

MODERN INDIA PROPERTY DEVELOPERS LIMITED

Corporate Identification No. (CIN) -U72200MH2000PLC128584

Registered Office: 1, Mittal Chambers, 228 Nariman Point, Mumbai 400021 Tel: +91 22 67444200 Fax: +91 22 67444300

E-mail: info@modernindia.co.in

NOTICE TO EQUITY SHAREHOLDERS

MEETING OF THE EQUITY SHAREHOLDERS OF MODERN INDIA PROPERTY DEVELOPERS LIMITED CONVENED PURSUANT TO THE DIRECTIONS OF THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL, MUMBAI BENCH

| | | |
|----------------|--|----------------------|
| Day | Saturday | |
| Date | 20 th April, 2019 | |
| Time | 11.30 a.m | |
| Venue | 1, Mittal Chambers, 228, Nariman Point, Mumbai-400021. | |
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BEFORE THE NATIONAL COMPANY LAW TRIBUNAL,
BENCH AT MUMBAI
COMPANY SCHEME APPLICATION NO.436 OF 2019

In the matter of the Companies Act, 2013;

And

In the matter of Application under Sections 230-232 and other relevant provisions of the Companies Act, 2013 read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016;

And

In the matter of 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.

Modern India Property Developers Limited [CIN: U72200MH2000PLC128584])
a company incorporated under the Companies Act,)
1956 having its Registered Office at 1, Mittal Chambers,)
228, Nariman Point, Mumbai 400021) ... Applicant Company

**NOTICE CONVENING MEETING OF THE EQUITY SHAREHOLDERS OF
MODERN INDIA PROPERTY DEVELOPERS LIMITED, THE APPLICANT COMPANY**

To
The Equity Shareholders of Modern India Property Developers Limited, The Applicant Company

TAKE NOTICE THAT by Order dated, 21st February, 2019, in the above mentioned Company Scheme Application (the "Order"), the Hon'ble National Company Law Tribunal, Mumbai Bench ("**the Tribunal**" or "**NCLT**") has directed, inter alia, that a Meeting of the Equity Shareholders of the Company be convened and held at 1, Mittal Chambers, 228, Nariman Point, Mumbai-400021 on Saturday, 20th April, 2019 at 11:30 a.m. for the purpose of considering, and if thought fit, approving with or without modification(s), the proposed 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" or " the Company") with Modern India Limited ("Transferee Company") and their respective Shareholders and Creditors. ("**the Scheme**").

TAKE FURTHER NOTICE that in pursuance of the said Order and as directed therein, a Meeting of the Equity Shareholders of the Company will be held at 1, Mittal Chambers, 228, Nariman Point, Mumbai-400021 on Saturday, 20th April, 2019 at 11:30 a.m. at which place, day, date and time, you are requested to attend.

TAKE FURTHER NOTICE that you may attend and vote at the Meeting in person or by proxy, provided that all proxies in the prescribed form are deposited at the Registered Office of the Company at 1, Mittal Chambers, 228, Nariman Point, Mumbai 400021 not later than 48 hours before the scheduled time of the Meeting.

TAKE FURTHER NOTICE that a copy of the Scheme, the Explanatory Statement under Section 230(3) read with Section 102 of the Companies Act, 2013, (" the Act") Form of Proxy, Attendance Slip and other annexures as stated in the Index are enclosed herewith.

Copy of the Scheme, Explanatory Statement under Section 230 of the Companies Act, 2013 and Form of Proxy can be obtained free of charge at Modern India Property Developers Limited, 1, Mittal Chambers, 228, Nariman Point, Mumbai 400021 between 11:00 a.m. to 4:00 p.m., on any working day (except Saturdays, Sundays and public holidays).

The Hon'ble Tribunal has appointed Shri. Vijay Kumar Jatia, Director, or failing him, Shri. Nawalkishore Deora, Director to be the Chairman of the Meeting. The above Scheme, if approved by the Equity Shareholders, will be subject to the subsequent approval of the Hon'ble Tribunal.

The Board of Directors of the Applicant Company at its Meeting held on 2nd November, 2018, has approved the Scheme, subject to approval by the requisite majority of the Shareholders of the Applicant Company as may be required and subject to the sanction of the Hon'ble Tribunal and of such other authorities as may be necessary.

The voting rights of Equity Shareholders shall be in proportion to their Equity Shareholding in the Company as on the close of business hours on Friday, 08th March, 2019 ("Cut-off Date").

The Equity shareholders are requested to consider, and if thought fit to pass, with or without modification(s), the following resolution under Sections 230 to 232 of the Companies Act, 2013 (including any statutory modification(s) thereof for the time being in force):

"RESOLVED THAT pursuant to the provisions of Sections 230 to 232 of the Companies Act, 2013 read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 (including any statutory modification(s) thereof for the time being in force), and other applicable provisions of Companies Act, 2013 and the provisions of the Memorandum and Articles of Association of the Company, and subject to the approval of the Mumbai Bench of the Hon'ble National Company Law Tribunal, and subject to such other approvals, permissions and sanctions of regulatory and other authorities, as may be necessary and subject to such conditions and modifications as may be prescribed or imposed by the Mumbai Bench of the Hon'ble National Company Law Tribunal or by any regulatory or other authorities, while granting such consents, approvals and permissions, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the "Board", which term shall be deemed to mean and include one or more Committee(s) constituted/ to be constituted by the Board or any other person authorised by it to exercise its powers including the powers conferred by this Resolution), the arrangement embodied in the Scheme of Amalgamation of Modern India Free Trade Warehousing Private Limited ("Transferor Company No. 1") and Modern India Property Developers Limited ("Transferor Company No. 2" or "Applicant Company") with Modern India Limited ("Transferee Company") and their respective Shareholders and creditors. ("Scheme") placed before this Meeting and initialed by the Chairman of the Meeting for the purpose of identification, be and is hereby approved.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things, as it may, in its absolute discretion deem requisite, desirable, appropriate or necessary to give effect to this resolution and effectively implement the arrangement embodied in the Scheme and to accept such modifications, amendments, limitations and/or conditions, if any, which may be required and/or imposed by the Mumbai Bench of the Hon'ble National Company Law Tribunal while sanctioning the arrangement embodied in the Scheme or by any authorities under law, or as may be required for the purpose of resolving any doubts or difficulties that may arise in giving effect to the Scheme, as the Board may deem fit and proper."

Sd/-
Vijay Kumar Jatia
(DIN: 00096977)
Chairman appointed for the Meeting

Mumbai, 1ST March, 2019

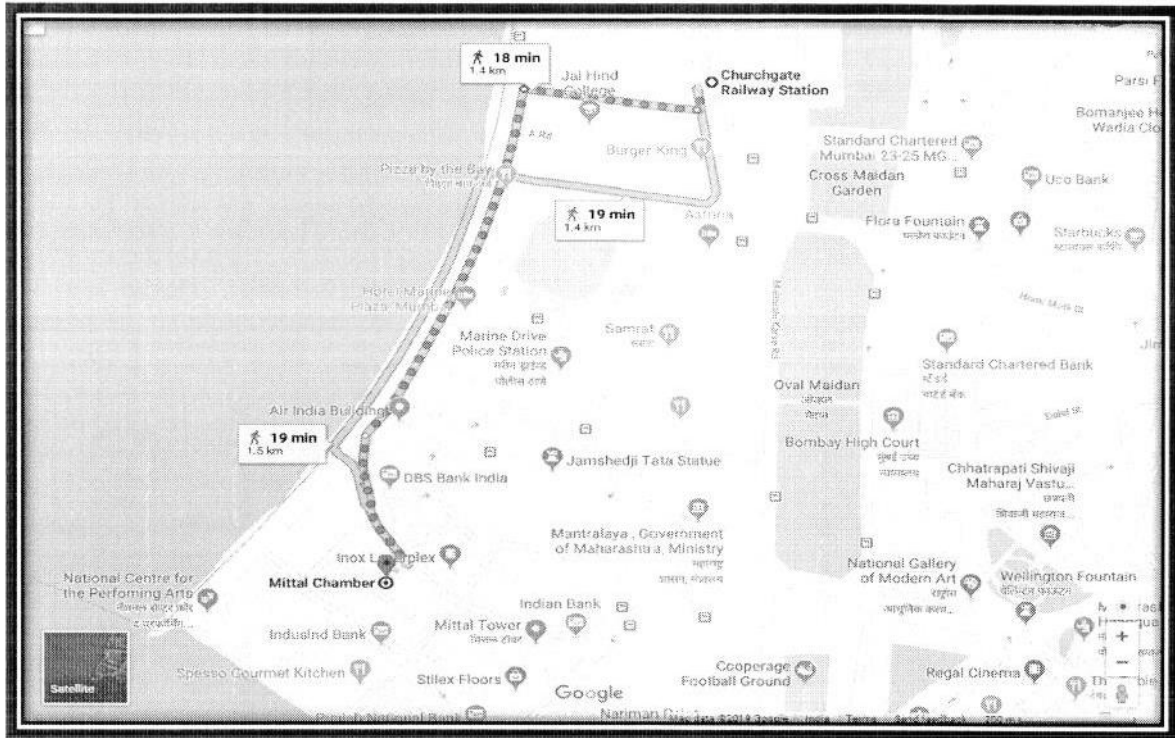
Corporate Identification No. (CIN) - U72200MH2000PLC128584
Registered Office: 1, Mittal Chambers, 228, Nariman Point, Mumbai 400021
Tel: +91 22 67444200 Fax: +91 22 67444300 E-mail: info@modernindia.co.in

Notes:-

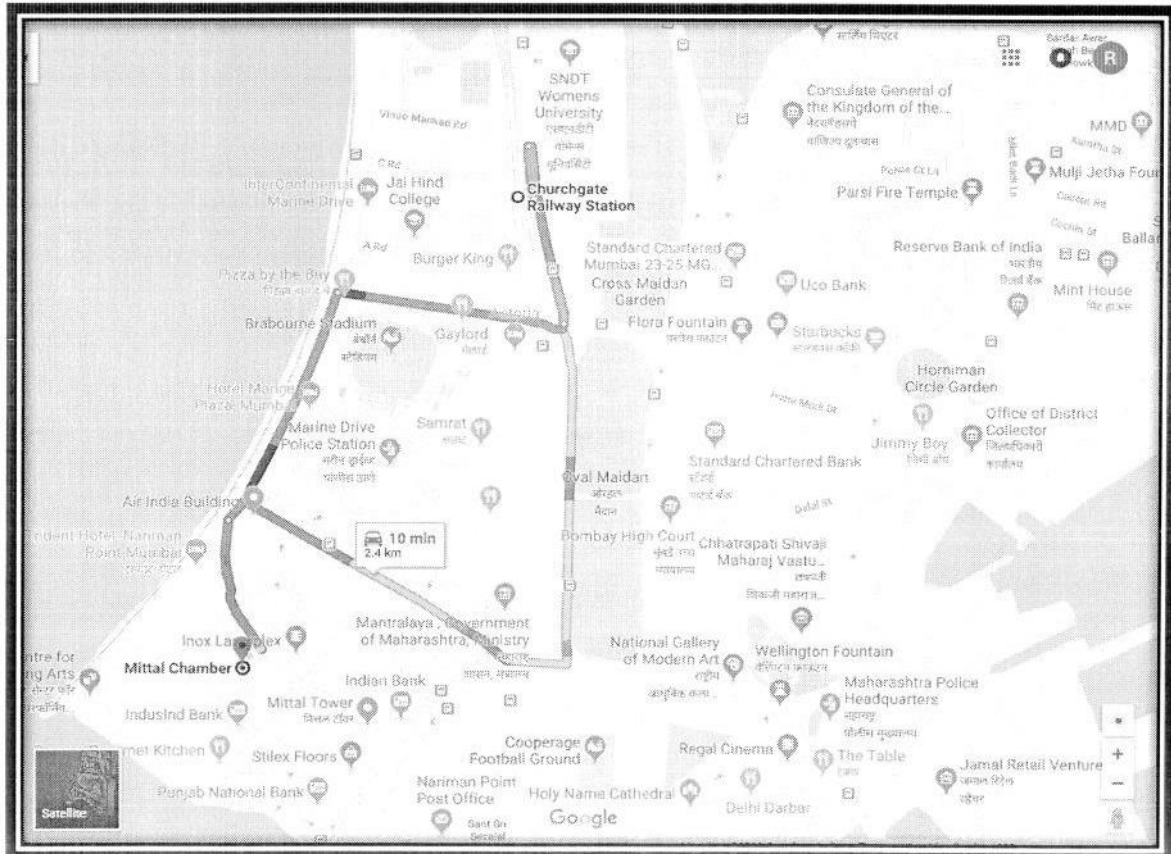
1. A Member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a Member of the Company. Proxies in order to be effective must be received by the Company at its Registered Office not later than 48 hours before the scheduled time of the Meeting.
2. All alterations made in the Form of Proxy should be initialed. The Form of Proxy can be obtained free of charge at the registered office of the Company at 1, Mittal Chambers, 228, Nariman Point, Mumbai-400021.
3. Only registered Equity Shareholders of the Company may attend and vote (either in person or by proxy or by Authorised representative under Section 113 of the Companies Act, 2013 ("the Act") at the Meeting. The Authorized Representative of a body corporate which is a registered Equity Shareholder of the Company may attend and vote at the Meeting provided a certified true copy of the resolution of the Board of Directors under Section 113 of the Act or other governing body of the body corporate authorizing such representative to attend and vote at the Equity Shareholders' Meeting is deposited with the Company at its Registered Office not later than 48 hours before the Meeting.
4. A Member or his/her Proxy is requested to bring the copy of the Notice to the Meeting and produce the Attendance Slip, duly completed and signed, at the entrance of the Meeting venue.
5. Members are informed that in case of joint holders attending the Meeting; only such joint holder whose name stands first in the Register of Members of the Company in respect of such joint holding will be entitled to vote.
6. The Notice is being sent to all members, whose names appear in the Register of Members as on 8th March, 2019 ("cut-off date").
7. Voting rights shall be reckoned on the paid up value of the shares registered in the name(s) of the members on the cut-off date i. e. Friday, 8th March, 2019. The voting rights of the members shall be in proportion to their share of the paid up equity share capital of the Company on the cut-off date.
8. Relevant documents referred to in the Notice and the Explanatory Statement are open for inspection by Members of the Company at Modern India Property Developers Limited, 1, Mittal Chambers, 228, Nariman Point, Mumbai 400021 between 11:00 a.m. to 4:00 p.m. on all working days (except Saturdays, Sundays and public holidays) up to the date of the Meeting.
9. As directed by the Hon'ble Tribunal, Shri.P N Parikh (FCS 327) and failing him Shri.Mitesh Dhaliwala (FCS 8331) of M/s Parikh & Associates, Practising Company Secretaries shall act as Scrutinizer to scrutinize votes cast on poll at the Meeting and submit a report on votes cast to the Chairman of the Meeting.
10. The result of the voting shall be announced by the Chairman of the Meeting or any other person authorised by him on or before Monday, 22nd April, 2019, upon receipt of Scrutinizer's report. The results shall also be displayed on the Notice Board at the registered office of the Company.

