

MODERN INDIA LIMITED

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Statement of Unaudited Financial Results for the Quarter and Nine Months Ended on 31st December, 2017.

CIN:L17120MH1933PLC002031

(₹ In Lakhs)

	Unaudited			Unaudited	
	Quarter Ended			Nine Months ended	
	Standalone			Standalone	
	31.12.2017	30.09.2017	31.12.2016	31.12.2017	31.12.2016
1 Revenue from operations					
(a) Net Sales / Revenue From Operations	1,844.96	2,617.35	1,405.30	5,848.93	4,398.71
(b) Other Operating Revenue	3.90	4.38	6.20	13.51	16.71
Total Revenue from operations	1,848.86	2,621.73	1,411.50	5,862.44	4,415.42
Other Income (Including interest Income)	521.32	555.32	200.38	1,448.67	659.29
Total income	2,370.18	3,177.05	1,611.88	7,311.11	5,074.71
2 Expenses					
(a) Purchases of Goods Traded	1,786.27	2,529.91	1,322.48	5,682.64	3,663.63
(b) Changes in inventories of finished goods, Stock-in-Trade and work-in progress	(13.09)	(12.35)	(4.05)	(285.09)	172.09
(c) Employee Benefits Expense	147.76	132.51	133.78	414.69	330.49
(d) Finance Cost	304.20	285.70	157.23	812.88	474.61
(d) Depreciation and amortization expenses	73.51	72.92	79.92	210.54	240.41
(e) Other Expenses	159.32	208.84	159.39	786.82	485.42
Total Expenses	2,457.97	3,217.53	1,848.75	7,622.48	5,366.65
3 Profit / (Loss) before Exceptional items and Tax	(87.79)	(40.48)	(236.87)	(311.37)	(291.94)
4 Exceptional items	-	-	-	-	-
5 Profit / (Loss) before Tax	(87.79)	(40.48)	(236.87)	(311.37)	(291.94)
6 Tax Expense - deferred tax	(43.78)	(16.98)	(78.79)	(126.10)	(104.09)
7 Net Profit / (Loss) after Tax	(44.01)	(23.50)	(158.08)	(185.27)	(187.85)
8 Other Comprehensive Income					
a) Items that will not be classified to Profit & Loss	(1.19)	(1.19)	(0.29)	(3.57)	(0.85)
b) Income Tax relating to items that will not be classified to Profit & Loss	0.39	0.39	0.09	1.18	0.28
9 Other Comprehensive income	(0.80)	(0.80)	(0.20)	(2.39)	(0.57)
10 Total Comprehensive income for the period	(44.81)	(24.30)	(158.28)	(187.66)	(188.42)
11 Paid-up Equity Share Capital - (Face Value ₹ 2/- each)	750.86	750.86	750.86	750.86	750.86
12 Earning Per Share (EPS) Face Value ₹ 2/- each (not annualized)					
Basic EPS	(0.12)	(0.06)	(0.42)	(0.49)	(0.50)
Diluted EPS	(0.12)	(0.06)	(0.42)	(0.49)	(0.50)

1 The above results were reviewed by the Audit Committee and taken on record by the Board of Directors at their respective meetings held on 1st February, 2018.

2 The Statutory Auditors in their Report on the Standalone Financial Statements for the year ended on March 31, 2017 have qualified their opinion as regards Receivable of ₹ 1359.51 Lakhs in respect of Commodities Trading Transaction done on NSEL .

The Managements reply is stated here under.

