.16	-194.61
Tax Effect of :		
Dividend Income	-9.34	-14.31
Expenditure Disallowed Under Section 14A	3.23	5.48
Deduction Under Section 24(a) of Annual Value	-0.36	-0.01
Deemed income of House Property	0.24	0.42
On account of Corporate Guarantee	4.74	5.78
Tax exempt of Foreign Subsidiary	11.04	-42.23
Change in Tax Rate including reversal of Deferred Tax Assets ` 209.79 Lakhs	458.52	0.00
Others	-39.45	-22.44
Total Tax expenses recognized in Profit and Loss Account	**-129.55**	-261.92

(c) Movement of Deferred Tax

Particulars	Opening Balance as on 1st April 18	Recognized in profit and Loss in 18-19	Recognized in OCI in 18-19	Closing Balance as on 31st March 19	Recognized in profit and Loss in 19-20	Recognized in OCI in 19-20	Closing Balance as on March 31, 2020
Tax effect of items constituting deferred tax liabilities							
Depreciation	396.09	-65.30		330.79	-125.37		205.41
FVTPL financial asset	62.76	8.75		71.52	-185.80		-114.28
Other item	-	3.66		3.66	-3.66		-
	458.85	**-52.89**	**-**	**405.97**	**-314.83**	**-**	**91.13**
Tax effect of items constituting deferred tax assets							
Employee Benefits	35.71	7.05	-0.57	42.20	-10.66	0.79	32.34
Provision for doubtful debt	55.66	28.73	-	84.39	94.05		178.44
Carry forward Tax Loss	998.18	190.05		1,188.23	-242.33		945.90
Minimum Alternate Tax Credit	80.25	-	-	80.25	-	-	80.25
Other item	0.74	33.41		34.15	12.36		46.51
	1,170.54	259.25	-0.57	1,429.22	-146.58	0.79	1,283.44
Net Tax Asset (Liabilities)	**711.69**	**312.13**	**-0.57**	**1,023.26**	**168.26**	**0.79**	**1,192.31**

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.

Note No. 26 :- Earning Per Share

Particulars	For the year ended 31 March, 2020	For the year ended 31 March, 2019
(Loss) for the year attributable to owners of the Company	**(2,088.19)**	**(335.65)**
Weighted average number of equity shares	**37,542,750**	**37,542,750**
Earnings per share - Basic & Diluted	**(5.56)**	**(0.89)**

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.

Modern India Limited
Notes to the Consolidated Financial Statements for the year ended March 31, 2020

Note No. 27 :- Contingent liabilities and commitments

Particulars	As at March 31, 2020	As at March 31, 2019
Contingent liabilities (to the extent not provided for)		
(i) Corporate Guarantee of USD 5.00 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.	3,768.38	3,460.00
(ii) Income Tax Demand for Assessment Year 2012-13 against which the Company has filed an appeal with CIT (Appeal).	290.63	-
(iii) Other Income Tax Demand	10.85	-
Commitments		
Estimated Value of Contracts in Capital Account remaining to be executed and not provided for net of capital advances.	42.73	-

Note No. 28 :- Disclosures under Ind AS 116

Particulars	As at March 31, 2020	As at March 31, 2019
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	190.58	117.38
later than one year and not later than five years	711.95	429.42
later than five years	-	-
Expenses recognized in the Statement of Profit and Loss including applicable Service Tax		
Minimum Lease Payments	181.88	205.20

Modern India Limited
Notes to the Consolidated Financial Statements for the year ended March 31, 2020
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, 2020 and 31st March, 2019 and recognized in the financial statements in respect of Employee Benefit Schemes:

(` in Lakhs)