ROUTE MAP

BY WALKING FROM CHURCHGATE TO VENUE



BY BUS/TAXI FROM CHURCHGATE TO VENUE



BEFORE THE NATIONAL COMPANY LAW TRIBUNAL,
BENCH AT MUMBAI
COMPANY SCHEME APPLICATION NO 436 OF 2019

In the matter of the Companies Act, 2013;

And

In the matter of Application under Sections 230-232 and other relevant provisions of the Companies Act, 2013 read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016;

And

In the matter of 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.

Modern India Property Developers Limited [CIN: U72200MH2000PLC128584])
a company incorporated under the Companies Act,)
1956 having its Registered Office at 1, Mittal Chambers,)
228, Nariman Point, Mumbai 400021) ... Applicant Company

EXPLANATORY STATEMENT UNDER SECTIONS 230(3), 232(2) AND 102 OF THE COMPANIES ACT, 2013 READ WITH RULE 6 OF THE COMPANIES (COMPROMISES, ARRANGEMENTS AND AMALGAMATIONS) RULES, 2016 FOR THE MEETING OF EQUITY SHAREHOLDERS OF THE APPLICANT COMPANY CONVENED AS PER THE DIRECTIONS OF THE NATIONAL COMPANY LAW TRIBUNAL, MUMBAI BENCH.

1. This is a statement accompanying the Notice convening the Meeting of the Equity Shareholders of the Applicant Company, pursuant to an Order dated, 21st February, 2019, passed by the Hon'ble National Company Law Tribunal, Mumbai Bench ("**Hon'ble Tribunal**" or "**NCLT**") in the Company Scheme Application No. 436 of 2019 referred to hereinabove, to be held at 1, Mittal Chambers, 228, Nariman Point, Mumbai-400021 on Saturday, 20th April, 2019, at 11.30 a.m. for the purpose of considering, and if thought fit, approving, with or without modification(s), the proposed 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**") and their respective Shareholders and Creditors ("**Scheme**").
2. A copy of the Scheme is enclosed herewith as **Annexure "A"** along with this Explanatory Statement. The proposed Scheme is envisaged to be effective from the Appointed Date (as defined in the Scheme) but shall be made operative from the Effective Date (as defined in the Scheme).
3. In this statement, Modern India Free Trade Warehousing Private Limited (CIN-U63020MH2008PTC183877) (PAN-AAFCM6036J) is hereinafter referred to as "Transferor Company No. 1", Modern India Property Developers Limited (CIN-U72200MH2000PLC128584) (PAN-AAACW3167D) is hereinafter referred to as "Transferor Company No.2" or "the Company" and Modern India Limited (CIN - L17120MH1933PLC002031) (PAN-AAACT4121E) is hereinafter referred to as "Transferee Company". Transferor Company No.1 and Transferor Company No.2 have been collectively referred to as "Transferor Companies". The other definitions contained in the Scheme shall also apply to this Explanatory Statement.
4. Pursuant to the Order made on, 21st February, 2019, passed by the Hon'ble Tribunal and in the Company Scheme Application No.436 of 2019, a Meeting of the Equity Shareholders of the Company is being convened and held for the purpose of considering and, if thought fit, approving, with or without modification(s), the Scheme.
5. The said Order will be available for inspection at the Registered Office of the Company at 1, Mittal Chambers, 228, Nariman Point, Mumbai-400021, on any working day of the Company between 11.00 a.m. and 4.00 p.m. (IST) (except Saturdays, Sundays and public holidays) upto the date of the meeting.

MATERIAL FACTS OF THE TRANSFEROR COMPANIES

6. The Transferor Company No.1 namely Modern India Free Trade Warehousing Private Limited was incorporated on June 23, 2008 under the provisions of the Companies Act, 1956 in the name of "Modern India Free Trade Warehousing Private Limited". The Transferor Company No.1 is primarily engaged in the business of providing, developing, promoting, dealing in, acquiring, maintaining and engaging into development of and construction of warehousing facilities by purchase, lease, exchange, and/ or hire. The Company is also engaged in providing infrastructure pertaining to offices, godowns, storage facility for all the complexes and warehouses of the Company. The

Transferor Company No. 1 is a wholly owned subsidiary of the Transferee Company. The e-mail address of the Transferor Company No. 1 is info@modernindia.co.in.

7. The Registered Office of the Transferor Company No. 1 was situated at Modern Centre, Sane Guruji Marg, Mahalaxmi, Mumbai-400011. The Registered Office of the Transferor Company No. 1 was changed to 1, Mittal Chambers, 228, Nariman Point, Mumbai-400021 on 23rd May, 2018. The present address of the Registered Office of the Transferor Company No. 1 is 1, Mittal Chambers, 228, Nariman Point, Mumbai-400021.
8. The main objects of the Transferor Company No. 1 as set out in the Memorandum of Association, are as under:-
1. *To engage into business of providing, developing, promoting, dealing in, acquiring, maintaining and engaging into development of and construction of warehousing facilities by purchase, lease, exchange, hire, or otherwise the land or any open space or property, whether developed or not, for and under free trade zones as well as for and in the domestic tariff area(DTA) and to support that with buildings, business centers, shops, commercial complexes, residential complexes, housing facilities, entertainment centers, guest houses, hostels, hotels, halls, multiplexes, hospitals, dispensaries, different kind of infrastructure, offices, godown, storage facility, cold storage facility, customized warehouses and all other necessary facilities for all these complexes and warehouses, logistic & other services including maintenance and up keeping of such infrastructure or offices or go downs or buildings by offering personally handled, high quality physical, infrastructure as a platform to facilitate the local trade, inter & intra state trade, import and export of goods and services and for successful proliferation of trading and warehousing companies/entities in a globally competitive manner whether dealing in general goods, electronic, materials, hazardous cargo, chemicals, machinery, textiles and all other kinds of materials and goods and by providing state-of-the-art equipment, transportation and handling facilities, water, power, communication, connectivity and all facilities of different kinds of logistic services, freight management supply-chain-management services, third party logistics, warehousing, kitting, assembly, pick and pack, distribution(B2B), fulfillment(B2C), Print, media replication, reverse logistics, returns, worldwide shipping, direct to consumer(B2C) or business-to-business(B2B) or both, truckload, full truckload, common carrier, providing containers, importing and national and international shipping.*
9. The authorized, issued, subscribed and paid-up share capital of the Transferor Company No.1 as on September 30, 2018 is as under:-

| Particulars | Amount (In Rupees) |
|---|-----------------------|
| Authorized Capital | |
| 2,50,000 Equity Shares of ₹ 10/- each | 25,00,000 |
| 4,75,000 9% Redeemable Non-Cumulative Preference Shares of ₹ 100/- each | 4,75,00,000 |
| Total | 5,00,00,000 |
| Issued, Subscribed and Paid-up Capital | |
| 50,000 Equity Shares of ₹ 10/- each | 5,00,000 |
| 4,75,000 9% Redeemable Non-Cumulative Preference Shares of ₹ 100/- each | 4,75,00,000 |
| Total | 4,80,00,000 |

10. As on date, there has been no change in the authorised, issued, subscribed and paid-up share capital of the Transferor Company No.1. The shares of the Transferor Company No.1 are not listed on any stock exchange.
11. As on September 30, 2018, the Transferor Company No.1 has no secured or unsecured creditors.
12. The Transferor Company No.1 has not accepted any public deposits.
13. As on September 30, 2018, the Transferor Company No.1 has no Debenture holders.
14. The details of the Promoters of the Transferor Company No. 1 along with their addresses are mentioned herein below:

| Name of Promoter | Address | Category |
|----------------------|---|----------|
| Modern India Limited | 1, Mittal Chambers, 228, Nariman Point, Mumbai 400021 | Promoter |

15. The details of the Directors of the Transferor Company No. 1 along with their addresses are mentioned herein below:

| Name & Designation | Address |
|------------------------------------|--|
| Shri. Vijaykumar Jatia - Director | C/3403, Vivarea, Sane Guruji Marg, Mahalaxmi, Mumbai 400011 |
| Shri. Mudit Jatia - Director | A/2201, One Avighna Park, Mahadev palav marg, Curry Road, Mumbai-400 012 |
| Shri. Nawalkishore Deora –Director | 705, Grandeur Towers Vasant Marvel Complex, Western Express Highway Mumbai 400066 |

16. The Transferor Company No.2 namely Modern India Property Developers Limited was incorporated on September 07, 2000 under the provisions of the Companies Act, 1956 with the name "Webhosting & Solutions (India) Private Limited". The name of the Transferor Company No. 2 was changed to "Modern India Property Developers Limited on 30th day of July, 2007. The Transferor Company No.2 is primarily engaged in the business of deploying its funds in real estate activities viz., bookings of under construction residential and / or commercial space. The Transferor Company No. 2 is a wholly owned subsidiary of the Transferee Company. The e-mail address of the Transferor Company No. 2 is info@modernindia.co.in.

17. The Registered Office of the Transferor Company No. 2 was situated at Modern Centre, Sane Guruji Marg, Mahalaxmi, Mumbai-400011. The Registered Office of the Transferor Company No. 2 was changed to 1, Mittal Chambers, 228, Nariman Point, Mumbai-400021 on 23rd May, 2018. The present address of the Registered Office of the Transferor Company No. 2 is 1, Mittal Chambers, 228, Nariman Point, Mumbai-400021.

18. The relevant object clauses of Transferor Company No. 2 as set out in the Memorandum of Association, are as under:-

1. To acquire land, buildings by purchase, lease, exchange, hire or otherwise to construct, deal, run, manage malls, halls, shops, lodging houses, cinema houses, commercial, residential properties, theatres, places, lodging houses, restaurants, parking places of all kinds and to develop, sell and deal in land, estates, buildings and hereditaments of any tenure or description and any FSI or interest wherein and any right over or in connection therewith and to turn the same to account as may seem expedient and to sell, on ownership basis or lease, let, mortgage or dispose off lands, farms, building and other property of the company or others to erect and construct and develop and improve by constructing, reconstructing, pulling down, altering, decorating, furnishing and maintaining offices, business or office premises, flats, service flats, houses, bungalows, chawls, farmhouses, industrial estates, factories, warehouses, malls, shops, cinema houses, guest houses, wharfs, buildings, works and convenience and by consolidating or connecting or subdividing properties or otherwise.
2. To amalgamate or enter into any arrangement for sharing of profits (including entering into partnership), union of interest, co-operation, reciprocal concession, lease, license or otherwise with any person carrying on or transaction which the company is authorized to carry on or engage in.

19. The authorized, issued, subscribed and paid-up share capital of the Transferor Company No.2 as on September 30, 2018 is as under:-

| Particulars | Amount (In Rupees) |
|---|-----------------------|
| <u>Authorized Capital</u> | |
| 4,98,50,000 Equity shares of ₹10/- each | 49,85,00,000 |
| 15,000 Preference shares of ₹100/- each | 15,00,000 |
| Total | 50,00,00,000 |
| <u>Issued, Subscribed and Paid-up Capital</u> | |
| 1,50,00,000 Equity shares of ₹10/- each | 15,00,00,000 |
| Total | 15,00,00,000 |

20. As on date, there has been no change in the authorised, issued, subscribed and paid-up share capital of the Transferor Company No.2. The shares of the Transferor Company No.2 are not listed on any stock exchange.

21. As on September 30, 2018, the Transferor Company No.2 has no secured or unsecured creditors.

22. The Transferor Company No.2 has not accepted any public deposits.

23. As on September 30, 2018, the Transferor Company No.2 has no Debenture holders.

24. The details of the Promoters of the Transferor Company No. 2 along with their addresses are mentioned herein below:

| Name of Promoter | Address | Category |
|----------------------|---|----------|
| Modern India Limited | 1, Mittal Chambers, 228, Nariman Point, Mumbai 400021 | Promoter |

25. The details of the Directors of the Transferor Company No. 2 along with their addresses are mentioned herein below:

| Name and Designation | Address |
|---------------------------------------|---|
| Shri. Vijaykumar Jatia- Director | C/3403, Vivarea, Sane Guruji Marg, Mahalaxmi, Mumbai-400011 |
| Shri. Anand Didwania -Director | 602, Waves 26, Navroji Gamadia Road ,Mumbai-400026 |
| Shri. Subhash Chandra Kedia -Director | Lakshachandi Apartment, Gokuldharm, opp. RBI quarters, Goregaon East, Mumbai-400063 |
| Shri. Hemantkumar Garg - Director | 11/A Embassy Apartments, 46 Nepean Sea Road, Cumbala Hill, Mumbai-400026 |
| Shri. Nawalkishore Deora - Director | 705,Grandeur Towers, Vasant Marvel Complex, Western Express Highway, Mumbai-400066 |

MATERIAL FACTS OF THE TRANSFEREE COMPANY

26. The Transferee Company namely Modern India Limited was originally incorporated on October 24, 1933 under the provisions of the Indian Companies Act, 1913 as "Modern Mills Limited". The Transferee Company changed its name to "Modern India Limited" on September 08, 2004. The Transferee Company is a public limited company, primarily engaged in various business verticals inter alia Real Estate and Infrastructure Development, Power Generation, Background Verification, Commodities Trading, International procurement solutions among others. The equity shares of the Transferee Company are listed on the BSE Limited ("BSE"). The e-mail address of the Transferee Company is info@modernindia.co.in.

