



**30.05.2019**

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

Dear Sir,

**Re: Outcome of Board Meeting held on 30.05.2019**

**Ref: Scrip No. 503015**

The Board of Directors of the Company at its meeting held today i.e. 30<sup>th</sup> May,2019 has approved the following:

- Inter-alia approved the Audited Financial Results (Standalone and Consolidated) for the 04<sup>th</sup> quarter and year ended 31<sup>st</sup> March, 2019 and the same is being enclosed along with the Auditors Report (Standalone and Consolidated) and Statement of Impact (Standalone and Consolidated).
- The Board of Directors recommended payment of dividend of 12 % i.e ₹ 0.24 per equity share (face-value of ₹ 2 per equity share) for the year 2018-19.
- Based on the recommendation of the Nomination and Remuneration Committee, considered and approved the re-appointment of Shri Anand Didwania (00022120), Shri Shivkumar Israni (00125532)and Shri Kaiwan Kalyaniwalla (00060776) Independent Director for the second term subject to shareholders' approval.

Shri Anand Didwania,Shri Shivkumar Israni and Shri Kaiwan Kalyaniwalla have no relationship with any member of the Board of directors. Their brief profile is attached hereto as **Annexure A**.

- The Board of Directors has approved the appointment of Shri Anand Didwania, an Independent Director of Modern India Limited, on the Board of Modern International (Asia) Limited(unlisted foreign material subsidiary).
- Recommended the re-appointment of Mr. Pradip Bubna as a non-executive director & Non Independent Director, who retires by rotation at the ensuing Annual General Meeting.





- The Company approved the proposal to dissolve Prime Tech Textiles LLP
- Approved the postal ballot notice which entails the following resolution-
  - a) Re-appointment of Shri Anand Didwania (00022120), as Independent Director for the second term as per the Companies Act, 2013.
  - b) Re-appointment of Shri Shivkumar Israni (00125532) as Independent Director for the second term as per the Companies Act, 2013.
  - c) Re-appointment of Shri Kaiwan Kalyaniwalla (00060776) as Independent Director for the second term as per the Companies Act, 2013.

Postal ballot notice will follow in due course.

Shareholders whose names appear on the register of members / list of beneficial owners as on 07.06.2019 will be considered for the purpose of voting through Postal Ballot including remote voting.

The meeting of Board of Directors commenced at 04:00 P.M and concluded at 7.15 P.M

Thanking You,  
Yours faithfully,

For **MODERN INDIA LIMITED**

(Parind Badshah)

Vice President & Company Secretary

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

FCS No: 5414

Encl:a/a



## ANNEXURE-A

### BRIEF PROFILE OF DIRECTORS

Sr. No.	Name of the Director	
1	Shri. Anand Didwania	He has over 41 years of experience in shipping and the clearing & forwarding business; he is also the President of the Air Cargo Association of India. His vast knowledge and technical know-how on Import-Export matter has been invaluable to the Company.
2	Shri.S.D. Israni	Dr. S. D. Israni (70) is an Advocate and Partner of S.D.Israni Law Chambers, Advocates & Solicitors (UK). He is qualified in the field of Law, Company Secretaryship and Management. Has over 37 years' experience as a practitioner in the field of Corporate Laws, Securities Laws and Business Advisory services. Started in the Chambers of late Shri D.M.Harish, renowned tax advocate. He has held many coveted positions in various Committees formed by the Central Government and Professional and Statutory Institutions. He is also Author of various books meant for his profession. Oratory is his obsession. He is also director in various other companies.
3	Shri. Kaiwan Kalyaniwala	Mr. Kaiwan Kalyaniwalla, aged 55 years, is a Solicitor and Advocate of the Bombay High Court and a Partner in the law firm of Maneksha & Sethna in Mumbai. He has been in practice for over 25 years. Mr. Kalyaniwalla is enrolled as a Solicitor of the Supreme Court of England and Wales. He is on the board of listed public and private Indian and foreign companies and advises private sector corporates, multinational banks, transport and logistics companies and some of India's largest property development companies and business houses. He is also on the Board of Trustees of public trusts. His practice is predominantly in the field of corporate laws, property laws, tax laws and general laws.