Particulars	31-Mar-20	31-Mar-19
I. Change in the defined benefit obligation		
1. Present value of defined benefit obligation at the beginning of the year	90.09	81.91
Current Service Cost	20.02	16.24
Past Service Cost	0.00	0.00
Interest Cost	6.90	6.28
Remeasurement gains / (losses)	3.15	-1.79
Benefit payments	-13.39	-12.55
Others (Specify)		
Present value of defined benefit obligation at the end of the year	**106.76**	**90.09**
II. Expense recognized in the Statement of Profit and Loss		
1. Current service cost	20.02	16.24
2. Past Service Credit	0.00	0.00
3. Interest cost	6.90	6.28
TOTAL	**26.92**	**22.52**
III. Remeasurement (gains) / losses recognized in other Comprehensive Income		
Actuarial gains and loss arising from changes in financial assumptions	10.36	0.27
Actuarial gains and loss arising from experience adjustments	(7.21)	(2.06)
TOTAL	**3.15**	**(1.79)**
IV. Actuarial assumptions	**31-Mar-20**	**31-Mar-19**
1. Discount rate	6.65%–6.87%	7.65% - 7.79%
2. Salary escalation rate - over a long-term	6% - 7%	6% - 7%
3. Mortality rate	Indian Assured Lives Mortality	Indian Assured Lives Mortality
4. Average future working lifetime	15 years	15 years
5. Attrition rate - Holding	1%	1%
- Verifacts, subsidiary	Age upto 30: 10%, 31-40: 5%, 41-50: 3%, 51-55: 2% and above 56: 1%	Age upto 30: 10%, 31-40: 5%, 41-50: 3%, 51-55: 2% and above 56: 1%
V. Sensitivity analysis for each significant actuarial assumption	**31-Mar-20**	**31-Mar-19**
	0.5% increase	
Discount rate	(5.57)	(3.97)
Salary escalation rate - over a long-term	3.82	2.77
Attrition rate	1.17	1.11
	0.5% Decrease	
Discount rate	6.21	4.41
Salary escalation rate - over a long-term	-3.74	-2.73
Attrition rate	-1.24	-1.19
VI. Maturity analysis of defined benefit obligation		
Within the next 12 months	25.81	30.16
Between 2 and 5 years	17.36	15.37
Between 6 and 10 years	24.83	21.19
11 years and above	56.81	49.62
Total expected payments	**124.81**	**116.34**

B. Defined Contribution Plans:

(a) The Company has recognized the following amounts in the Statement of Profit and Loss for the year:

Particulars	31-Mar-20	31-Mar-19
Contribution to provident fund	94.75	67.99
Contribution to Employee State Insurance	18.19	21.89

(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 ` 20.31 Lakhs (Previous Year ` 12.51 Lakhs).

(c) Current/ non-current classification

Particulars		31-Mar-20	31-Mar-19
Gratuity			
Current		25.81	30.16
Non Current		80.96	59.93
Leave Encashment			
Current		10.86	26.66
Non Current		12.49	19.19

Modern India Limited
Notes to the Consolidated Financial Statements for the year ended March 31, 2020

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 31st March, 2020	For the year ended 31 March, 2019
Trading	15,446.75	17,006.75
Real Estate	1.20	1.50
Background Check Services	2,019.48	1,886.39
Renewable Energy	259.68	253.93
Others	17.48	13.15
TOTAL	**17,744.59**	**19,161.72**

(b) Segment Results

Particulars	For the year ended 31st March, 2020	For the year ended 31 March, 2019
Trading	31.11	57.77
Real Estate	-11.90	-204.17
Background Check Services	48.13	225.82
Renewable Energy	-45.80	-138.21
	21.54	**-58.79**
Finance Cost	-1,432.30	-850.23
Other unallocable expenditure net of unallocable income	-806.99	326.00
TOTAL	**-2,217.74**	**-583.02**

(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, 2020	As at 31 March, 2019
Trading	**5,855.41**	4,622.01
Real Estate	**3,032.47**	3,670.54
Background Check Services	**2,031.88**	1,526.56
Renewable Energy	**33,427.08**	1,346.84
Unallocated / Corporate	**-21,251.84**	12,294.79
TOTAL	**23,094.99**	**23,460.74**

(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, 2020	As at 31 March, 2019
Trading	**2,235.40**	1,843.20
Real Estate	**16,332.96**	16,264.59
Background Check Services	**951.61**	466.51
Renewable Energy	**29.26**	12.15
Unallocated / Corporate	**2,139.85**	1,427.57
TOTAL	**21,689.07**	**20,014.02**

(e) Segment Capital Expenditure

Particulars	For the year ended 31st March, 2020	For the year ended 31 March, 2019
Trading	-	-
Real Estate	-	-
Background Check Services	584.23	41.61
Renewable Energy	21.42	2.72
Unallocated / Corporate	543.33	263.58
TOTAL	**1,148.99**	**307.91**