27. The Registered Office of the Transferee Company was situated at Modern Centre, Sane Guruji Marg, Mahalaxmi, Mumbai-400011. The Registered Office of the Transferee Company was changed to 1, Mittal Chambers, 228, Nariman Point, Mumbai -400021 on 24th May, 2018. The present address of the Registered Office of the Transferee Company is 1, Mittal Chambers, 228, Nariman Point, Mumbai-400021.

28. The relevant objects of the Transferee Company as set out in its Memorandum of Association, are as under:-

1. *To carry on the business of manufacturing, bleaching, dyeing, printing and selling, yarn cloth and other fabrics made from raw or waste cotton, jute, wool and other suitable materials and generally to carry on the business of cotton and spinning and Weaving Mill proprietors in all their branches.*

46(i) *To carry on the business, in or outside India, of construction works and that of Builders, Developers, contractors, or all kinds of works viz. Road Bridge, Buildings, industrial/residential/commercial premises or Factories, Factory Sheds, Industrial Complexes and construct, erect, build, repair, re-modern, demolish, develop, improve, grades, curve, pave, macadamize, cement and maintain buildings structures, houses, apartments, malls, restaurants, multiplexes, hospitals, clubs, holiday resorts, schools, places of worship, highways, roads, paths, streets, sideways, courts, alleys, pavements and to do other similar construction, levelling of paving work and for these purposed to purchase, take on lease, or otherwise acquire and hold any lands and prepare lay-out thereon of buildings of any tenure or buildings of any tenure or description wherever situated or rights or interest there in or connected therewith works of all type of developments and/or of soil investigation and contractor of Central Public Works Department, State Public Works Department, other Government Bodies and all Government Bodies or Civil Bodies.*

46(ii) *To carry on the business as Builders and general Construction, contracts and own, sell, acquire, process, develop, construct, demolish, enlarge, re-build, renovate, decorate, repair, maintain, let out, hire, lease, rent, pledge, mortgage or otherwise deal in construction of all description like land, building, flat, shops, commercial, educational and non-commercial complex, houses, and other immovable properties of any tenure and any interest therein, hotels, cinema houses, auditorium, gallery, club houses, roads, body buildings, airports, tower, platforms, highways, tunnels, pipelines, hospitals, nursing homes, clinics, godowns, warehouses, factories, colleges, schools, townships, freehold & leasehold grounds and land developing properties in general and to purchase, take on lease, acquire in exchange or otherwise own, hold, occupy, manage, control, construct, erect, alter, develop, pull down improve, repair, renovate, work, build, plan, layout, sell, transfer, mortgage, charge, assign, let out, hire, sub-let, sub-lease all types of lands, plots, buildings, bungalows, quarters, offices, flats, chawls, slums, warehouses, godowns, shops, stalls, markets, houses, structures, undertakings, constructions, tenaments, roads, bridges, forests, estates, assets and properties, movable or immovable freehold or leasehold of whatever nature and description and where situate.*

29. The authorised, issued, subscribed and paid-up share capital of the Transferee Company as on September 30, 2018 is as under:-

| Particulars | Amount (In Rupees) |
|---|-----------------------|
| Authorized Capital | |
| 12,45,00,000 Equity Shares of ₹ 2/- each | 24,90,00,000 |
| 10,000 Preference Shares of ₹ 100/- each | 10,00,000 |
| Total | 25,00,00,000 |
| Issued Capital | |
| 3,75,47,000 Equity Shares of ₹ 2/- each | 7,50,94,000 |
| Subscribed and fully paid up capital | |
| 3,75,42,750 Equity Shares of ₹ 2/- each | 7,50,85,500 |
| Total-paid up capital | 7,50,85,500 |

30. As on date, there has been no change in the authorized, issued, subscribed and paid-up share capital of the Transferee Company. The shares of the Transferee Company are listed on BSE Limited.

31. As on September 30, 2018, the Transferee Company has 7 (seven) secured creditors and the total amount due and payable by the Transferee Company to the aforementioned secured creditors is ₹2,29,01,841/- (Rupees Two crores twenty nine lakhs one thousand eight hundred forty one only).

32. As on September 30, 2018, the Transferee Company has 62 (Sixty-two) unsecured creditors and the total amount due and payable by the Transferee Company to the aforementioned unsecured creditors is ₹185,38,76,454/- (Rupees One hundred eighty five crores thirty eight lakhs seventy six thousand four hundred and fifty four only).

33. The Transferee Company has not accepted any public deposits during FY 2017-18. There were no public deposits as at the end of FY 2017-18

34. As on September 30, 2018, the Transferee Company has no Debenture holders.

35. The details of the Promoter and Promoter Group of the Transferee Company along with their addresses are mentioned herein below:

| Name of Promoter | Address | Category |
|--|--|----------|
| Shri. Vijaykumar Jatia | C/3403, Vivarea, Sane Guruji Marg, Mahalaxmi, Mumbai 400011 | Promoter |
| Smt. Gauri Jatia | C/3403, Vivarea, Sane Guruji Marg, Mahalaxmi, Mumbai 400011 | Promoter |
| Shri. Vedant Jatia | 2 nd Floor, Mont Blanc, 67A, Nepeanse Road, Mumbai-400006 | Promoter |
| Shri. Sidhant Jatia | A/1902, One Avighna Park, Mahadev palav marg, Curry Road, Mumbai-400 012 | Promoter |
| Shri. Mudit Jatia | A/2201, One Avighna Park, Mahadev palav marg, Curry Road, Mumbai-400 012 | Promoter |
| Sarat Leasing And Finance Private Limited | Corp Office:1, Mittal Chambers, 228, Nariman Point, Mumbai 400021 | Promoter |
| Shree Rani Sati Investment & Finance Private Limited | Corp Office:1, Mittal Chambers, 228, Nariman Point, Mumbai 400021 | Promoter |
| Candescent Traders Private Limited | Corp Office:1, Mittal Chambers, 228, Nariman Point, Mumbai 400021 | Promoter |
| Alcyone Trading Company Private Limited | Corp Office:1, Mittal Chambers, 228, Nariman Point, Mumbai 400021 | Promoter |
| Ignatius Trading Company Private Limited | Corp Office:1, Mittal Chambers, 228, Nariman Point, Mumbai 400021 | Promoter |
| Camellia Mercantile Private Limited | Corp Office:1, Mittal Chambers, 228, Nariman Point, Mumbai 400021 | Promoter |
| F Pudumjee Investment Company Private Limited | Corp Office:1, Mittal Chambers, 228, Nariman Point, Mumbai 400021 | Promoter |

36. The details of the Directors of the Transferee Company along with their addresses are given herein below:

| Name and Designation | Address |
|---|---|
| Shri. Vijaykumar Jatia <i>Chairman & Managing Director</i> | C/3403, Vivarea, Sane Guruji Marg, Mahalaxmi, Mumbai-400011 |
| Smt. Gauri Jatia <i>Non-Executive, Non-Independent Director</i> | C/3403, Vivarea, Sane Guruji Marg, Mahalaxmi, Mumbai-400011 |
| Shri. Anand Didwania <i>Non-Executive, Independent Director</i> | 602, Waves 26, Navroji Gamadia Road, Mumbai -400 026 |
| Shri. S.D.Israni <i>Non-Executive, Independent Director</i> | Sukhmani/A, Flat No.24, Bomanji Petit Road, Mumbai -400026 |
| Shri. Kaiwan Kalyaniwalla <i>Non-Executive, Independent Director</i> | Phirojshaw Building, 3 rd Floor, 70/C, Gowalia Tank Road, August Kranti Maidan, Mumbai -400036 |
| Shri. P.K. Bubna <i>Non-Executive, Non- Independent Director</i> | 137, Jyoti Sadan, Flat No 6, 2 nd Floor, A Road, Near Intercontinental Hotel, Marine Drive, Churchgate, Mumbai -400020 |

RATIONALE AND BENEFITS OF THE SCHEME

- 37.
- The Transferor Companies belong to the Modern India group of Companies.
 - The Transferor Companies are wholly owned subsidiaries of Modern India Limited, the Transferee Company.
 - The main business activities of the Transferor Companies can also be carried out by the Transferee Company in a more efficient and economical manner.
 - A consolidation of the Transferor Companies and the Transferee Company by way of amalgamation would lead to a more efficient utilization of capital.
 - The proposed Scheme aims at unlocking a better value for the shareholders of the Transferee Company. As the entire undertakings of the Transferor Companies shall be transferred to the Transferee Company, the rights and interests of the shareholders or the creditors of the Transferee Company shall not be affected and the Scheme shall not be prejudicial to the interest of the shareholders of the Transferor Companies.
 - The proposed amalgamation will result in administrative and organizational efficiencies, reduction in overheads and other expenses and optimal utilization of resources. It will prevent cost duplication that can affect financial efficiencies of the holding structure and the resultant operations would be substantially cost-efficient. Consequently, the Transferee Company will offer a strong financial structure to all creditors including the creditors of the Transferor Companies and achieve better cash flows. The synergies created by the amalgamation would increase operational efficiency and integrate business functions.
 - In order to simplify the legal structure and minimize the cost of administration of three legal entities, it was considered in the best interests of the shareholders and stakeholders of all the Companies by the respective Board of Directors of Modern India Free Trade Warehousing Private Limited ("MIFTWPL"), Modern India Property Developers Limited ("MIPDL") and Modern India Limited ("MIL") to amalgamate the Transferor Companies with the Transferee Company. Being wholly owned subsidiaries of the Transferee Company, the entire shareholding of the Transferee Company in both the Transferor Companies will be cancelled upon the amalgamation of Transferor Companies into the Transferee Company. In the circumstances, this Scheme of Amalgamation provides for the amalgamation of Transferor Companies with the Transferee Company, pursuant to the relevant provisions of the Companies Act, 2013 as amended. It is considered by Modern India Limited, the Transferee Company and its Board of Directors that the unified organization will be in a much better position to eliminate duplication of administrative, financial and compliance requirements resulting in cost savings.

RELATIONSHIP SUBSTING BETWEEN THE COMPANY AND THE TRANSFEREE COMPANY

38. The Company is wholly owned subsidiary of the Transferee Company

SALIENT FEATURES OF THE SCHEME

39. The salient features of the Scheme are as follows:
- The Scheme envisages the amalgamation of the Transferor Companies into the Transferee Company in accordance with the provisions of Sections 230 to 232 of the Companies Act, 2013.
 - The Appointed Date for the Scheme is April 1, 2018.
 - The Effective Date means the date on which the certified or authenticated copies of the order(s) sanctioning the Scheme, passed by the Tribunal are filed with the Registrar of Companies.
 - Upon coming into effect of the Scheme and with effect from the Appointed Date, the Transferor Companies shall stand amalgamated with the Transferee Company, as provided in the Scheme and pursuant to the provisions of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013, and all the assets, unbilled revenues, debts, outstandings, credits, liabilities, duties and obligations whatsoever concerning the Transferor Companies as on the appointed date shall stand transferred to and vested in the Transferee Company.

- e. All legal proceedings by or against the Transferor Companies pending on the effective date shall be continued and enforced by or against the Transferee Company.
- f. All contracts, deeds, bonds, agreements and other instruments of whatsoever nature to which the Transferor Companies are party to and which are subsisting on the effective date shall remain in full force and effect against or in favour of the Transferee Company.
- g. All employees of the Transferor Companies in service on the effective date shall on and from the effective date become the employees of the Transferee Company.
- h. Since the Transferor Companies are wholly owned subsidiaries of the Transferee Company, upon this Scheme becoming effective, the shares held by the Transferee Company (directly and/or through its nominees) in the Transferor Companies will stand cancelled and no consideration whatsoever shall pass from the Transferee Company.
- i. Upon this Scheme becoming effective, the authorised share capital of the Transferor Companies shall be deemed to be added to the authorised share capital of the Transferee Company without any further act, instrument or deed or procedure or payment of any stamp duty and registration fees. Accordingly, upon the Scheme becoming effective, the authorized share capital of the Transferee Company shall stand enhanced to ₹ 80 crores.

Note: The aforesaid are only the salient features of the Scheme. Members are requested to read the entire text of the Scheme annexed hereto and get fully acquainted with the provisions thereof.

APPROVALS

40. The Scheme is conditional and subject to necessary sanctions and approvals as set out in the Scheme.
41. The Board of Directors of the Transferor Companies have at their Meetings held on 2nd November, 2018 approved the Scheme. Similarly, the Audit Committee and the Board of Directors of the Transferee Company have at their respective Meetings held on 3rd November, 2018 approved the Scheme. The resolutions for the approval of the scheme were passed by the Board of Directors of Transferor Companies and Transferee Company with the unanimous vote of all the directors present at the respective meetings.
42. The Transferee Company being a listed entity has intimated BSE Limited of the proposed Scheme vide its letter dated 3rd November, 2018 along with a copy of the proposed Scheme. Since the proposed Scheme is between a parent and wholly owned subsidiaries, the same does not require the prior approval of the Securities and Exchange Board of India or of the stock exchange.
43. A copy of the Scheme has been filed by the Company with the Registrar of Companies, Maharashtra.
44. No other approvals are required from any other statutory authorities.