**MODERN INDIA LIMITED**

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

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Statement of Standalone & Consolidated Financial Results for the Quarter and Year Ended on 31st March, 2019

CIN:L17120MH1933PLC002031

(₹ In Lakhs)

Particulars	Unaudited Quarter Ended Standalone			Audited Year Ended Standalone		Audited Year Ended Consolidated	
	31.03.2019	31.12.2018	31.03.2018	31.03.2019	31.03.2018	31.03.2019	31.03.2018
<b>1 Revenue from operations</b>							
(a) Net Sales / Revenue From Operations	1,733.49	2,144.31	1,374.21	7,645.65	7,223.14	19,149.20	13,420.56
(b) Other Operating Revenue	4.89	2.51	2.45	12.52	15.96	12.52	15.96
<b>Total Revenue from operations</b>	<b>1,738.38</b>	<b>2,146.82</b>	<b>1,376.66</b>	<b>7,658.17</b>	<b>7,239.10</b>	<b>19,161.72</b>	<b>13,436.52</b>
Other Income (Including interest Income)	250.25	380.19	328.16	1,436.79	1,776.83	1,444.20	1,788.53
<b>Total income</b>	<b>1,988.63</b>	<b>2,527.01</b>	<b>1,704.82</b>	<b>9,094.96</b>	<b>9,015.93</b>	<b>20,605.92</b>	<b>15,225.05</b>
<b>2 Expenses</b>							
(a) Purchases of Goods Traded	1,656.80	2,052.58	1,269.71	7,280.40	6,952.35	16,538.66	11,106.10
(b) Changes in inventories of finished goods, Stock-in-Trade and work-in progress	143.10	(56.57)	74.20	(319.86)	(210.89)	(319.86)	(210.89)
(c) Employee Benefits Expense	129.26	132.35	152.39	554.36	567.08	1,462.71	1,471.78
(d) Finance Cost - Note 8	(162.04)	323.37	302.38	801.92	1,115.26	850.23	1,157.33
(e) Depreciation and amortization expenses	91.33	86.35	69.37	319.03	279.91	363.12	336.19
(f) Other Expenses	174.36	145.73	242.96	1,305.03	1,029.78	2,294.08	2,099.95
<b>Total Expenses</b>	<b>2,032.81</b>	<b>2,683.81</b>	<b>2,111.01</b>	<b>9,940.88</b>	<b>9,733.49</b>	<b>21,188.94</b>	<b>15,960.46</b>
<b>3 Profit / (Loss) before Exceptional items and Tax</b>	<b>(44.18)</b>	<b>(156.80)</b>	<b>(406.19)</b>	<b>(845.92)</b>	<b>(717.56)</b>	<b>(583.02)</b>	<b>(735.41)</b>
<b>4 Exceptional items</b>	-	-	-	-	-	-	-
<b>5 Profit / (Loss) before Tax</b>	<b>(44.18)</b>	<b>(156.80)</b>	<b>(406.19)</b>	<b>(845.92)</b>	<b>(717.56)</b>	<b>(583.02)</b>	<b>(735.41)</b>
<b>6 Tax Expense - deferred tax</b>	<b>(28.51)</b>	<b>(51.61)</b>	<b>(121.10)</b>	<b>(302.50)</b>	<b>(247.20)</b>	<b>(261.92)</b>	<b>(214.60)</b>
<b>7 Net Profit / (Loss) after Tax</b>	<b>(15.67)</b>	<b>(105.19)</b>	<b>(285.09)</b>	<b>(543.42)</b>	<b>(470.36)</b>	<b>(321.09)</b>	<b>(520.81)</b>
<b>8 Other Comprehensive Income</b>							
a) <u>Items that will not be reclassified to Profit &amp; Loss</u>	(0.74)	0.66	6.20	1.23	2.63	1.79	5.54
Remeasurements of post-employment benefit obligations							
Deferred Tax on above	0.25	(0.22)	(2.06)	(0.41)	(0.88)	(0.57)	(1.69)
b) <u>Items that will be reclassified to profit or loss</u>							
Changes in foreign currency translation reserve						72.25	8.64
<b>9 Other Comprehensive income</b>	<b>(0.49)</b>	<b>0.44</b>	<b>4.14</b>	<b>0.82</b>	<b>1.75</b>	<b>73.47</b>	<b>12.49</b>
<b>10 Total Comprehensive income for the Year</b>	<b>(16.16)</b>	<b>(104.75)</b>	<b>(280.95)</b>	<b>(542.60)</b>	<b>(468.61)</b>	<b>(247.62)</b>	<b>(508.32)</b>
<b>11 Profit for the year attributable to :</b>							
(a) Shareholders of the Company	-	-	-	-	-	-335.64	-540.43
(b) Non Controlling Interest	-	-	-	-	-	14.55	19.62
<b>12 Other Comprehensive Income of the Year;</b>							
(a) Shareholders of the Company	-	-	-	-	-	73.41	11.99
(b) Non Controlling Interest	-	-	-	-	-	0.06	0.50
<b>13 Total Comprehensive Income of the Year;</b>							
(a) Shareholders of the Company	-	-	-	-	-	-262.23	-528.44
(b) Non Controlling Interest	-	-	-	-	-	14.61	20.12
<b>14 Paid-up Equity Share Capital - (Face Value ₹ 2/- each)</b>	<b>750.86</b>	<b>750.86</b>	<b>750.86</b>	<b>750.86</b>	<b>750.86</b>	<b>750.86</b>	<b>750.86</b>
<b>15 Other Equity excluding Revaluation Reserves</b>				<b>2,229.43</b>	<b>2,903.91</b>	<b>2,702.37</b>	<b>3,100.38</b>
<b>16 Earning Per Share (EPS) Face Value ₹ 2/- each (not annualized)</b>							
Basic EPS	(0.04)	(0.28)	(0.76)	(1.45)	(1.25)	(0.89)	(1.44)
Diluted EPS	(0.04)	(0.28)	(0.76)	(1.45)	(1.25)	(0.89)	(1.44)