Am amount of ₹ 1,359.51 Lakhs (Net of ₹ 93.61 Lakhs recovered till date) is outstanding as receivable in respect of Commodities Trading Transactions done on National Spot Exchange Limited (NSEL). The Company has filed a representative suit in the Hon'ble Bombay High Court for recovery of the same. Ministry of Corporate Affairs (MCA) has completed the hearing to pass Order under Section 396 of the Companies Act, 1956 and Hon'ble High Court has vacated interim stay on merger of NSEL with 63 Moons Technologies Limited. In the meanwhile various decrees have been passed by the High Court of Bombay against defaulters, including sale of commodities and assets is also in process. Various agencies including Economic Offence Wing and Enforcement Directorate are also in process of liquidating assets of defaulters. However considering uncertainties involved in making any reliable estimate of amount recoverable, provision if any will be considered at an appropriate time on the basis of resultant outcome. Until then the dues are considered as good.

3 Tax expense comprises of current tax and deferred tax.

4 The Company adopted Indian Accounting Standards ("IND AS") for the first time effective April 1, 2017 with a transition date of April 1, 2016 and accordingly, the above Unaudited Financial Results for the quarter and nine months ended December 31, 2017 have been prepared in accordance with the recognition and measurement principals laid down in the Ind AS 34 "Interim Financial Reporting" prescribed under section 133 of the Companies Act, 2013 read with the relevant rules prescribed in Companies (Indian Accounting Standards) Rules, 2015 (IND AS) and the other accounting principles generally accepted in India. The comparative financial results for the quarter and nine months ended 31st December, 2016 included in these results are based on the previously issued unaudited financial results of the Company for the quarter and nine months ended 31st December, 2016 prepared in accordance with the Accounting Standards as per section 133 of the Companies Act, 2013 read with rule 7 of the Companies (Accounts) Rules, 2014 and other accounting principles generally accepted in India reviewed by the predecessor auditor, whose report dated 2nd February, 2017 expressed an modified conclusion on those unaudited financial results, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Indian Accounting Standards ('Ind AS'), which have been reviewed by Statutory Auditors.



5 Reconciliation of Net Profit as previously reported on account of transition from the previous Indian GAAP to IND AS for the quarter and nine months ended 31st December, 2016

		(₹ In Lakhs)	
	Nature of Adjustment	Quarter Ended	Nine Months Ended
		31.12.2016	31.12.2016
	Net profit / (Loss) as per previous GAAP (Indian GAAP)	(179.99)	(287.27)
1)	Fair Valuations of Financial Assets	29.03	137.51
2)	Real Estate income on fair valuation of security deposit	142.70	417.89
3)	Finance cost recognised on valuations of Financial liabilities	(139.07)	(399.54)
4)	Impact on changes in inventories due to fair valuation of security deposit	(3.63)	(18.35)
5)	Rent Expense recognised on fair valuation of security deposit	(0.77)	(2.30)
6)	Interest income recognised on valuations of Financial assets	0.75	2.16
7)	Interest income on corporate guarantee obligation	2.31	6.95
8)	Re-classification of defined employee benefit obligation	0.29	0.85
9)	Deferred tax on above adjustments (net)	(9.70)	(45.75)
	Net Profit / (Loss) for the period under IND AS	(158.08)	(187.85)