EXTENT OF SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

45. The shareholding of the present Directors of the Transferor Company No.1 in Transferor Company No.1, Transferor Company No.2 and Transferee Company as on September 30, 2018 are as follows:

| Name and Designation | Shares held in the Transferor Company No.1* | Shares held in the Transferor Company No.2* | Shares held in the Transferee Company |
|--------------------------------------|---|---|---------------------------------------|
| Shri.Vijaykumar Jatia Director | 1000 Equity Shares | 5 Equity Shares | 90005 Equity Shares |
| Shri. Mudit Jatia Director | NIL | 1 Equity Share | 15000 Equity Shares |
| Shri. Nawalkishore Deora Director | NIL | 1 Equity Share | 25 Equity Shares |

*Held as nominee of Modern India Limited

46. The shareholding of the present Directors and Key Managerial Personnel of the Transferor Company No.2 in Transferor Company No.1, Transferor Company No.2 and Transferee Company as on September 30, 2018 are as follows:

| Name and Designation | Shares held in the Transferor Company No.2* | Shares held in the Transferor Company No.1* | Shares held in the Transferee Company |
|--|---|---|---------------------------------------|
| Shri. Vijaykumar Jatia Director | 5 Equity Shares | 1000 Equity shares | 90005 Equity Shares |
| Shri. Anand Didwania Director | NIL | NIL | NIL |
| Shri. Subhash Chandra Kedia Director | NIL | NIL | NIL |
| Shri. Hemantkumar Garg Director | NIL | NIL | NIL |
| Shri. NawalkishoreDeora Director | 1 Equity Share | NIL | 25 Equity Shares |
| Smt.Priyanka Mishra Company Secretary | NIL | NIL | NIL |

*Held as nominee of Modern India Limited

47. The shareholdings of the present Directors and Key Managerial Personnel of the Transferee Company in the Transferee Company and Transferor Companies 1 and 2 respectively as on September 30, 2018 are as follows:

| Name and Designation | Shares held in the Transferee Company | Shares held in the Transferor Company No.1* | Shares held in the Transferor Company No.2* |
|--|---------------------------------------|---|---|
| Shri. Vijaykumar Jatia Chairman & Managing Director | 90005 Equity Shares | 1000 Equity Shares | 5 Equity Shares |
| Smt. Gauri Jatia Non-Executive, Non-Independent Director | 17850 Equity Shares | NIL | 1 Equity Share |
| Shri. Anand Didwania Non-Executive, Independent Director | NIL | NIL | NIL |
| Shri. P.K. Bubna Non-Executive, Non-Independent Director | 1230 Equity Shares | NIL | NIL |
| Shri. S.D. Israni Non-Executive, Independent Director | NIL | NIL | NIL |
| Shri. Kaiwan Kalyaniwalla Non-Executive, Independent Director | NIL | NIL | NIL |
| Shri. Nawalkishore Deora Sr. Vice-President & Chief Financial Officer | 25 Equity Shares | NIL | 1 Equity Share |
| Shri. Parind Badshah Vice-President & Company Secretary | NIL | NIL | NIL |

*Held as nominee of Modern India Limited

EFFECT OF THE SCHEME

48. Upon the coming into effect of the Scheme and with effect from the Appointed Date, the Undertaking of the Transferor Companies shall, pursuant to the provisions of Sections 230 to 232 and other applicable provisions, if any, of the Act, be and stand transferred to and vested in and/ or be deemed to have been transferred to and vested in the Transferee Company, as a going concern in accordance with Section 2(1B) and other applicable provisions of the Income Tax Act, 1961, without any further act, instrument, deed, matter or thing so as to become, as and from the Appointed Date, the undertaking of the Transferee Company, by virtue of and in the manner provided in this Scheme.
49. Since the Transferor Companies are wholly owned subsidiaries of the Transferee Company, upon the Scheme coming into effect, all equity/preference shares of the Transferor Companies held by the Transferee Company (directly and/or through nominees) shall stand cancelled without any further application, act or deed. It is clarified that no new shares shall be issued or payment made in cash or in kind whatsoever by the Transferee Company in lieu of such shares of the Transferor Companies. Consequently, there would be no change in the shareholding pattern of the Transferee Company arising out of the Scheme.
50. Since the proposed Scheme does not involve any compromise or arrangement with the creditors, debenture holders or debenture trustee, the rights of the creditors, debenture holders or debenture trustee shall not be affected by the Scheme. There will be no reduction in their claims on account of the Scheme. The creditors will be paid off in the ordinary course of business as and when their dues are payable. There is no likelihood that the creditors would be prejudiced in any manner as a result of the Scheme being sanctioned.
51. There shall be no change in the terms of employment of the employees of the Transferor Companies, to their prejudice, and such employees of the Transferor Companies shall be deemed to be employees of Transferee Company, without any break in service.
52. There will be no change in the Board of Directors or the KMPs of the Transferee Company on account of this Scheme. The Transferor Companies shall cease to exist and thus the question of any change in the Directors and KMPs of the Transferor Company does not arise. Apart from the above, the Scheme does not affect the material interests of any of the Directors, KMPs, promoters, shareholders, creditors, debenture holders, debenture trustee or employees of the Transferor Companies or the Transferee Company in any manner. They do not have any material interest in the Scheme.

GENERAL

53. The rights and interest of the Member of the Transferee Company and the Transferor Companies will not be prejudicially affected by the Scheme.
54. A certificate has been issued by the statutory auditors of the Transferee Company and the Transferor Companies stating that the accounting treatment proposed in the Scheme is in conformity with the accounting standards prescribed under Section 133 of the Act.
55. Copies of the Financial Statements of the Transferor Companies and the Transferee Company as on September 30, 2018 are enclosed herewith as Annexures "B", "C" and "D" respectively.

56. In compliance with the provisions of Section 232(2)(c) of the Companies Act, 2013, the Board of Directors of the Company, at its meeting held on 2nd November, 2018, has adopted a report, inter alia, explaining the effect of the Scheme on each class of shareholders, key managerial personnel, promoter and non-promoter shareholders. A copy of the report adopted by the Board of Directors of the Transferor Companies and the Transferee Company is enclosed herewith as **Annexure "E"**.
57. The Transferee Company and the Transferor Companies will make a Petition under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 to the Hon'ble National Company Law Tribunal, Mumbai Bench for sanctioning of the Scheme.
58. There are no investigation proceedings under the provisions of Chapter XIV of the Companies Act, 2013 and there are no winding up proceedings instituted and/or pending against the Transferor Companies and/or the Transferee Company.
59. The Scheme does not involve any debt restructuring and therefore the requirement to disclose details of debt restructuring is not applicable.
60. In the event that this Scheme is terminated or withdrawn in the manner set out in the scheme, this Scheme shall stand revoked, cancelled and be of no effect and null and void and in such event each party hereto shall bear and pay respective costs, charges and expenses for and/or in connection with the Scheme.
61. Considering the rationale and benefits, the Board of Directors of the Transferor Company No. 2 recommends the Scheme as it is in the best interest of the Company and its stakeholders.
62. None of the Directors or KMPs are interested except upto the extent of their shareholdings in the Transferor Companies and Transferee Company.
63. The details of the pre and post Scheme (expected) capital structure and shareholding pattern of the Transferee Company are given herein below:

Pre Scheme capital structure of the Transferee Company:

| Particulars | Amount (In Rupees) |
|---|-----------------------|
| Authorized Capital | |
| 12,45,00,000 Equity Shares of ₹2/- each | 24,90,00,000 |
| 10,000 Preference Shares of ₹ 100/- each | 10,00,000 |
| | 25,00,00,000 |
| Total | |
| Issued Capital | |
| 3,75,47,000 Equity Shares of ₹2/- each | 7,50,94,000 |
| Subscribed and fully paid up capital | |
| 3,75,42,750 Equity Shares of ₹2/- each | 7,50,85,500 |
| | |
| Total-paid up capital | 7,50,85,500 |

Post Scheme capital structure of the Transferee Company:

| Particulars | Amount (in rupees) |
|---|---------------------|
| Authorized Capital | |
| 37,50,00,000 Equity Shares of ₹2/- each | 750000000 |
| 5,00,000 Preference Shares of ₹100/- each | 50000000 |
| | 800000000 |
| Total | |
| Issued Capital | |
| 3,75,47,000 Equity Shares of ₹2/- each | 7,50,94,000 |
| Subscribed and fully paid up capital | |
| 3,75,42,750 Equity Shares of ₹2/- each | 7,50,85,500 |
| Total | 7,50,85,500 |

Pre & Post Scheme shareholding pattern of the Transferee Company:

As there will be no issue of shares by the Transferee Company contemplated in the Scheme, there would be no change in the shareholding pattern of the Transferee Company.

| | CATEGORY OF SHAREHOLDERS | NO. OF SHARES | FACE VALUE | % |
|-----|--------------------------|---------------|------------|------|
| (i) | Directors | 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 | 862675 | 1725350 | 2.30 |
| (iv) | Insurance Companies | 1124041 | 2248082 | 2.99 |
| (v) | Other Bodies Corporate | 967154 | 1934308 | 2.58 |
| (vi) | Non-Residents | 5593 | 11186 | 0.01 |
| (viii) | Overseas Body Corporate | 0 | 0 | 0.00 |
| (ix) | Foreign Institutional Investors | 4461519 | 8923038 | 11.88 |
| (x) | Public (Others) | 1963476 | 3926952 | 5.23 |
| | TOTAL | 37542750 | 75085500 | 100.00 |

Note: The Transferor No. 1 and Transferor No.2 being Wholly owned Subsidiaries(WOS) of Transferee Company, the Paid – up Capital of WOS shall stand extinguished and Authorized Capital will be merged with Transferee Company. Furthermore, There shall not be any change in the Paid-up Capital of the Transferee Company

64. The following documents will be open for inspection or for obtaining extracts of or making copies of, by the members of the Transferor Company No. 2 i.e Modern India Property Developers Limited, 1, Mittal Chambers, 228, Nariman Point, Mumbai -400021 between 11:00 a.m. to 4:00 p.m. on any working day (except Saturdays, Sundays and public holidays) upto the date of the meeting:
- Copies of the Order dated 21st February, 2019 passed by the Hon'ble National Company Law Tribunal, Mumbai Bench directing convening of the meeting of equity shareholders of the Company;
 - Audited Financial Statements of the Transferor Companies and the Audited Financial Statements of the Transferee Company for FY 2017-18;
 - Financial Statements of the Transferee Company and the Transferor Companies as on September 30, 2018;
 - Copy of the Scheme of Amalgamation;
 - Certificate issued by the Auditors of the Transferor Companies and Transferee Company confirming that the accounting treatment proposed in the Scheme is in conformity with the Accounting Standards prescribed under Section 133 of the Companies Act, 2013;
 - Memorandum and Articles of Association of the Transferor Companies and the Transferee Company; and
 - Copies of the resolutions passed by the Board of Directors of all the three Companies approving the scheme.
 - Report adopted by the Board of Directors of the Transferor Companies and the Transferee Company under Section 232(2)(c) of the Companies Act, 2013..
65. This statement may be treated as an Explanatory Statement under Sections 230 to 232 of the Act read with Sections 102 and 110 of the Act.

Sd/-
Vijay Kumar Jatia
(DIN:00096977)
Chairman appointed for the Meeting

Mumbai, 1ST March, 2019

Corporate Identification No. (CIN) - U72200MH2000PLC128584
Registered Office: 1, Mittal Chambers, 228 Nariman Point, Mumbai 400021
Tel: +91 22 67444200 Fax: +91 22 67444300 E-mail: info@modernindia.co.in

SCHEME OF ARRANGEMENT

BETWEEN

**MODERN INDIA FREE TRADE WAREHOUSING PRIVATE LIMITED
(Transferor Company No. 1.)**

AND

**MODERN INDIA PROPERTY DEVELOPERS LIMITED
(Transferor Company No. 2)**

AND

**MODERN INDIA LIMITED
(Transferee Company)**

AND

THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

**UNDER SECTIONS 230 TO 232 AND OTHER APPLICABLE PROVISIONS OF THE
COMPANIES ACT, 2013 ("THE ACT")**

PREAMBLE

This Scheme of Arrangement is presented under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013, *inter alia*, for amalgamation of Modern India Free Trade Warehousing Private Limited, a company incorporated and registered under the provisions of the Companies Act, 1956 having its registered office at 1, Mittal Chambers, 228, Nariman Point, Mumbai-400021 and Modern India Property Developers Limited, a company incorporated and registered under the provisions of the Companies Act, 1956 having its registered office at 1, Mittal Chambers, 228, Nariman Point, Mumbai-400021 with Modern India Limited, a Company incorporated and registered under the provisions of the Companies Act, 1956, having its registered office at 1, Mittal Chambers, 228, Nariman Point, Mumbai-400021. This Scheme also provides for various other matters consequential to or otherwise integrally connected therewith.

This Scheme is divided into the following parts:

- 1.1 Part I deals with the definitions and Share Capital;
- 1.2 Part II deals with the background and rationale of the Scheme;

- 1.3 Part III deals with the amalgamation of Modern India Free Trade Warehousing Private Limited and Modern India Property Developers Limited WITH Modern India Limited and their respective shareholders and creditors. ;
- 1.4 Part IV deals with the general terms and conditions applicable to the Scheme.

PART-I

1. DEFINITIONS

In this Scheme, unless repugnant to or inconsistent with the meaning or context thereof, the following expressions shall have the meanings given below:

- 1.1. “**Act**” or “**the Act**” means the Companies Act, 2013 or any modifications or re-enactment thereof from time to time;
- 1.2. “**Appointed Date**” means 1st April 2018 or such other date(s) as the National Company Law Tribunal, Mumbai Bench(“NCLT”) or such other competent authority may approve / fix and shall be operative from the effective date;
- 1.3. “**Effective Date**” means the date on which the certified copies of the Order(s) of the NCLT sanctioning the Scheme, are filed with the Registrar of Companies. Any references in the Scheme to the words “date of coming into effect of the Scheme” or “upon the Scheme becoming effective” or “Scheme coming into effect” shall mean the “Effective Date”.
- 1.4. “**Scheme**” or “**the Scheme**” or “**this Scheme**” means this Scheme of Arrangement presented under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 in its present form or with any modification(s) made under clause 20 of this Scheme or any modifications approved or directed by the NCLT;
- 1.5. “**Transferee Company**” means Modern India Limited, (hereinafter referred to as “MIL”), a company incorporated on 24th day of October, 1933 and registered under the provisions of the Indian Companies Act, 1913, having its registered office at 1, Mittal Chambers, 228, Nariman Point, Mumbai-400021;
- 1.6. “**Transferor Company No. 1**” means Modern India Free Trade Warehousing Private Limited (hereinafter referred to as “MIFTWPL”) , a company incorporated on 23rd day of June, 2008 and registered under the provisions of the Companies Act, 1956 having its registered office at 1, Mittal Chambers, 228, Nariman Point, Mumbai-400021;
- 1.7. “**Transferor Company No. 2**” means Modern India Property Developers Limited (hereinafter referred to as “MIPDL”), a Company incorporated on 7th day of September, 2000 and registered under the provisions of the Companies Act, 1956 having its registered office at 1, Mittal Chambers, 228, Nariman Point, Mumbai-400021.