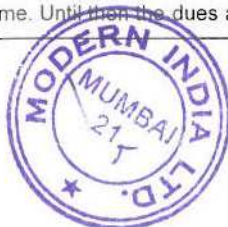
**Notes:**

1 The above results of the Company for the quarter and year ended March 31, 2019 have been reviewed by the Audit Committee and approved by the Board of Directors in their respective meetings held on May 30, 2019.

2 The Statutory Auditors in their Report on the Financial Statements for the year ended on March 31, 2019 have qualified their opinion as regards Receivable of ₹ 1,348.48 Lakhs in respect of Commodities Trading Transaction done on NSEL.

The Managements reply is stated here under.

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





- 3 The Company has a long term Investment of ₹ 1500.00 Lakhs in Equity Shares of Modern India Property Developers Limited (MIPDL), a wholly owned subsidiary of the Company. As per Audited Accounts of MIPDL, there is accumulated loss of ₹ 659.25 Lakhs as at March 31, 2019. In view of profit of Rs.10.62 lakhs during the year, plans for new business initiatives, other ensuing business activity and proposed scheme of arrangement to amalgamate MIPDL with the Company w.e.f. April 1, 2018, the management is of the opinion that no adjustment in the value of Investment is considered necessary.
- 4 Tax expense comprises of current tax and deferred tax.
- 5 The Board of Directors has recommended a dividend of 12% i.e. ₹ 0.24 per Equity Shares of the face value of ₹ 2/- each for the year 2018-19 subject to the approval of members in the ensuing Annual General Meeting. Total outgo on account of this is ₹ 90.10 Lakhs excluding Dividend Distribution Tax.
- 6 The Scheme of Arrangement to amalgamate Modern India Free Trade Warehousing Private Limited and Modern India Property Developers Limited (both WOS) with it with effect from April 01, 2018 has been filed with the Stock Exchange, Mumbai and The Hon'ble National Company Law Tribunal, Mumbai Bench ("NCLT"). The same is subject to approvals of NCLT. Pending approval of the Scheme no effect is given in the financial results for the year ended March 31, 2019.
- 7 The consolidated financial results represent the results of business operations of the Company, its Wholly owned subsidiary companies, Modern India Property Developers Limited, Modern International (Asia) Limited, Verifacts Services Private Limited and Modern India Free Trade Warehousing Private Limited. In view of increase in stake from 76% to 100% in 'Verifacts Services Private Limited' w.e.f. October 25, 2018 and increase in stake from 51% to 100% in 'Modern India Free Trade Warehousing Private Limited' during the year, the figures of current year are not comparable with the figures of previous year.
- 8 Net of adjustment of finance cost charged in earlier quarters on account of estimates done in respect of repayment of interest free security deposits. The Board of Directors of the Company have also considered the proposal to amalgamate Modern India Free Trade Warehousing Private Limited
- 9 Previous quarter/year's figures have been regrouped / reclassified / restated wherever necessary to correspond with the current quarter/period's classification/disclosure.