(f) Depreciation and amortization expenses

(` in Lakhs)

Particulars	For the year ended 31st March, 2020	For the year ended 31 March, 2019
Trading		-
Real Estate	4.89	2.92
Background Check Services	123.28	44.09
Renewable Energy	189.15	216.10
Unallocated / Corporate	169.18	100.00
TOTAL	**486.51**	**363.11**

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 31st March, 2020	For the year ended 31 March, 2019
Revenue from External Customers		
India	6,484.78	9,544.55
Outside India	11,259.81	9,617.17
Total Revenue as per Statement of Profit and Loss	**17,744.59**	**19,161.72**

(h) No non current assets of the Company are located outside India.

Information about major customers:

For the Year ended March 31, 2020, in Trading segment two customers contributed 10% or more to Group's revenue. One customer contributed ` 4,111.81 Lakhs and other customer contributed ` 2,777.42 Lakhs.

For the previous 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 `2,954.73 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.

Modern India Limited
Notes to the Consolidated Financial Statements for the year ended March 31, 2020

Note No. 31 :- Related Party Disclosures as per Ind AS 24

Relationships :		**Ownership Interest (%)**	
		31st March, 2020	**31st March, 2019**
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. Ashokraj Birla	Director - Subsidiary		
Mr. Somesh Auddy	CEO - Subsidiary		
Mr. Swapan Bhadra CEO - Resigned w.e.f. 01.06.2018	Erstwhile 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. 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.

(` in Lakhs)

	31st March, 2020	31st March, 2019
Managerial Remuneration		
Mr. Vijay Kumar Jatia	**179.26**	157.49
(Including Leave Encashment of earlier Years)		
Sitting Fees to Non Executive Directors	**24.50**	30.90
Remuneration:		
Mr. Sidhant Jatia	**83.78**	75.89
Mr. Mudit Jatia	**83.78**	75.89
Mr. Swapan Bhadra	**-**	21.00
Mr. Somesh Auddy	**60.09**	37.48
Mr. Somesh Auddy (Reimbursement of Expenses)	**1.77**	-
Legal Fees Paid		
Maneksha & Sethna	**10.10**	9.15
S. D. Israni Law Chambers	**0.70**	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.	**127.66**	125.86
Sale of Trading items		
Guangzhou Modern Trading Co. Ltd.	**162.88**	237.14
Dividend Paid:		
Mr. Swapan Bhadra	**-**	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
Other Current Liabilities - Employee Benefits payable		
Mr. Somesh Auddy	**3.83**	2.88
Guarantees Given		
Modern International (Asia) Ltd.	**3,768.38**	3,460.00

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 31/03/2020	Year ended 31/03/2019
Short-term employee benefits	169.18	147.41
Post-employment benefits	10.08	10.08
Other long-term benefits	-	-
Total	**179.26**	**157.49**

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 recognized 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 same are included as and when paid.

The remuneration of directors and key executives is determined by the remuneration committee having regard to the performance of individuals.

Modern India Limited
Notes to the Consolidated Financial Statements for the year ended March 31, 2020

Note No. 32 :- Financial Instruments and Risk Review

Financial risk management

The Group'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 Group's operations. The Group's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations.

The Group's business activities expose it to a variety of financial risks, namely liquidity risk, market risks and credit risk. The Group's senior management has the overall responsibility for the establishment and oversight of the Group'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 Group'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 Group 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 31 March, 2020	As at 31st March, 2019
Total Borrowings	1,797.37	1,077.92
% of Borrowings out of above bearing variable rate of interest	**90.14**	**85.29**

Interest rate sensitivity
A change of 50 bps in interest rates would have following Impact on loss before tax

	2019-20	2018-19
50 bp increase would increase the loss before tax by	8.99	5.39
50 bp decrease would decrease the loss before tax by	8.99	5.39

(ii) Market Risk- Price Risk
Exposure

The Group's exposure to equity securities price risk arises from investments held by the Group 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 Group diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Group.