The Transferor Company No. 1 and the Transferor Company No 2 are the wholly owned subsidiaries of the Transferee Company.

The Transferor Company No. 1 and the Transferor Company No. 2 are hereinafter collectively called “ Transferor Companies”.

2. DATE OF TAKING EFFECT AND OPERATIVE DATE

The Scheme set out herein shall be effective from the Appointed Date but shall be operative from the Effective Date.

3. NATURE OF BUSINESS

3.1. Nature of Business of Transferor Company No. 1

Transferor Company No. 1 was incorporated on 23rd day of June, 2008 under the provisions of the Companies Act, 1956 and currently is, *inter alia*, engaged in the business of providing, developing, promoting, dealing in, acquiring, maintaining and engaging into development of and construction of warehousing facilities by purchase, lease, exchange, or and hire. The Company is also engaged in providing infrastructure pertaining to offices, godowns, storage facility for all the complexes and warehouses of the Company.

3.2. Nature of Business of Transferor Company No. 2

Transferor Company No. 2 was incorporated on 7th day of September, 2000 under the provisions of the Companies Act, 1956 with the name “ Webhosting & Solutions (India) Private Limited”. The name of the Transferor Company No. 2 was changed to “ Modern India Property Developers Limited on 30th day of July, 2007 and currently is, *inter alia*, engaged in the business of deploying its funds in real estate activities viz., Bookings of under construction residential and / or commercial space. Funds committed towards booking of under construction spaces and to be paid over a period of time, are placed with corporate entities fetching interest in the intervening period.

3.3. Nature of Business of the Transferee Company

The Transferee Company was incorporated on 24th day of October, 1933 under the provisions of the Indian Companies Act, 1913 with the name “ The Modern Mills Limited”. The name of the Transferee Company was changed to “modern India Limited” on 8th September, 2004 and currently is, *inter alia*, engaged in the various business verticals inter alia Real Estate and Infrastructure Development, Power Generation, Background Verification, Commodities Trading ,International procurement solutions among others.

4. CAPITAL STRUCTURE

4.1. As on 31 March 2018, the share capital of Transferor Company No. 1 was as under:

| Particulars | Amount (In Rupees) |
|---|-------------------------------|
| <u>Authorized Capital</u> | |
| 2,50,000 Equity Shares of ₹ 10/- each | 25,00,000 |
| 4,75,000 9% Redeemable Non-Cumulative Preference Shares of ₹ 100/- each | 4,75,00,000 |
| Total | 5,00,00,000 |
| <u>Issued, Subscribed and Paid-up Capital</u> | |
| 50,000 Equity Shares of ₹. 10/- each | 5,00,000 |
| 4,75,000 9% Redeemable Non-Cumulative Preference Shares of ₹100/- each | 4,75,00,000 |
| Total | 4,80,00,000 |

4.2. As on 31 March 2018, the share capital of Transferor Company No. 2 was as under:

| Particulars | Amount (In Rupees) |
|---|-------------------------------|
| <u>Authorized Capital</u> | |
| 4,98,50,000 Equity shares of ₹10/- each | 49,85,00,000 |
| 15,000 Preference shares of ₹100/- each | 15,00,000 |
| Total | 50,00,00,000 |
| <u>Issued, Subscribed and Paid-up Capital</u> | |
| 1,50,00,000 Equity shares of ₹10/- each | 15,00,00,000 |
| Total | 15,00,00,000 |

4.3. As on 31 March 2018, the share capital of the Transferee Company was as under:

| Particulars | Amount (In Rupees) |
|---|-------------------------------|
| <u>Authorized Capital</u> | |
| 12,45,00,000 Equity Shares of ₹2/- each | 24,90,00,000 |
| 10,000 Preference Shares of ₹ 100/- each | 10,00,000 |
| Total | 25,00,00,000 |
| <u>Issued Capital</u> | |
| 3,75,47,000 Equity Shares of ₹ 2/- each | 7,50,94,000 |
| <u>Subscribed and fully paid up capital</u> | |
| 3,75,42,750 Equity Shares of ₹ 2/- each | 7,50,86,000 |
| Total-paid up capital | 7,50,86,000 |

Since 31 March, 2018, there has been no change in the authorized, issued, subscribed and paid up share capital of the Transferor Companies.

Since 31st March, 2018 there has been no change in the authorized, issued, subscribed and paid up share capital of the Transferee Company.

PART – II

5. BACKGROUND AND RATIONALE FOR THE SCHEME

Modern India Free Trade Warehousing Private Limited (“MIFTWPL” or the “Transferor Company No. 1”) and Modern India Property Developers Limited (“MIPDL” or the “ Transferor Company No. 2”) are wholly owned subsidiary Companies of Modern India Limited (“MIL”).

The background and circumstances which justify the said amalgamation are, *inter alia*, as follows:

- 5.1 The Transferor Companies belong to the Modern India group of Companies.
- 5.2 The Transferor Companies are wholly owned subsidiaries of Modern India Limited, the Transferee Company.
- 5.3 The main business activities of the Transferor Companies can also be carried out by the Transferee Company in a more efficient and economical manner.
- 5.4 A consolidation of the Transferor Companies and the Transferee Company by way of amalgamation would lead to a more efficient utilization of capital.
- 5.5 The proposed Scheme aims at unlocking a better value for the shareholders of the Transferee Company. As the entire undertakings of the Transferor Companies shall be transferred to the Transferee Company, the rights and interests of the shareholders or the creditors of the Transferee Company shall not be affected and the Scheme shall not be prejudicial to the interest of the shareholders of the Transferor Companies.
- 5.6 The proposed amalgamation will result in administrative and organizational efficiencies, reduction in overheads and other expenses and optimal utilization of resources. It will prevent cost duplication that can affect financial efficiencies of the holding structure and the resultant operations would be substantially cost-efficient. Consequently, the Transferee Company will offer a strong financial structure to all creditors including the creditors of the Transferor Companies and achieve better cash flows. The synergies created by the amalgamation would increase operational efficiency and integrate business functions.
- 5.7 In order to simplify the legal structure and minimize the cost of administration of three legal entities, it was considered in the best interests of the shareholders and stakeholders of all the Companies by the respective Board

of Directors of Modern India Free Trade Warehousing Private Limited ("MIFTWPL), Modern India Property Developers Limited (" MIPDL") and Modern India Limited (" MIL") to amalgamate the Transferor Companies with the Transferee Company. Being wholly owned subsidiaries of the Transferee Company, the entire shareholding of the Transferee Company in both the Transferor Companies will be cancelled upon the amalgamation of Transferor Companies into the Transferee Company. In the circumstances, this Scheme of Amalgamation provides for the amalgamation of Transferor Companies with the Transferee Company, pursuant to the relevant provisions of the Companies Act, 2013 as amended. It is considered by Modern India Limited, the Transferee Company and its Board of Directors that the unified organization will be in a much better position to eliminate duplication of administrative, financial and compliance requirements resulting in cost savings.

- 5.8 The Amalgamation will result in significant reduction in the multiplicity of legal and regulatory compliances required at present to be carried out by the Transferor Companies and the Transferee Company.
- 5.9 The creditors of the Transferor Companies will not be affected by the Scheme since the assets of the Transferor and Transferee Companies (taken together) are more than the liabilities of the Transferor and Transferee Companies (taken together). Further even the creditors of the Transferee Companies will not be affected by the Scheme since the assets of the Transferor Companies are more than the liabilities of the Transferor Companies. Further, post the Scheme, the assets of the Transferee Company shall be greater than its liabilities.

PART – III

6. AMALGAMATION OF THE TRANSFEROR COMPANIES INTO THE TRANSFEE COMPANY

- 6.1 Upon coming into effect of this Scheme and with effect from the Appointed Date, the Transferor Companies shall stand amalgamated with the Transferee Company, as provided in the Scheme, and pursuant to the provisions of Sections 230 to 232 and other applicable provisions of the Act, and all the assets, unbilled revenues, debts, outstanding, credits, liabilities, duties and obligations whatsoever concerning the Transferor Companies as on the Appointed Date shall, accordingly, stand transferred to and vested in and/or be deemed to be and stand transferred to and vested in the Transferee Company, as under.
- 6.1.1 In respect of such of the assets of the Transferor Companies as are movable in nature or are otherwise capable of transfer by manual delivery, they shall be physically handed over by manual delivery or endorsement and delivery, the same may be so transferred by the Transferor Companies, without requiring any deed or instrument of conveyance for the same and shall become the property of the Transferee Company to the end and intent that the ownership and property therein passes to the Transferee Company with effect from

the Appointed Date on such handing over in pursuance of the provisions of the Act.

- 6.1.2 In respect of such of the assets belonging to the Transferor Companies other than those referred to in sub-clause 6.1.1 above, the same shall, without any further act, instrument or deed, be transferred to and stand vested in and / or be deemed to be transferred to and stand vested in the Transferee Company pursuant to the provisions of the Act with effect from the Appointed Date.
 - 6.1.3 In relation to the assets belonging to the Transferor Companies, which require separate documents of transfer, the parties will execute the necessary documents, as and when required.
 - 6.1.4 The transfer and vesting of all the assets of the Transferor Companies, as aforesaid, shall be subject to the existing charges, mortgages and encumbrances, pledges, non-disposal undertakings, if any, over or in respect of any of the assets or any part thereof, provided however that such charges, mortgages and/or encumbrances shall be confined only to the relative assets of the Transferor Companies or part thereof on or over which they are subsisting on transfer to and vesting of such assets in the Transferee Company and no such charges, mortgages, and/or encumbrances shall be enlarged or extend over or apply to any other asset(s) of the Transferee Company. Any reference in any security documents or arrangements (to which the Transferor Companies are party) to any assets of the Transferor Companies shall be so construed to the end and intent that such security shall not extend, nor be deemed to extend, to any of the other asset(s) of the Transferee Company and the Transferee Company shall not be obliged to create any further or additional security thereof.
 - 6.1.5 Upon the coming into effect of this Scheme and with effect from the Appointed Date, all debts, liabilities, duties and obligations of every kind, nature and description pertaining to Transferor Companies shall also without any further act or deed, be transferred to or deemed to be transferred to Transferee Company, so as to become from the Appointed Date the debts, liabilities, duties and obligations of the Transferee Company and it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, duties and obligations have arisen in order to give effect to the provisions of this sub-clause.
- 6.2 For the removal of doubt, it is clarified that to the extent the assets and liabilities transferred includes any inter-company loans, deposits, obligations, balances or other outstanding as between the Transferor Companies and the Transferee Company, the obligations in respect thereof shall come to an end and no assets/ liability in that behalf shall survive upon amalgamation and corresponding effect shall be given in the books of accounts and records of the Transferee Company for the same , and there would be no accrual of

interest or any other charges in respect of such inter-company loans, deposits or balances, with effect from the Appointed Date.

- 6.3 On and from the Effective Date, the Transferee Company shall be entitled to operate all bank accounts of the Transferor Companies and realize all monies and complete and enforce all pending contracts and transactions and in respect of the Transferor Companies in the name of the Transferee Company in so far as may be necessary until the transfer of rights and obligations of the Transferor Companies to the Transferee Company under this Scheme have been formally given effect to under such contracts and transactions.
- 6.4 With effect from the Appointed Date, all permits, quotas, rights, entitlements, registrations & approvals and licenses relating to brands, trademarks, patents, copy rights, privileges, powers, facilities of every kind and description of whatsoever nature in relation to the Transferor Companies and which are subsisting or having effect immediately before the Appointed Date, shall be and remain in full force and effect in favour of the Transferee Company and may be enforced fully and effectually as if, instead of the Transferor Companies, the Transferee Company had been a beneficiary or obligee thereto.
- 6.5 With effect from the Appointed Date, any statutory licenses, permissions, approvals and/or consents held by the Transferor Companies as required to carry on its operations shall stand vested in, or transferred to, the Transferee Company without any further act or deed and shall be appropriately mutated by the statutory authorities or any other person concerned therewith in favour of the Transferee Company. The benefit of all statutory and regulatory permissions, licenses, environmental approvals and consents including the statutory licenses, permissions or approvals or consents required to carry on the operations of the Transferor Companies shall vest in, and become available to, the Transferee Company upon the Scheme coming into effect.
- 6.6 All registrations, benefits, incentives, exemptions, etc. of any nature whatsoever, which the Transferor Companies are eligible for and/or which are actually availed by the Transferor Companies will be transferred to the Transferee Company upon the Transferee Company intimating the concerned authority or undertaking the necessary actions for the transfer and/or the Board of Directors of the Transferee Company will be authorized to seek approval or enter into agreement with the concerned authority and/or undertake such other activity as is necessary for being eligible for such registrations, benefits, incentives, exemptions, etc. as were availed by the Transferor Companies.

7. COMPLIANCE WITH TAX LAWS

- 7.1 The provisions of this Scheme, as they relate to amalgamation of the Transferor Companies into the Transferee Company, have been drawn up to comply with the conditions relating to “amalgamation” as defined under Section 2(1B) of the Income-tax Act, 1961. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said Section of the Income-tax Act, 1961, at a later date including resulting

from an amendment of law or for any other reason whatsoever, the provisions of the said Section of the Income-tax Act, 1961, shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with Section 2(1B) of the Income-tax Act, 1961. Such modification will, however, not affect the other parts of the Scheme.