(₹ In Lakhs)

## Segment - wise Revenue, Results, Assets and Liabilities

	Unaudited		Audited		Audited		
	Quarter Ended			Year Ended		Year Ended	
	31.03.2019	31.12.2018	31.03.2018	31.03.2019	31.03.2018	31.03.2019	31.03.2018
	Standalone			Standalone		Consolidated	
<b>1 Segment Revenue :</b>							
a) Trading	1,682.48	2,083.78	1,324.11	7,389.59	7095.43	17,006.75	11,447.53
b) Renewable Energy	50.08	60.23	49.50	253.93	124.74	253.93	124.74
c) Background Check Services	-	-	-	-	-	1,886.39	1,845.32
d) Real Estate	0.30	0.30	0.60	1.50	2.40	1.50	2.40
e) Others	5.52	2.51	2.45	13.15	16.53	13.15	16.53
<b>Total Revenue from Operations</b>	<b>1,738.38</b>	<b>2,146.82</b>	<b>1,376.66</b>	<b>7,658.17</b>	<b>7,239.10</b>	<b>19,161.72</b>	<b>13,436.52</b>
<b>2 Segment Results:</b>							
a) Trading	(4.48)	6.21	(6.56)	12.55	22.26	57.77	204.93
b) Renewable Energy	(28.29)	(18.75)	(136.94)	(138.21)	(262.57)	(138.21)	(262.57)
c) Background Check Services	-	-	-	-	-	225.82	89.99
d) Real Estate	(232.06)	13.35	(7.22)	(213.53)	(54.84)	(204.17)	(200.42)
<b>Total</b>	<b>(264.83)</b>	<b>0.81</b>	<b>(150.72)</b>	<b>(339.19)</b>	<b>(295.15)</b>	<b>(58.79)</b>	<b>-168.07</b>
<b>Less:</b>							
(i) Finance Cost	162.04	(323.37)	(302.38)	(801.92)	(1,115.26)	(850.23)	(1,157.33)
(ii) Other unallocable income net of unallocable expenditure	58.61	165.76	46.90	295.19	692.85	326.00	589.99
<b>Profit/(Loss) before tax</b>	<b>(44.18)</b>	<b>(156.80)</b>	<b>(406.19)</b>	<b>(845.92)</b>	<b>(717.56)</b>	<b>(583.02)</b>	<b>(735.41)</b>
<b>3 Segment Assets:</b>							
a) Trading	2,471.44	2,790.43	2,525.47	2,471.44	2,525.47	4,622.03	4,275.61
b) Renewable Energy	1,346.84	1,409.32	1,621.79	1,346.84	1,621.79	1,346.84	1,621.79
c) Background Check Services	-	-	-	-	-	1,526.56	1,364.44
d) Real Estate	2,582.87	2,692.92	2,094.16	2,582.87	2,094.16	3,670.59	3,172.57
e) Unallocated / Corporate	14,794.72	14,406.04	15,858.90	14,794.72	15,858.90	12,301.23	12,779.77
<b>Total</b>	<b>21,195.87</b>	<b>21,298.71</b>	<b>22,100.32</b>	<b>21,195.87</b>	<b>22,100.32</b>	<b>23,467.25</b>	<b>23,214.18</b>
<b>Segment Liabilities:</b>							
a) Trading	1,103.57	1,306.74	927.92	1,103.57	927.92	1,843.20	1,234.75
b) Renewable Energy	12.15	21.00	48.74	12.15	48.74	12.15	48.74
c) Background Check Services	-	-	-	-	-	466.51	381.89
d) Real Estate	16,264.59	16,491.62	16,700.45	16,264.59	16,700.45	16,264.59	16,700.69
e) Unallocated / Corporate	835.27	482.87	768.45	835.27	768.45	1,427.57	996.88
<b>Total</b>	<b>18,215.58</b>	<b>18,302.23</b>	<b>18,445.56</b>	<b>18,215.58</b>	<b>18,445.56</b>	<b>20,014.01</b>	<b>19,362.95</b>