Sensitivity

The table below summarizes the impact of increases/decreases of the BSE index on the Group'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 Group'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

Particulars	As at 31st March, 2020	As at 31st March, 2019
Increase 5%	59.16	79.63
Decrease 5%	-59.16	-79.63
Impact on loss before tax on account of units of mutual funds		
Increase 5%	222.04	204.80
Decrease 5%	-222.04	-204.80

Above referred sensitivity pertains to quoted equity investment and units of mutual funds. Loss 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 Group 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 Group. Where loans or receivables have been written off, the Group 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 9 (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 Group is exposed to credit risk in relation to guarantee given to Indian Overseas Bank on behalf of Wholly Owned Subsidiary Company. The Group's maximum exposure in this respect is the maximum amount the Group could have to pay if the guarantee is called on. As at 31 March 2020, an amount of ` 3,768.38 Lakhs (31 March 2019: ` 3,460.00 Lakhs) has been disclosed as contingent liabilities. The Group does not expect any outflow of resources in respect of the above.

Ageing of Trade receivables (net of provisions)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Not due		
0 to 3 months	3,440.38	3,122.02
3 to 6 months	40.88	25.03
6 to 12 months	20.48	-
beyond 12 months	1,360.56	1,348.48
Total	**4,862.30**	**4,495.53**

Movement in provisions of doubtful debts

Particulars	As at 31st March, 2020	As at 31st March, 2019
Opening provision	192.81	136.76
Add:- Additional provision made during the year	-	56.04
Less:- Provision write off		-
Less:- Provision reversed		-
Closing provisions	**192.81**	**192.80**

Movement in provisions of doubtful advances

Particulars	As at 31st March, 2020	As at 31st March, 2019
Opening provision	205.55	175.55
Add:- Provision made during the year	476.22	30.00
Less:- Provision write off	-	-
Less:- Provision reversed	-20.00	-
Closing provisions	**661.77**	205.55

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the management in accordance with the Group'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 minimize 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, Group treasury maintains flexibility in funding by maintaining availability under committed credit lines. Management monitors rolling forecasts of the Group'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

Particulars	0-1 years	1-5 years	beyond 5 years	Total
31-Mar-20				
Long term borrowings (Including current maturity of long term debt)	52.07	99.12	-	151.19
Short term borrowings	1646.18	-	-	1,646.18
Total	**1,698.25**	**99.12**	**-**	**1,797.37**
31-Mar-19				
Long term borrowings (Including current maturity of long term debt)	42.88	115.72	-	158.60
Short term borrowings	919.32	-	-	919.32
Total	962.20	115.72	-	1,077.92

As at 31st March,'20	Carrying Amount	upto 12 months	More than 12 months	Total
Trade Payable	2,001.67	2,001.67	-	2,001.67
Other Financial liability (Current and Non Current)	15,164.39	424.79	14,739.60	15,164.39
Total	**17,166.06**	**2,426.46**	**14,739.60**	**17,166.06**

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 and Non 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**

(D) CAPITAL RISK MANAGEMENT

The Group'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, 2020	As at 31st March, 2019
Equity shares		
Final dividend for the year ended 31st March, 2019 of ` 0.24 (31st March, 2018 : ` 0.30) per fully paid share	90.10	112.63
Dividends not recognized at the end of the reporting period		
Board of Directors in their meeting held on June 29, 2020 have not recommended any dividend.	-	90.10

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, 2020	March 31, 2019
Borrowings	1,797.37	1,077.92
Less : Cash and Cash equivalents	-44.28	-43.42
Less : Other Bank Balances	-917.46	-979.15
Less : Current Investments	-1.05	-523.30
Total Debt	**834.58**	**-467.95**
Equity	1,405.92	3,446.72
Equity attributable to owners	**1,405.92**	**3,446.72**
Debt Equity Ratio	**0.59**	**-0.14**