- 7.2 Upon the Scheme becoming effective, the Transferor Companies and the Transferee Company shall be entitled, wherever necessary and pursuant to the provisions of this Scheme, to file or revise their financial statements, tax returns, tax deduction at source certificates, tax deduction at source returns, and other statutory returns, and shall have the right to claim refunds, advance tax credits, credit for Minimum Alternate Tax, carry forward of losses and unabsorbed depreciation, deductions, tax holiday benefits, deductions or any other credits and / or set off of all amounts paid by the Transferor Companies or the Transferee Company under the relevant laws relating to Income Tax, Value Added Tax, GST, Central Sales Tax or any other tax, as may be required consequent to the implementation of the Scheme.
- 7.3 As and from the Effective Date, all tax proceedings shall be continued and enforced by or against the Transferee Company in the same manner and to the same extent as would or might have been continued and enforced by or against the Transferor Companies.
- 7.4 Further, all tax proceedings shall not abate or be discontinued nor be in any way prejudicially affected by reason of the amalgamation of the Transferor Companies with the Transferee Company or anything contained in the Scheme.
- 7.5 Upon the Scheme becoming effective, any tax liabilities under the Income-tax Act, 1961, Wealth-tax Act, 1957, GST Act 2017, or other applicable laws / regulations dealing with taxes, duties, levies allocable or related to the business of the Transferor Companies to the extent not provided for or covered by tax provision in the accounts made as on the date immediately preceding the Appointed Date shall be transferred or stand transferred to Transferee Company. Any surplus in the provision for taxation / duties / levies account including advance tax and tax deducted at source as on the date immediately preceding the Appointed Date will also be transferred to the account of the Transferee Company.
- 7.6 Upon the Scheme becoming effective, any refund under the Income-tax Act, 1961, Wealth-tax Act, 1957, GST laws, or other applicable laws / regulations dealing with taxes / duties / levies allocable or related to the business of the Transferor Companies due to the Transferor Companies consequent to the assessment made on the Transferor Companies and for which no credit is taken in the accounts as on the date immediately preceding the Appointed Date shall also belong to and be received by the Transferee Company.
- 7.7 Upon the Scheme becoming effective, all taxes including income-tax, minimum alternate tax, GST, etc. paid or payable by the Transferor Companies in respect of the operations and / or the profits of the business before the Appointed Date, shall be on account of the Transferor Companies

and, in so far as it relates to the tax payment (including, without limitation, income-tax, minimum alternate tax, GST, etc.) whether by way of deduction at source, advance tax or otherwise howsoever, by the Transferor Companies in respect of the profits or activities or operation of the business after the Appointed Date, the same shall be deemed to be the corresponding item paid by the Transferee Company and shall, in all proceedings, be dealt with accordingly.

- 7.8 Upon Scheme becoming effective, any tax deducted at source by the Transferor Companies / Transferee Company on transactions with the Transferee Company / Transferor Companies, if any (from Appointed Date to Effective Date) shall be deemed to be advance tax paid by the Transferee Company and shall, in all proceedings, be dealt with accordingly.
- 7.9 Upon the Scheme coming into effect, any obligation for deduction of tax at source on any payment made by the Transferor Companies shall be made or deemed to be made and duly complied with the Transferee Company.
- 7.10 Upon the Scheme coming into effect, without prejudice to the generality of the above, all benefits, incentives, losses (including but not limited to book losses, tax losses), book unabsorbed depreciation, tax unabsorbed depreciation, credits (including, without limitation income tax, minimum alternative tax whether recognized or not, tax deducted at source, GST, etc.) to which the Transferor Companies are entitled to in terms of applicable laws, shall be available to and vest in the Transferee Company.
- 7.11 Upon the coming into effect of this Scheme, all tax compliances under any tax laws by the Transferor Companies on or after Appointed Date shall be deemed to be made by the Transferee Company.

8. LEGAL PROCEEDINGS

If any suits, actions and proceedings of whatsoever nature (hereinafter referred to as the “**Proceedings**”) by or against the Transferor Companies are pending on the Effective Date, the same shall not abate or be discontinued nor be in any way prejudicially affected by reason of the amalgamation of the Transferor Companies with the Transferee Company or anything contained in the Scheme, but the Proceedings may be continued and enforced by or against the Transferee Company as effectually and in the same manner and to the same extent as the same would or might have continued and enforced by or against the Transferor Companies, in the absence of the Scheme.

9. CONTRACTS AND DEEDS

- 9.1 All contracts, deeds, bonds, agreements, arrangements, incentives, licenses, engagements, approvals and registrations and other instruments of whatsoever nature to which the Transferor Companies are party or to the benefit of which the Transferor Companies may be eligible, and which have not lapsed and are subsisting on the Effective Date, shall remain in full force and effect against or in favour of the Transferee Company, as the case may be, and may

be enforced by or against the Transferee Company as fully and effectually as if, instead of the Transferor Companies, the Transferee Company had been a party or beneficiary thereto.

- 9.2 The Transferee Company shall, if and to the extent required by law, enter into and/or issue and/or execute deeds, writings or confirmations, to give formal effect to the provisions of this clause and to the extent that the Transferor Companies are required, prior to the Effective Date, to join in such deeds, writings or confirmations, the Transferee Company shall be entitled to act for and on behalf of and in the name of the Transferor Companies.

10. SAVING OF CONCLUDED TRANSACTIONS

The transfer of the assets and liabilities of the Transferor Companies under clause 6 above, the continuance of Proceedings under clause 8 above and the effectiveness of contracts and deeds under clause 9 above, shall not affect any transaction or Proceedings already concluded by the Transferor Companies on or before the Effective Date, to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things done and executed by the Transferor Companies in respect thereto, as if done and executed on its behalf.

11. EMPLOYEES

- 11.1 All the employees of the Transferor Companies in service on the Effective Date shall, on and from the Effective Date, become the employees of the Transferee Company on terms and conditions not less favorable as applicable to them on the Effective Date.
- 11.2 On and from the Effective Date, the services of the employees of the Transferor Companies will be treated as having been continuous, without any break, discontinuance or interruption, for the purpose of membership and the application of the rules or bye-laws of the various Funds (as defined herein below).
- 11.3 With regard to provident fund and gratuity fund or any other special funds or schemes created or existing for the benefit of such employees (hereinafter referred to as the "said Funds") of the Transferor Companies, upon the Scheme becoming effective, the Transferee Company shall stand substituted for the Transferor Companies for all purposes whatsoever relating to the administration or operation of such schemes or funds in relation to the obligations to make contributions to the said Funds in accordance with the provisions of such schemes or funds in the respective trust deeds or other documents. It is the aim and intent of the Scheme that all the rights, duties, powers and obligations of the Transferor Companies in relation to such Funds shall become those of the Transferee Company. In the event that trustees are constituted as holders of any securities, trust funds or trust monies, in relation to any provident fund trust, gratuity trust, superannuation trust, welfare trust, or any other such trust existing for the benefit of the employees of the Transferor Companies, such funds shall be transferred by such trustees of the trusts of the Transferor Companies, to separate trusts and the trustees of the Transferee Company if set up for the same purpose and object and shall be

deemed to be a transfer of trust property from one set of trustees to another set of trustees in accordance with the provisions of the relevant labour laws, Indian Trusts Act, 1882, the Income-tax Act, 1961 and relevant stamp legislations, as applicable. In such a case, appropriate deeds of trusts and/or documents for transfer of trust properties shall be executed upon the sanction of the Scheme in accordance with the terms hereof by the trustees of such trusts in favour of the trusts of the Transferee Company, if required, so as to continue the benefits of the employees. For this purpose, the trusts created by the Transferor Companies shall be transferred/merged with the respective trust(s) of the Transferee Company and/or continued by the Transferee Company, if permitted by law, failing which the Transferee Company shall establish similar trusts ensuring that there is continuity in this regard. The Trustees, including the Board of Directors of the Transferee Company, shall be entitled to adopt such course of action in this regard, as may be advised, provided however that there shall be no discontinuation or breakage in the service of the employees of the Transferor Companies. Notwithstanding the above, the Board of Directors of the Transferee Company, if it deems fit and subject to applicable law, shall be entitled to retain separate trusts / schemes within the Transferee Company for each of the erstwhile trusts / schemes of the Transferor Companies.

12. CONDUCT OF BUSINESS TILL EFFECTIVE DATE

With effect from the Appointed Date and up to and including the Effective Date:

- 12.1. The Transferor Companies shall be deemed to have been carrying on and shall carry on their respective business and activities and shall be deemed to have held and stood possessed of and shall hold and stand possessed of all of the respective assets of the Transferor Companies for and on account of, and in trust for, the Transferee Company. The Transferor Companies hereby undertake to hold the said assets with utmost prudence until the Effective Date.
- 12.2. The Transferor Companies shall carry on their business and activities with reasonable diligence, business prudence and shall not (without the prior consent of the Transferee Company) alienate, create any charge, mortgage, encumber or otherwise deal with or dispose of the assets or any part thereof (except in the ordinary course of business).
- 12.3. All the profits or income, taxes (including advance tax, tax deducted at source) or any costs, charges, expenditure accruing to the Transferor Companies or expenditure or losses arising or incurred or suffered by the Transferor Companies from the Appointed Date shall for all purposes be treated and be deemed to be and accrue as the profits, taxes, incomes, costs, charges, expenditure or losses of the Transferee Company, as the case may be.
- 12.4. On and after the Appointed Date and until the Effective Date, the Transferor Companies shall not without the prior written approval of the Board of Directors of the Transferee Company except as contemplated under the Scheme, issue or allot any further securities, either by way of rights or bonus or otherwise.

13. DIVIDENDS

- 13.1. The Transferor Companies and the Transferee Company shall be entitled to declare and pay dividends, whether interim or final, to their respective shareholders in respect of the accounting period prior to the Effective Date.
- 13.2. Subject to the provisions of the Scheme, the profits of the Transferor Companies to the extent not distributed as dividends as per Para 13.1 above, for the period beginning from the Appointed Date, shall belong to and be the profits of the Transferee Company and will be available to the Transferee Company for being disposed of in any manner as it thinks fit, post the Effective Date.
- 13.3. It is clarified that the aforesaid provisions in respect of declaration of dividends are enabling provisions only and shall not be deemed to confer any right on any member of the Transferor Companies and/or the Transferee Company to demand or claim any dividends which, subject to the provisions of the Act, shall be entirely at the discretion of the Board of Directors of the Transferor Companies and the Transferee Company, subject to such approval of the shareholders, as may be required.

14. AMENDMENT TO MEMORANDUM AND ARTICLES OF ASSOCIATION OF THE TRANSFEEE COMPANY

14.1. Increase in authorized share capital of the Transferee Company:

- 14.1.1. Upon coming into effect of the Scheme, the authorized share capital of the Transferor Companies shall be deemed to be added to the authorized share capital of the Transferee Company and the authorized share capital of the Transferee Company shall stand increased to ₹ 80,00,00,000/- without any further act, instrument, deed or procedure, formalities or payment of any stamp duty and registration fees.
- 14.1.2. Upon coming into effect of the Scheme, Clause V of the Memorandum of Association and Article 3 of the Articles of Association of the Transferee Company shall without any further act, deed or instrument be substituted as follows:
- (a) Clause no. V of the Memorandum of Association of the Transferee Company shall, without any further act, deed or instrument, be substituted by the following clause:

V. "The Present Authorised Share Capital of the Company is ₹80,00,00,000/- (Rupees Eighty crores) divided into 37,50,00,000 (Thirty seven crore fifty lakhs) Equity Shares of ₹2/- each and 5,00,000 (Five lakh) Preference Shares of ₹100/- each with power to increase or reduce the Share Capital with the rights, privileges and conditions attaching thereto, with the power to classify, re-classify and divide the shares in the capital for the time being into several classes and to attach thereto respectively such preferential, qualified or special rights, privileges or conditions as may be determined by or in accordance with the

Memorandum of Association and / or the Articles of Association of the Company. The Company shall have the power to issue Preference Shares which may at the option of the Company be redeemed and the Directors may, subject to the provisions of the Companies Act, 2013 (as may be amended from time to time), exercise the same in any manner they think fit.”

- (b) Article 3 of the Articles of Association of the Transferee Company shall, without any further act, deed or instrument, be substituted by the following clause:

3. *The Authorised Share Capital of the Company shall be as stated in Clause V of the Memorandum of Association of the Company*

- 14.2. It shall be deemed that the members of the Transferee Company have also resolved and accorded all relevant consents under Sections 13, 14, 61 and other applicable provisions of the Companies Act, 2013 for the purpose of amendment of the Memorandum of Association and Articles of Association of the Transferee Company as above. It is clarified that there will be no need to pass separate shareholders’ resolutions as required under Sections 13, 14 and 61 of the Companies Act, 2013 for increase in authorized share capital or for amendment of the Memorandum of Association and Articles of Association of the Transferee Company as above.

15. CONSIDERATION

15.1 **Consideration for the amalgamation of Transferor Companies into the Transferee Company**

15.1.1. Transferor Companies are wholly owned subsidiaries of the Transferee Company. Accordingly, the shares held by the Transferee Company in the Transferor Companies shall get extinguished and there shall be no issue of shares by the Transferee Company upon amalgamation of Transferor Companies into the Transferee Company.

15.1.2. Upon the Scheme becoming effective, all equity shares of Transferor Companies, held by the Transferee Company (either directly or through its nominees) shall stand cancelled without any further application, act or deed. It is clarified that no new shares shall be issued or payment made in cash or in kind whatsoever by the Transferee Company in lieu of cancellation of such shares of the Transferor Companies.

16. DISSOLUTION OF THE TRANSFEROR COMPANIES

16.1 On the Scheme becoming effective, the Transferor Companies shall stand dissolved without being wound up and without any further act by the parties.

16.2 On and with effect from the Effective Date, the names of the Transferor Companies shall be struck off from the records of the relevant Registrar of Companies. The Transferee Company shall make necessary filings in this regard.