6 Figures for the previous quarters / period have been regrouped and / or rearranged wherever considered necessary.

		(₹ In Lakhs)				
Segment - wise Revenue, Results, Assets and Liabilities						
		Unaudited			Unaudited	
		Quarter Ended			Nine Months ended	
		Standalone			Standalone	
		31.12.2017	30.09.2017	31.12.2016	31.12.2017	31.12.2016
1	Segment Revenue :					
a)	Trading	1,814.83	2,576.41	1,332.93	5,771.32	3,716.37
b)	Renewable Energy	28.96	40.34	71.09	75.24	203.64
c)	Real Estate	0.60	0.60	0.70	1.80	477.50
d)	Others	4.47	4.38	6.78	14.08	17.91
	Total Revenue from Operations	1,848.86	2,621.73	1,411.50	5,862.44	4,415.42
2	Segment Results:					
a)	Trading	13.19	24.37	(21.99)	28.82	(29.88)
b)	Renewable Energy	(34.29)	(22.16)	0.44	(125.63)	(0.83)
c)	Real Estate	(14.01)	(33.13)	(2.93)	(47.62)	273.74
	Total	(35.11)	(30.92)	(24.48)	(144.43)	243.03
	Less:					
	(i) Finance Cost	(304.20)	(285.70)	(157.23)	(812.88)	(474.61)
	(ii) Other unallocable expenditure net of unallocable income	251.52	276.14	(55.16)	645.94	(60.36)
	Profit / (Loss) before tax	(87.79)	(40.48)	(236.87)	(311.37)	(291.94)
3	Segment Assets:					
a)	Trading	2,437.58	4,097.94	2,100.99	2,437.58	2,100.99
b)	Renewable Energy	1,750.30	1,766.48	2,034.36	1,750.30	2,034.36
c)	Real Estate	2,533.31	2,164.22	1,683.31	2,533.31	1,683.31
d)	Unallocated / Corporate	16,040.01	16,863.81	8,499.15	16,040.01	8,499.15
	Total	22,761.20	24,892.45	14,317.81	22,761.20	14,317.81
	Segment Liabilities:					
a)	Trading	803.59	2,481.34	477.47	803.59	477.47
b)	Renewable Energy	41.66	21.68	23.16	41.66	23.16
c)	Real Estate	16,767.14	16,490.66	8,223.78	16,767.14	8,223.78
d)	Unallocated / Corporate	928.24	1,633.40	932.45	928.24	932.45
	Total	18,540.63	20,627.08	9,656.86	18,540.63	9,656.86

For and on behalf of the Board
Modern India Limited



Vijay Kumar Jatia
Chairman & Managing Director
DIN No. 00096977

Independent Auditor's Review Report

To The Board of Directors of Modern India Limited

1. We have reviewed the accompanying statement of Unaudited Standalone Financial Results of **Modern India Limited** (the "Company") for the quarter and nine months ended December 31, 2017 together with the related notes thereon (the "Statement"). The Statement has been prepared by the Company pursuant to Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations, 2015") read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016. The Statement, which is the responsibility of the Company's management and has been approved by the Board of Directors, has been prepared in accordance with the Companies (Indian Accounting Standard) Rules, 2015 (Ind AS) prescribed under section 133 of the Companies Act, 2013 read with relevant issued there-under and other recognized accounting practices and policies. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. An amount of Rs. 1359.51 lakhs is outstanding as receivable as at the end of the current quarter in respect of commodities trading transaction done on National Spot Exchange Limited (NSE). The Company has filed a representative suit in the Mumbai High Court for recovery of dues alleging fraud by the Chairman and CEO of the holding Company of NSEL and certain key persons. No provision has been made against the receivable in view of the pending outcome of the legal suit and resolution of other uncertainties involved in this case. We are therefore unable to obtain sufficient appropriate evidence to verify the carrying amount of the receivable and consequently unable to determine whether any adjustment to this amount is necessary (Refer note 2 of the Statement).



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4. Based on our review conducted as above, and subject to the matter mentioned in para 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with Ind AS read with relevant rules issued there-under and other recognized accounting practices and policies, has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, 2015 read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

5. Other Matter

The comparative financial results for the quarter and nine months ended December 31, 2016 included in the accompanying Statement are based on the previously issued unaudited financial results of the Company for the quarter and nine months ended December 31, 2016 prepared in accordance with the Accounting Standards as per section 133 of the Companies Act, 2013 read with rule 7 of the Companies (Accounts) Rules, 2014 and other accounting principles generally accepted in India reviewed by the predecessor auditor, whose report dated February 2, 2017 expressed an modified conclusion on those unaudited financial results, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Indian Accounting Standards ('Ind AS'), which have been reviewed by us.

Our conclusion is not modified in respect of the above matter.

For **KHANDELWAL JAIN & CO.**
Chartered Accountants
Firm Registration No. 105049W

Narendra Jain

(NARENDRA JAIN)
PARTNER

Membership No. 048725



Place: Mumbai

Date: February 1, 2018