Modern India Limited

Notes to the Consolidated Financial Statements for the year ended March 31, 2020

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 Group 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, 2020	**Routed through Profit and Loss**				**Carried at amortized cost**				**Total amount**
	Level 1	**Level 2**	**Level 3**	**Total**	**Level 1**	**Level 2**	**Level 3**	**Total**	
Financial Assets									
Non Current Investments									
- Equity instrument	813.31			813.31				-	813.31
- Other instrument	701.04			701.04					701.04
- Mutual Funds / Other Funds	4,440.76			4,440.76				-	4,440.76
- Bonds & Debentures	-			-	399.69			399.69	399.69
Current Investments in mutual funds	1.05			1.05				-	1.05
Other financial assets - Non current	-			-			334.52	334.52	334.52
Trade receivables				-			4,862.30	4,862.30	4,862.30
Cash and cash equivalents				-			44.28	44.28	44.28
Bank balances other than cash & cash equivalents				-			917.46	917.46	917.46
Loans							223.77	223.77	223.77
Other financial assets - current				-			341.12	341.12	341.12
Total	**5,956.17**	**-**	**-**	**5,956.17**	**399.69**	**-**	**6,723.45**	**7,123.13**	**13,079.30**
Financial Liabilities									
Non Current Borrowings							99.12	99.12	99.12
Current Borrowings							1,646.18	1,646.18	1,646.18
Non Current Other financial liabilities							14,739.60	14,739.60	14,739.60
Current Other financial liabilities							476.86	476.86	476.86
Trade payables							2,001.67	2,001.67	2,001.67
Total	**-**	**-**	**-**	**-**	**-**	**-**	**18,963.43**	**18,963.43**	**18,963.43**

(` in Lakhs)

Financial Assets and Liabilities as at 31st March, 2019	Routed through Profit and Loss				Carried at amortized cost				Total amount
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	
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	4,096.08			4,096.08				-	4,096.08
- Bonds	-			-	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**

B - Fair value of financial assets and liabilities measured at amortized cost

	As at 31st March, 2020		As at 31st March, 2019	
	Carrying amount	Fair Value	Carrying amount	Fair Value
Financial Assets				
Investment In Bonds & Debentures	399.69	324.00	548.65	540.78
Financial assets - Current & non current	6,723.45	6,723.45	6,666.62	6,666.62
Total	7,123.13	7,047.44	7,215.27	7,207.41
Financial liabilities				
Financial liabilities - Current & non current	17,218.13	17,218.13	14,890.21	14,890.21
Borrowings	1,745.30	1,745.30	1,035.04	1,035.04
Total	18,963.43	18,963.43	15,925.26	15,925.26

Modern India Limited
Consolidated notes to the standalone financial statements for the year ended March 31, 2020

Note No. 34 :-
In the opinion of the Board of respective Company, current assets, loans and advances are approximately of the value stated, if realized 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 :-
(i) The Group 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 taken over. However on conservative basis provision for the same is made during the year.
(ii) Loans and advances given by erstwhile subsidiary Group - 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. 37
The Ministry of Corporate Affairs has notified Indian Accounting Standard 116 ("Ind AS 116"), Leases, with effect from 1st April, 2019. The Standard primarily requires the Group, as a lessee, to recognize, at the commencement of the lease a right-to-use asset and a lease liability (representing present Value of unpaid lease payments). Such right-to-use assets are subsequently depreciated and the lease liability reduced when paid, with the interest on the lease liability being recognized as finance costs, subject to certain remeasurement adjustments. As permitted by the standard, the Group has elected to apply this standard to its leases w.e.f. 1st April, 2019 and comparatives for the previous year have not been restated. The effect of this adoption is insignificant on the Loss for the year. The net assets (PPE) and net liabilities as at March 31, 2020 have increased by ` 916.54 Lakhs and ` 959.47 Lakhs respectively.

Note No. 38

The outbreak of Covid-19 pandemic is causing significant disturbance and slowdown of economic activities globally. The nationwide lockdown ordered by the Government of India has resulted in significant reduction in economic activities and also the business operations of the Group in terms of trading sales, real estate, solar power generation and background check services however the Group is of the view that there is no significant impact on the financial performance of the Group for the year ended March 31, 2020. Further, as at March 31, 2020, the Group expects to fully recover the carrying amount of its assets and liabilities. Based on the current indicators of future economic conditions, the management expects to recover the carrying amount of the assets. However, due to the uncertainties associated with the pandemic, the actual impact may not be in line with current estimates. The management will continue to closely monitor any material changes based on future economic conditions. Given the uncertainties, the final impact on Group's operating results, financial condition and cash flows cannot be predicted at this time and in future may differ from that estimated as at the date of approval of these financial statements. Further, the impact assessment does not indicate any adverse impact on the ability of the Group to continue as a going concern.