PART - IV

17. ACCOUNTING TREATMENT OF THE TRANSFEREE COMPANY

On the Scheme becoming effective, the Transferee Company shall account for the amalgamation in its books of account with effect from the Appointed Date as under:

- (a) The Transferee Company shall, record the assets and balance liabilities of the Transferor Companies vested in it pursuant to this Scheme, in accordance with the treatment provided for “**pooling of Interest**” Method as prescribed in the Indian Accounting Standard (Ind AS) 103 (Appendix C) : '**Accounting for Business Combinations under Common Control**' and other applicable Ind-AS prescribed under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standard) Rules, 2015(as amended) and other generally accepted accounting principles as applicable on the effective date, at the respective book values thereof and in the same form as appearing in the books of the Transferor Companies at the close of business of the day immediately preceding the Appointed Date.
- (b) The Transferee Company shall record the reserves of the Transferor Companies in the same form and at the same values as they appear in the financial statements of the Transferor Companies at the close of business on the day immediately preceding the Appointed Date i.e. the General Reserve of the transferor entity becomes the General Reserve of the transferee, the Capital Reserve of the transferor becomes the Capital Reserve of the transferee and the Revaluation Reserve of the transferor becomes the Revaluation Reserve of the transferee. The surplus balance in the Statement of Profit and Loss of the Transferor Companies shall be similarly aggregated and added to or set-off from, as the case may be, with the surplus balances in statement of Profit and Loss of the Transferee Company. Accordingly, if prior to this Scheme becoming effective there is any Reserve in the financial statements of the Transferor Companies mentioned above, which are available for distribution to shareholders whether as bonus shares or dividend or otherwise, the same would continue to remain available for such distribution by the Transferee Company, subsequent to this Scheme becoming effective.
- (c) The shares held by the Transferee Company in the Transferor Companies shall stand cancelled and there shall be no further obligation / outstanding in that behalf.
- (d) The difference 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, shall be adjusted against the Capital Reserves and will be transferred to Common Control Transactions Capital Reserve (separately from other capital reserves).

- (e) In case of any difference in accounting policy between the Transferor Companies and the Transferee Company, the impact of the same till the Appointed Date will be quantified and adjusted in the reserves of the Transferee Company to ensure that the financial statements of the Transferee Company reflect the financial position on the basis of consistent accounting policy.
- (f) To the extent there are inter-company loans, deposits or balances as between the Transferor Companies and/or the Transferee Company, the obligations in respect thereof shall be cancelled and there shall be no liability in that behalf and corresponding effect shall be given in the books of account and records of the Transferee Company for the adjustment of any assets or liabilities as the case may be and there would be no accrual of interest or any other charges in respect of such inter-company loans, deposits or balances, with effect from the Appointed Date. The amount of such dues to or from the Transferor Companies shall be cancelled in the books of the Transferee Company against the corresponding balance taken over from the Transferor Companies.
- (g) All costs and expenses incurred in connection with the Scheme and to put it into operation and any other expenses or charges attributable to the implementation of the Scheme shall be debited to the statement of profit & loss of the Transferee Company.
- (h) The Transferor Companies are wholly owned subsidiaries of the Transferee Company, thus pursuant to the Scheme no new shares shall be issued after the Scheme is sanctioned by the NCLT at Mumbai.
- (i) In addition, the Transferee Company shall pass such accounting entries, as may be necessary, in connection with this Scheme to comply with any of the applicable Indian Accounting Standards and generally accepted accounting principles.
- (j) Comparative accounting period presented in the financial statements of Transferee Company shall be restated for the accounting impact of amalgamation, as stated above, as if the amalgamation had occurred from the beginning of the comparative period in the financial statements

18. APPLICATIONS TO THE NATIONAL COMPANY LAW TRIBUNAL

The Transferor Companies and the Transferee Company (if required) shall, with all reasonable dispatch, make applications to the National Company Law Tribunal, Mumbai Bench, for sanctioning this Scheme for an order or orders thereof for carrying this Scheme into effect and for dissolution of the Transferor Companies without winding up.

19. VALIDITY OF EXISTING RESOLUTIONS, ETC.

Upon the coming into effect of the Scheme and with effect from the Appointed Date, the resolutions of the Transferor Companies as are considered necessary by the Board of Directors of the Transferee Company which are validly subsisting be considered as resolutions of the Transferee Company. If any such resolutions have any monetary limits approved under the provisions of the Act or any other applicable statutory

provisions, then the said limits, as are considered necessary by the Board of Directors of the Transferee Company, shall be added to the limits, if any, under the like resolutions passed by the Transferor Companies and in the absence of like resolution shall be considered as the limit under resolution of the transferee company.

20. MODIFICATIONS/AMENDMENTS TO THE SCHEME

- 20.1 The Transferor Companies and the Transferee Company by their respective Board of Directors or such other person or persons, as the respective Board of Directors may authorize, including any committee or sub-committee thereof, may make and/or consent to any modifications/amendments to the Scheme or withdrawal of the Scheme or to any conditions or limitations as the respective Board of Directors may deem fit or the NCLT or any other authority may deem fit to direct or impose or which may otherwise be considered necessary, desirable or appropriate by them. The Transferor Companies and the Transferee Company by their respective Board of Directors or such other person or persons, as the respective Board of Directors may authorize, including any committee or sub-committee thereof, shall be authorized to take all such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions whether by reason of any directive or orders of any other authorities or otherwise howsoever arising out of or under or by virtue of the Scheme and/or any matter concerned or connected therewith.
- 20.2 For the purpose of giving effect to this Scheme or to any modifications or amendments thereof or additions thereto, the authorized person(s) of the Transferee Company may give and are hereby authorized to determine and give all such directions as are necessary including directions for settling or removing any question or doubt or difficulty that may arise and such determination or directions, as the case may be, shall be binding on all parties, in the same manner as if the same were specifically incorporated in this Scheme.
- 20.3 It is clarified that, all amendments / modifications to the Scheme shall be subject to the approval of the NCLT.

21. SCHEME CONDITIONAL ON APPROVALS/ SANCTIONS

The Scheme is conditional upon and subject to:

- 21.1 Approval of the Scheme by the requisite majority of the respective members and such class of persons of the Transferor Companies and the Transferee Company, as may be directed by the NCLT.
- 21.2 Sanctions and Orders under the provisions of Section 230 read with Section 232 of the Companies Act, 2013 being obtained by the Transferor Companies and the Transferee Company from the NCLT.
- 21.3 All other sanctions and approvals as may be required by law in respect of this Scheme being obtained.

22. COSTS

All costs, charges and expenses including stamp duty and registration fee of any deed, document, instrument or NCLT's order including this Scheme or in relation to or in connection with negotiations leading up to the Scheme and of carrying out and implementing the terms and provisions of this Scheme and incidental to the completion of arrangement in pursuance of this Scheme shall be borne and paid by the Transferee Company.

NO CAUSE OF ACTION

23. *No cause of action* No third party claiming to have acted or changed his position in anticipation of this Scheme taking effect, shall get any cause of action against the Transferor Company or the Transferee Company or their directors or officers, if the Scheme does not take effect or is withdrawn, amended or modified for any reason whatsoever.

24. REVOCATION OF THE SCHEME

In the event of any of the said sanctions and approvals referred to in clause 21 above not being obtained and/or complied with and/or satisfied and/or this Scheme not being sanctioned by the NCLT and/or order or orders not being passed as aforesaid, this Scheme shall stand revoked, cancelled and be of no effect and in that event, no rights and liabilities whatsoever shall accrue to or be incurred *inter se* the Transferor Companies and the Transferee Company or their respective shareholders or creditors or employees or any other person save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any right, liability or obligation which has arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out in accordance with the applicable law and in such case, each company shall bear its own costs unless otherwise mutually agreed. Further, the Board of Directors of the Transferor Companies and the Transferee Company shall be entitled to withdraw, revoke, cancel and declare the Scheme to be of no effect if such boards are of the view that the coming into effect of the Scheme in terms of the provisions of this Scheme or filing of the drawn up orders with any authority could have adverse implication on all/any of the company.

ANNEXURE "B"

MODERN INDIA PROPERTY DEVELOPERS LIMITED
BALANCE SHEET AS AT 30TH SEPT., 2018

| PARTICULARS | As at Sept. 30, 2018 | As at March 31, 2018 |
|--|-------------------------|-------------------------|
| I. ASSETS | | |
| (1) NON-CURRENT ASSETS | | |
| (a) Current Tax Assets (Net) | 6,06,793 | 5,22,563 |
| (2) Current Assets | | |
| (a) Financial assets | | |
| (i) Cash and cash equivalents | 1,88,096 | 2,12,394 |
| (ii) Investments | 1,33,53,028 | 1,33,22,359 |
| (iii) Other financial assets | 7,58,071 | - |
| (iv) Loans | 2,10,98,760 | 2,14,43,463 |
| (b) Other current assets | 4,76,22,081 | 4,76,22,081 |
| TOTAL | 8,36,26,829 | 8,31,22,860 |
| II. EQUITY AND LIABILITIES | | |
| (1) EQUITY | | |
| (a) Equity Share Capital | 15,00,00,000 | 15,00,00,000 |
| (b) Other Equity | (6,65,12,107) | (6,69,86,935) |
| (3) CURRENT LIABILITIES | | |
| (a) Financial liabilities | | |
| (i) Other financial liabilities | 1,38,936 | 1,09,795 |
| TOTAL | 8,36,26,829 | 8,31,22,860 |
| <p>As per our report attached For K. S. Aiyar & Co. Chartered Accountants Firm Reg. No. 100186W</p> <p style="text-align: right;">Sd/ Chairman</p> <p>Satish Kelkar Partner M. No. 38934</p> <p style="text-align: right;">Sd/- Director</p> <p>Place : Mumbai Dated : 2nd Nov,2018</p> <p style="text-align: right;">Place : Mumbai Dated : 2nd Nov,2018</p> | | |

MODERN INDIA PROPERTY DEVELOPERS LIMITED

Statement of Profit and Loss for the period ended 30th Sept., 2018.

(Amount in ₹)

| | | 2018-19 | 2017-18 |
|---|---|--|----------------------|
| I. | Other Income | 13,21,091 | 29,22,602 |
| II. | Total Revenue (I + II) | 13,21,091 | 29,22,602 |
| III. | Expenses: | | |
| | Employee benefit expenses | 4,83,739 | 9,84,670 |
| | Financial cost | - | 27,450 |
| | Other expenses | 3,62,524 | 1,52,58,685 |
| | Total expenses | 8,46,263 | 1,62,70,805 |
| IV. | Profit before exceptional, extraordinary items and tax | 4,74,827 | (1,33,48,203) |
| V. | Exceptional items | - | - |
| VI. | Profit before extraordinary items and tax | 4,74,827 | (1,33,48,203) |
| VII. | Prior period expenses | - | - |
| VIII. | Profit before Tax | 4,74,827 | (1,33,48,203) |
| IX. | Tax expense: | | |
| | Current Tax | - | - |
| | Tax Adjustment of Prior Year (Net) | - | - |
| X. | Profit for the year after Tax | 4,74,827 | (1,33,48,203) |
| | Other comprehensive income | | |
| | (i) Items that will not be recycled to profit or loss | | |
| | (a) Remeasurements of the defined benefit liabilities / (asset) | - | - |
| | (ii) Income tax on items that may be reclassified to profit or loss | - | - |
| | Total comprehensive income for the period | 4,74,827 | (1,33,48,203) |
| XI. | Earnings per Equity Share: | | |
| | (1) Basic | 0.03 | -0.89 |
| | (2) Diluted | 0.03 | -0.89 |
| | Significant Accounting Policies & Notes on Financial Statements | | |
| As per our report attached For K. S. Aiyar & Co. Chartered Accountants Firm Reg. No. 100186W Satish Kelkar Partner M. No. 38934 Place : Mumbai Dated : 2nd Nov,2018 | | Sd/ Chairman Sd/ Director Place : Mumbai Dated : 2nd Nov,2018 | |

MODERN INDIA PROPERTY DEVELOPERS LIMITED

Statement of changes in equity for the period ended 30th Sept., 2018

| a Equity share capital | Number | ₹ |
|--|---------------|--------------|
| Issued and Paid up Capital at April 1, 2017 | 1,50,00,000 | 15,00,00,000 |
| Changes in equity share capital during the year | - | - |
| Balance at March 31, 2018 | 1,50,00,000 | 15,00,00,000 |
| Changes in equity share capital during the year | - | - |
| Balance at Sept. 30, 2018 | 1,50,00,000 | 15,00,00,000 |

b Other Equity

| Particulars | Reserves and Surplus |
|---|-----------------------------|
| | Retained Earnings |
| Balance as on 1st April, 2017 | (5,36,38,732) |
| Profit for the year | (1,33,48,203) |
| Other Comprehensive income for the year | - |
| Dividend | - |
| Dividend distribution tax | - |
| Balance as on 31st March, 2018 | (6,69,86,935) |
| Profit for the year | 4,74,827 |
| Other Comprehensive income for the year | - |
| Dividend | - |
| Dividend distribution tax | - |
| Balance as on 30th Sept., 2018 | (6,65,12,107) |

As per our report attached

For K. S. Aiyar & Co.

Chartered Accountants

Firm Reg. No. 100186W

Satish Kelkar

Partner

M. No. 38934

For K. S. Aiyar & Co.

Chartered Accountants

Sd/
Chairman

Sd/
Director

Mumbai

Dated : 2nd Nov, 2018

ANNEXURE "C"

MODERN INDIA FREE TRADE WAREHOUSING PRIVATE LIMITED

Balance Sheet as at 30th Sept, 2018.

| PARTICULARS | As at Sept 30, 2018 | As at March 31, 2018 |
|------------------------------------|------------------------|-------------------------|
| I. ASSETS | | |
| (1) NON-CURRENT ASSETS | | |
| (a) Investment property | 45,120,808 | 45,120,808 |
| (b) Current Tax Assets (Net) | 2,156 | 2,156 |
| (2) Current Assets | | |
| (a) Financial assets | | |
| (i) Cash and cash equivalents | 59,513 | 22,708 |
| (ii) Other financial assets | 234,025 | 294,400 |
| TOTAL | 45,416,502 | 45,440,072 |
| II. EQUITY AND LIABILITIES | | |
| (1) EQUITY | | |
| (a) Equity Share Capital | 500,000 | 500,000 |
| (b) Other Equity | 32,034,493 | 32,643,546 |
| (2) NON CURRENT LIABILITIES | | |
| (a) Financial liabilities | | |
| Borrowings | 12,870,208 | 12,272,926 |
| (3) CURRENT LIABILITIES | | |
| (a) Financial liabilities | | |
| Other financial liabilities | 11,800 | 23,600 |
| TOTAL | 45,416,501 | 45,440,072 |

As per our report attached
For K. S. Aiyar & Co.
Firm Reg. No. 100186W
Chartered Accountants

For and on behalf of the Board

Sd/-
Director

Satish Kelkar
Partner
M. No. 38934
Place : Mumbai
Dated : 2nd November 2018

Sd/-
Director

Place : Mumbai
Dated : 2nd November 2018

MODERN INDIA FREE TRADE WAREHOUSING PRIVATE LIMITED

Statement of Profit and Loss for the period ended 30th Sept., 2018

(Amount in ₹.)

| | For the period ended Sept.30, 2018 | For the year ended March 31, 2018 |
|--|--|---|
| I. Revenue from Operations | - | - |
| II. Other Income | 9,025 | 21,793 |
| III. Total Revenue (I + II) | 9,025 | 21,793 |
| IV. Expenses: | | |
| (a) Finance cost | 597,282 | 1,095,930 |
| (b) Other expenses | 20,796 | 37,561 |
| Total expenses | 618,078 | 1,133,491 |
| V. Profit before extraordinary items and tax | (609,053) | (1,111,698) |
| VI. Extraordinary Items | - | |
| VII. Profit before Tax | (609,053) | (1,111,698) |
| VIII Tax expense: | - | - |
| IX Profit for the period after Tax | (609,053) | (1,111,698) |
| X Earnings per Equity Share: | | |
| (1) Basic | (12.18) | (22.23) |
| (2) Diluted | (12.18) | (22.23) |
| Summary of Significant Accounting Policies | | |

As per our report attached
For K. S. Aiyar & Co.
 Firm Reg. No. 100186W
 Chartered Accountants

Sd/-
 Director

Satish Kelkar
 Partner
 M. No. 38934

Sd/-
 Director

Place : Mumbai
 Dated : 2nd November 2018

Place : Mumbai
 Dated : 2nd November 2018

MODERN INDIA FREE TRADE WAREHOUSING PRIVATE LIMITED
STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30TH SEPT., 2018.