**Statement of Assets and Liabilities:**

	(₹ In Lakhs)			
	Standalone		Consolidated	
	As At 31.03.2019	As At 31.03.2018	As At 31.03.2019	As At 31.03.2018
<b>ASSETS</b>				
<b>1 Non-current assets</b>				
(a) Property, Plant and Equipment	1,908.48	1,979.60	1,948.77	2,051.46
(b) Capital work-in-progress	365.87	355.89	365.87	355.89
(c) Investment Property	229.25	217.51	473.25	461.51
(d) Goodwill	-	-	2,286.37	2,362.11
(e) Other Intangible assets	13.80	20.00	49.48	43.81
(f) Financial Assets				
(i) Investments	12,101.01	12,082.81	6,619.57	6,930.30
(ii) Others financial assets	410.08	303.40	448.53	337.68
(g) Non Current Tax Assets (Net)	44.47	72.73	278.86	331.09
(h) Deferred tax assets (net)	994.73	692.63	1,023.26	711.69
(i) Other non-current assets	169.70	208.21	169.69	208.21
	<b>16,237.39</b>	<b>15,932.78</b>	<b>13,663.66</b>	<b>13,793.75</b>
<b>2 Current assets</b>				
(a) Inventories	1,565.46	1,245.60	1,565.47	1,245.61
(b) Financial Assets				
(i) Investments	394.45	1,984.98	523.30	2,118.21
(ii) Trade receivables	2,530.64	2,572.60	4,495.53	3,306.63
(iii) Cash and cash equivalents	22.19	54.56	43.42	465.32
(iv) Bank balances other than (iii) above	30.40	23.46	979.15	924.97
(v) Loans	212.95	197.75	595.51	500.13
(vi) Other Financial Assets	56.56	26.91	104.48	47.40
(c) Current Tax Assets (Net)	56.83	-	215.18	-
(d) Other current assets	89.00	61.68	1,281.55	812.16
	<b>4,958.48</b>	<b>6,167.54</b>	<b>9,803.59</b>	<b>9,420.43</b>
<b>TOTAL ASSETS</b>	<b>21,195.87</b>	<b>22,100.32</b>	<b>23,467.25</b>	<b>23,214.18</b>
<b>EQUITY AND LIABILITIES</b>				
<b>1 Equity</b>				
(a) Equity Share capital	750.86	750.86	750.86	750.86
(b) Other Equity	2,229.43	2,903.91	2,702.37	3,100.38
<b>Equity attributable to shareholders</b>	<b>2,980.29</b>	<b>3,654.77</b>	<b>3,453.23</b>	<b>3,851.24</b>
(c) Non Controlling Interest	-	-	-	227.33
<b>Total Equity</b>	<b>2,980.29</b>	<b>3,654.77</b>	<b>3,453.23</b>	<b>4,078.57</b>
<b>2 Non-current liabilities</b>				
(a) Financial Liabilities				
(i) Borrowings	115.72	4.43	115.72	4.43
(ii) Other financial liabilities	12,709.82	13,132.78	12,709.82	13,132.78
(b) Provisions	39.36	32.67	79.11	67.86
(c) Other Non current liabilities	2,411.74	2,132.41	2,411.74	2,132.41
	<b>15,276.64</b>	<b>15,302.29</b>	<b>15,316.40</b>	<b>15,337.48</b>
<b>3 Current liabilities</b>				
(a) Financial Liabilities				
(i) Borrowings	496.03	603.43	919.32	812.28
(ii) Trade payables	1,103.57	1,152.92	1,954.90	1,348.85
(iii) Other financial liabilities	134.26	127.95	225.48	195.16
(b) Provisions	55.21	47.11	56.82	48.81
(c) Other current liabilities	1,149.87	1,211.85	1,541.08	1,393.03
	<b>2,938.94</b>	<b>3,143.26</b>	<b>4,697.61</b>	<b>3,798.13</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>21,195.87</b>	<b>22,100.32</b>	<b>23,467.25</b>	<b>23,214.18</b>

For and on behalf of the Board  
Modern India Limited

*Vijay Kumar Jatia*  
Vijay Kumar Jatia  
Chairman & Managing Director  
DIN No. 00096977

Mumbai, 30th May, 2019.