Note No. 39
Previous year’s figures have been regrouped / reclassified / restated wherever necessary to correspond with the current years' classification/disclosure.

Note No. 40 :- Net Debt Reconciliation

(` in Lakhs)

Particulars	**31st March, 2020**	**31st March, 2019**
Cash and Cash Equivalents and Bank overdraft	(1,575.86)	(875.90)
Non-Current Borrowings (Including Current Maturities)	151.19	158.60
Current Borrowings	26.05	-
Interest Payable	-	-
Net Debt	(1,398.62)	(717.30)

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, 2019	(875.90)	158.60	-	-	(717.30)
Cash Flows	(699.95)	(7.41)	26.05		(681.31)
Finance Cost	-	-	-	1,432.30	1,432.30
Interest paid	-	-	-	(148.73)	(148.73)
Other Non Cash Movements					
- Fair Value Adjustments				(1,283.57)	(1,283.57)
Net Debt as at 31st March, 2020	(1,575.86)	151.19	26.05	-	(1,398.62)

As per our report of even date attached

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

SD/-
Narendra Jain
Partner
Membership No. 048725
Mumbai: June 29, 2020

For and on behalf of the Board of Directors

SD/-
Vijay Kumar Jatia
Chairman and **Managing Director**

SD/-
Anand Didwania
Director

SD/-
Parind Badshah
Vice President - CS
Mumbai: June 29, 2020

SD/-
Nawalkishore Deora
Sr. Vice President & C. F. O.

Modern India Limited
Notes to the consolidated financial statements for the year ended March 31, 2020

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-20	31-Mar-19	
Modern International (Asia) Limited	Trading	Hongkong	100	100	N
Modern International (Vietnam) Company Limited (Subsidiary of MIAL w.e.f. 17.10.2019)	Trading	Vietnam	100	N. A.	N
Verifacts Services Private Limited	Background Checking	India	100	100	N

Notes to the consolidated financial statements for the year ended March 31, 2020

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, 2020:

` 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 2020	-197.50	-14.05	-2,181.44	104.47	-3.32	-2.11	-2,184.76	113.14
31st March 2019	2,081.02	60.38	-554.70	172.76	0.82	1.11	-553.88	223.69
Indian subsidiaries								
Verifacts Services Private Limited								
31st March 2020	311.80	22.18	49.39	-2.37	0.97	0.61	50.35	-2.61
31st March 2019	277.55	8.05	92.57	-28.83	0.35	0.48	92.92	-37.53
Foreign subsidiary								
Modern International (Asia) Limited								
31st March 2020	1,294.69	92.09	46.52	-2.23	160.02	101.76	206.54	-10.70
31st March 2019	1,088.15	31.57	126.49	-39.39	72.25	98.33	198.74	-80.26
Modern International (Vietnam) Company Limited								
31st March 2020	-3.07	-0.22	-2.66	0.13	-0.41	-0.26	-3.07	0.16
31st March 2019	N. A.	N. A.	N. A.	N. A.	N. A.	N. A.	N. A.	N. A.
Non-controlling Interest in all subsidiaries								
31st March 2020	-	-	-	-	-	-	-	-
31st March 2019	-	-	14.55	-4.53	0.06	0.08	14.61	-5.90
Total								
31st March 2020	**1,405.92**	**100.00**	**-2,088.19**	**100.00**	**157.25**	**100.00**	**-1,930.94**	**100.00**
31st March 2019	**3,446.72**	**100.00**	**-321.08**	**100.00**	**73.48**	**100.00**	**-247.61**	**100.00**

As per our report of even date attached

For Khandelwal Jain & Co.

Chartered Accountants

Firm Reg. No. 105049W

SD/-

Narendra Jain

Partner

Membership No. 048725

Mumbai : June 29, 2020

For and on behalf of the Board of Directors

SD/-

Vijay Kumar Jatia

Chairman and **Managing Director**

SD/-

Anand Didwania

Director

SD/-

Parind Badshah

Vice President - CS

Mumbai : June 29, 2020

SD/-

Nawalkishore Deora

Sr. Vice President & C. F. O.

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.

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