Other Equity

| Particulars | IND AS | Reserves and Surplus |
|---|-------------------|----------------------|
| | | Retained Earnings |
| Balance as on 1st April, 2017 | 37,328,444 | 33,755,244 |
| Profit for the year | | (1,111,698) |
| Other Comprehensive income for the year | | - |
| Dividend | | - |
| Dividend distribution tax | | - |
| Balance as on 31st March, 2018 | | 32,643,546 |
| Profit for the year | | (609,053) |
| Other Comprehensive income for the year | | - |
| Dividend | | - |
| Dividend distribution tax | | - |
| Balance as on 30th Sept 2018 | | 32,034,493 |



MODERN INDIA LIMITED

Statement of Profit and Loss for the Period ended September 30, 2018.

(Amount in ₹.)

| Particulars | Period Ended Sept. 30, 2018 | Year Ended March 31, 2018 |
|--|-----------------------------|---------------------------|
| I INCOME | | |
| Revenue from operations | 377,297,465 | 723,910,492 |
| Other Income | 80,635,319 | 177,683,210 |
| Total income | 457,932,784 | 901,593,702 |
| II EXPENSES | | |
| (a) Purchases of Stock-in-trade | 357,101,785 | 695,235,328 |
| (b) Changes in inventories of Stock-in-Trade | (40,638,616) | (21,088,696) |
| (c) Employee benefit expense | 29,274,996 | 56,708,338 |
| (d) Finance costs | 64,058,749 | 111,526,064 |
| (e) Depreciation and amortisation expense | 14,133,776 | 27,990,390 |
| (f) Other expenses | 98,493,782 | 102,977,826 |
| Total Expenses | 522,424,473 | 973,349,251 |
| III (Loss) before exceptional items and tax | (64,491,689) | (71,755,549) |
| IV Exceptional Items | - | - |
| V (Loss) before tax | (64,491,689) | (71,755,549) |
| VI Tax Expense | | |
| (a) Current tax | - | - |
| (b) Deferred tax | (22,237,584) | (24,720,064) |
| (c) Tax Adjustments of prior years | - | - |
| Total Tax Expense | (22,237,584) | (24,720,064) |
| VII (Loss) for the year | (42,254,106) | (47,035,485) |
| VIII Other comprehensive income | | |
| A (i) Items that will not be reclassified to profit or loss | | |
| Remeasurements of the defined benefit liabilities / (asset) | 131,368 | 262,736 |
| Income tax relating to items that will not be reclassified to profit or loss | (43,856) | (87,712) |
| IX Total comprehensive income for the year | (42,166,593) | (46,860,461) |
| X Earnings per equity share : (In Rupees) | | |
| (1) Basic (Face Value of ₹ 2/- each) | (1.13) | (1.25) |
| (2) Diluted (Face Value of ₹ 2/- each) | (1.13) | (1.25) |
| Basis of preparation, measurement and significant accounting policies | | |

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

Narendra Jain
Partner
Membership No. 048725

Place : Mumbai
Date : 3rd November, 2018

For and on behalf of the Board of Directors

Sd/-
Vice President - CS
Sd/-
Sr. Vice President & C. F. O.

Sd/-
Director
Sd/-
Director

MODERN INDIA LIMITED
Statement of changes in Equity for the Period ended September 30, 2018.

(Amount in ₹.)

| A Equity Share Capital | Equity Shares of ₹. 2/- each | ₹ in Lakhs |
|-------------------------------------|------------------------------|-------------------|
| Paid up Capital at April 1, 2016 | 37,542,750 | 75,085,930 |
| Changes during the period | - | - |
| Balance as at March 31, 2017 | 37,542,750 | 75,085,930 |
| Changes during the period | - | - |
| Balance as at March 31, 2018 | 37,542,750 | 75,085,930 |

B. Statement of Changes in Equity for the year ended March 31, 2018

| | <u>Reserves and Surplus</u> | | | | |
|--|-----------------------------|--------------------|----------------------------------|----------------------|--------------|
| | Capital reserve | General reserve | Capital Redemption Reserve | Retained earnings | Total |
| Balance as at 1st April 2017 (A) | 23,143,666 | 31,759,000 | 891,050 | 294,626,320 | 350,420,036 |
| Additions during the year | | | | | - |
| Loss for the year | | | | (47,035,485) | (47,035,485) |
| Other Comprehensive income for the year | | | | 175,024 | 175,024 |
| Total Comprehensive income for the year (B) | - | - | - | (46,860,461) | (46,860,461) |
| Reduction during the year | | | | | - |
| Dividend paid | | | | (11,262,825) | (11,262,825) |
| Income Tax on dividend | | | | (1,906,055) | (1,906,055) |
| Total (C) | - | - | - | (13,168,880) | (13,168,880) |
| Balance as at 31st March 2018 (D) = (A+B+C) | 23,143,666 | 31,759,000 | 891,050 | 234,596,979 | 290,390,695 |
| Balance as at 1st April 2018 (A) | 23,143,666 | 31,759,000 | 891,050 | 234,596,979 | 290,390,695 |
| Additions during the year | | | | | - |
| Loss for the year | | | | (42,254,106) | (42,254,106) |
| Other Comprehensive income for the year | | | | 87,512 | 87,512 |
| Total Comprehensive income for the year (B) | - | - | - | (42,166,593) | (42,166,593) |
| Reduction during the year | | | | | - |
| Dividend paid | | | | (11,262,825) | (11,262,825) |
| Income Tax on dividend | | | | (1,924,556) | (1,924,556) |
| Total (C) | - | - | - | (13,187,381) | (13,187,381) |
| Balance as at 30th June 2018 (D) = (A+B+C) | 23,143,666 | 31,759,000 | 891,050 | 179,243,004 | 235,036,720 |

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

 Narendra Jain
 Partner
 Membership No. 048725

 Place : Mumbai
 Date : 3rd November, 2018

For and on behalf of the Board of Directors

 Sd/-
 Vice President - CS
 Sd/-
 Sr. Vice President & C. F. O. Director
 Sd/-
 Director
 Sd/-
 Director



ANNEXURE "E"

Report of the Board of Directors on the Draft Scheme of Arrangement for Amalgamation of Modern India Free Trade Warehousing Private Limited ("MIFTWPL" or "Transferor Company No. 1") and Modern India Property Developers Limited ("MIPDL" or "Transferor Company No. 2"), with Modern India Limited ("MIL" or "Transferee Company or "Company")

The Company had placed before the Board of Directors on 2nd November, 2018, the Draft Scheme of Arrangement for amalgamation of Modern India Free Trade Warehousing Private Limited and Modern India Property Developers Limited with Modern India Limited under the applicable provisions of the Companies Act, 2013 and the Companies Act, 1956.

At the Board meeting, the following documents were placed before the Board of Directors for their consideration:

- a. Scheme of Arrangement;
- b. Memorandum of Association and Article of Association of the Companies;
- c. Audited accounts of Companies as on 31.03.2018; and unaudited financial statements as on 30.09.2018.

BOARD REPORT

Based on review of the Scheme and the abovementioned documents, the Board approved the Scheme and was of the opinion that:

1. A consolidation of MIFTWPL, MIPDL and MIL by way of amalgamation would lead to a more efficient utilization of capital. This is because: (a) MIFTWPL and MIPDL belong to the Modern India Group of Companies and are wholly owned subsidiaries of MIL; (b) engaged in the business of providing , developing, promoting, dealing in , acquiring, maintaining and engaging into development and construction of warehousing facilities by purchase, lease, exchange, or and hire. The Company is also engaged in providing infrastructure pertaining to offices, godowns, storage facility for all the complexes and warehouses the Company (c) engaged in the business of deploying its funds in Real Estate activities viz. bookings of under construction residential and/ or commercial space. Funds committed towards bookings of under construction spaces and to be paid over a period of time, are placed with corporate entities fetching interest in the intervening period.; the main business activities of MIFTWL and MIPDL can also be carried out by MIL in a more efficient and economical manner.
2. As the entire undertaking of MIFTWPL and MIPDL shall be transferred to MIL, the rights and interests of the shareholders or the creditors of MIL shall not be affected and the Scheme shall not be prejudicial to the interest of the

shareholders and creditors of MIL.

3. The proposed amalgamation will result in administrative and organizational efficiencies, reduction in overheads and other expenses and optimal utilization of resources. It will prevent cost duplication that can affect financial efficiencies of the holding structure and the resultant operations would be substantially cost-efficient. Consequently, MIL will offer a strong financial structure to all creditors including the creditors of MIFTWPL and MIPDL and achieve better cash flows. The synergies created by the amalgamation would increase operational efficiency and integrate business functions.
4. The creditors of MIFTWPL and MIPDL will not be affected by the Scheme since the assets of the MIFTWPL and MIPDL(taken together) are more than the liabilities of the MIL, and MIFTWPL and MIPDL(taken together). Further even the creditors of MIL, will not be affected by the Scheme since the assets of MIFTWPL and MIPDL are more than their liabilities. Further, post the sanction of the Scheme, the assets of MIL shall be greater than its liabilities.
5. The effect of the proposed Scheme on the stakeholders of MIL would be as follows:

| Effect of the Composite Scheme of Arrangement on: | |
|--|---|
| (a) Shareholders; | No impact |
| (a) Key managerial personnel; | Shall be absorbed in the Merged Company |
| (b) Directors; | No impact |
| (c) Promoters; | No impact |
| (d) Non-promoter members; | No impact |
| (e) Depositors; | Not Applicable |
| (f) Creditors; | No impact |
| (g) Debenture holders; | Not Applicable |
| (h) Deposit trustee and debenture trustee; | Not Applicable |
| (i) Employees of the Company | No impact |

In the opinion of the Board, the said Scheme will be fair and reasonable for all stakeholders.

For and on behalf of the Board of Directors

Modern India Property Developers Limited

Sd/-

Shri.Vijay Kumar jatia

Director

DIN: 00096977

Place: Mumbai

Date: 02.11.2018

MODERN INDIA PROPERTY DEVELOPERS LIMITED

CIN: U72200MH2000PLC128584

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

Tel. No: 022- 67444200 ; Fax: +91 22 67444300

E-mail Id: info@modernindia.co.in

Attendance Slip

I hereby record my presence at the NCLT convened meeting of the Equity Shareholders of the Company at 1, Mittal Chambers, 228, Nariman Point, Mumbai-400021 on Saturday, 20th April, 2019 at 11.30 a.m.

| | |
|---|--|
| Folio No. | |
| No. of shares | |
| Signature Of The Attending Member / Proxy | |

Notes:

1. Shareholder /Proxy holder wishing to attend the meeting must bring the Attendance slip to the meeting and hand it over at the entrance duly signed.
2. Shareholder/ Proxy holder desiring to attend the meeting should bring his / her copy of the Notice of the NCLT Convened Meeting for reference at the meeting.

MGT-11
PROXY FORM

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

MODERN INDIA PROPERTY DEVELOPERS LIMITED
CIN: U72200MH2000PLC128584

Registered Office: 1, Mittal Chambers, 228, Nariman Point, Mumbai-400 021
Tel. No: 022- 67444200 ; **Fax:** +91 22 67444300
E-mail Id: info@modernindia.co.in

| |
|--------------------------------|
| Name of the Member (s) : _____ |
| Registered address: _____ |
| E-mail Id: _____ |
| Folio No./ Client ID: _____ |

I / We, being the Member(s) of _____ Equity shares of Modern India Property Developers Limited, hereby appoint:

1. _____ of _____ having e-mail id _____ or failing him/her
2. _____ of _____ having e-mail id _____ or failing him/her
3. _____ of _____ having e-mail id _____

and whose signature(s) are appended below as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the meeting of the equity shareholders of Modern India Property Developers Limited pursuant to Order of the Mumbai Bench of the National Company Law Tribunal to be held on Saturday, 20th April, 2019 at 11:30 am at **1, Mittal Chambers, 228, Nariman Point, Mumbai-400021** and at any adjournment thereof in respect of such resolutions as are indicated below:

| Sr. No. | Resolution | Number of Equity shares held | For | Against |
|---------|--|------------------------------|-----|---------|
| 1. | Approval for the arrangement embodied in the Scheme of Amalgamation of Modern India Free Trade Warehousing Private Limited and Modern India Property Developers Limited with Modern India Limited and their respective Shareholders and Creditors. | | | |

Signed this ___ day of _____ 2019.

Signature of Shareholder

| |
|---------------------------------------|
| Affix Revenue Stamp of ` 1/- |
|---------------------------------------|

Signature of first proxy holder

Signature of second proxy holder

Signature of third proxy holder

Notes:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.