# KHANDELWAL JAIN & CO.

## CHARTERED ACCOUNTANTS

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### Independent Auditor's Report

#### **To The Board of Directors of Modern India Limited**

1. We have audited the accompanying statement of Standalone Financial Results of **Modern India Limited** (the "Company") for the year ended March 31, 2019 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 express an opinion on the Statement based on our audit of such standalone financial statements.
2. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the Statement is free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the Statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the Statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### **3. Basis for qualified Opinion**

An amount of Rs. 1348.48lakhs (net of Rs. 104.64 lakhs recovered till date) is outstanding as trade receivables as at March 31, 2019 in respect of commodities trading transaction done on National Spot Exchange Limited (NSEL). The Company has filed a representative suit in the Hon'ble Bombay High Court for recovery of the same. Ministry of Corporate Affairs (MCA) had ordered merger of 63 Moons Technologies Limited with NSEL which was held up by the Hon'ble High Court of Bombay. The same has been set aside by the Hon'ble Supreme Court of India. Pending outcome of the legal suit and resolution of uncertainties involved, the management has considered the receivable as good for recovery. However, in the absence of appropriate audit evidence, we are unable to determine the extent of recovery possible in this case. (Refer note 2 of the Statement).





#### 4. Qualified Opinion

In our opinion and to the best of our Information and according to the explanations given to us, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph above, the Statement is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as modified by Circular no. CIR/CFD/FAC/62/2016 dated July 5, 2016; and gives a true and fair view in conformity with the aforesaid Indian Accounting Standards (Ind AS) and other accounting principles generally accepted in India of the standalone net loss and total comprehensive income and other financial information of the Company for the year ended March 31, 2019.

#### 5. Emphasis of Matter

- i) We draw attention to Note no. 3 of the Statement, wherein despite accumulated losses of Rs. 659.25 lakhs as at March 31, 2019 incurred by one of its subsidiary namely Modern India Property Developers Limited (MIPDL), no adjustment is considered necessary by the Management in the Company's investment of Rs. 1500 lakhs in MIPDL in view of proposed scheme of arrangement to amalgamate MIPDL with the Company w.e.f. April 1, 2018 and for other reasons stated therein.

Our opinion on the statement and our report is not modified in respect of the above matter.

- ii) We draw attention to Note no. 6 of the Statement regarding the Scheme of Arrangement to amalgamate Modern India Free Trade Warehousing Private Limited (MIFTWPL) and Modern India Property Developers Limited (MIPDL) with the Company with effect from April 01, 2018 filed with the Stock Exchange, Mumbai and The Hon'ble National Company Law Tribunal, Mumbai Bench ("NCLT") which is subject to approval of NCLT. Pending approval of the Scheme no effect is given in the standalone financial results for the year ended March 31, 2019.

Our opinion on the statement and our report is not modified in respect of the above matter.

6. The statement includes the Standalone results for the quarter ended March 31, 2019 being the balancing figure between audited figures in respect of the full financial year and the unaudited published year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

For **Khandelwal Jain & Co.**

Chartered Accountants

Firm Registration No. 105049W



*Narendra Jain*

**Narendra Jain**

**Partner**

**Membership No. 048725**

**Place:** Mumbai

**Date:** May 30, 2019



# KHANDELWAL JAIN & CO.

## CHARTERED ACCOUNTANTS

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### Independent Auditor's Report

#### **To The Board of Directors of Modern India Limited**

1. We have audited the accompanying statement comprising of Consolidated Financial Results of **Modern India Limited** (the "Holding Company") for year ended March 31, 2019 together with the related notes thereon (the "Statement"), being submitted by the Holding Company pursuant to the requirements of 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 consolidated financial results in the Statement include the results of the Holding Company, and its' subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"). This Statement, which is the responsibility of the Holding Company's management and approved by the Board of Directors, has been prepared on the basis of the related standalone financial statements which are in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Companies Act, 2013 (the "Act") read with relevant rules issued thereunder and other recognized accounting principles generally accepted in India. Our responsibility is to express an opinion on the Statement.

2. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the Statement is free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Holding Company's preparation and fair presentation of the Statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the Statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



### 3. Basis for qualified Opinion

In case of the Holding Company, an amount of Rs. 1348.48 lakhs (net of Rs. 104.64 lakhs recovered till date) is outstanding as trade receivables as at March 31, 2019 in respect of commodities trading transaction done on National Spot Exchange Limited (NSEL). The Company has filed a representative suit in the Hon'ble Bombay High Court for recovery of the same. Ministry of Corporate Affairs (MCA) had ordered merger of 63 Moons Technologies Limited with NSEL which was held up by the Hon'ble High Court of Bombay. The same has been set aside by the Hon'ble Supreme Court of India. Pending outcome of the legal suit and resolution of uncertainties involved, the management has considered the receivable as good for recovery. However, in the absence of appropriate audit evidence, we are unable to determine the extent of recovery possible in this case. (Refer note 2 of the Statement).

### 4. Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph above, the Statement:

- i. includes the results of the following entities in so far as they relate to the consolidated financial results in the Statement:

Sr. No.	Name of the entity
	<b>Subsidiaries</b>
1.	Modern India Free Trade Warehousing Private Limited
2.	Modern India Property Developers Limited
3.	Modern International (Asia) Limited
4.	Verifacts Services Private Limited

- ii. is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as modified by circular no. CIR/CFD/FAC/62/2016 dated July 5, 2016; and
- iii. gives a true and fair view in conformity with the aforesaid Indian Accounting Standards (Ind AS) and other accounting principles generally accepted in India of the consolidated net loss and total comprehensive income and other financial information of the Group for the year ended March 31, 2019.





## 5. Emphasis of Matter

We draw attention to Note no. 6 of the Statement regarding the Scheme of Arrangement to amalgamate Modern India Free Trade Warehousing Private Limited (MIFTWPL) and Modern India Property Developers Limited (MIPDL) with the Holding Company with effect from April 01, 2018 filed with the Stock Exchange, Mumbai and The Hon'ble National Company Law Tribunal, Mumbai Bench ("NCLT") which is subject to approval of NCLT. Pending approval of the Scheme no effect is given in the consolidated financial results for the year ended March 31, 2019.

Our opinion on the statement and our report is not modified in respect of the above matter.

## 6. Other Matters

- i. We did not audit the financial statements of the four subsidiaries whose financial statements reflect total assets and total net assets as at March 31, 2019, total revenues and net cash inflow / (outflow) for the year ended on that date considered as under in the Statement based on audited financial statements by other auditors:

(Rs. in Lakhs)

Name of the subsidiary	Total Assets as at March 31, 2019	Total Net Assets as at March 31, 2019	Total Revenue for the year ended March 31, 2019	Net Cash Inflow / (Outflow)
Modern India Free Trade Warehousing Private Limited	453.93	320.22	0.19	0.03
Modern India Property Developers Limited	841.00	840.75	26.92	1.79
Modern International (Asia) Limited *	2,973.49	1,642.04	9,626.35	(385.45)
Verifacts Services Private Limited	1,526.56	1,060.05	1,957.06	15.80

\* the subsidiary is located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in that country and which has been audited by other auditors under generally accepted auditing standards applicable in that country. The Holding Company's management has converted the financial statements of the said subsidiary located outside India from accounting principles generally accepted in that country to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion in so far as it relates to the financial information of the said subsidiary located outside India, is based on the report of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

Our opinion on the consolidated financial results is not modified in respect of this matter with respect to our reliance on the work done by and the reports of the other auditors.



- ii. The financial statements referred to in para6(i) have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the reports of the other auditors.

Our opinion on the statement and our report is not modified in respect of the above matter.

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



*Narendra Jain*

**Narendra Jain**  
**Partner**  
**Membership No. 048725**

**Place:** Mumbai  
**Date:** May 30, 2019





**STATEMENT ON IMPACT OF AUDIT QUALIFICATIONS ON ANNUAL STANDALONE AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED MARCH 31, 2019:**

₹ in lakhs

1.	Sr. No	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures* (audited figures after adjusting for qualifications)
	1	Total Income	9094.96	9094.96
	2	Total Expenditure	9940.88	9940.88
	3	Net Profit/( Loss) after tax	(543.42)	(543.42)
	4	Earnings per share	(1.45)	(1.45)
	5	Total Assets	21195.87	21195.87
	6	Total Liabilities	18215.58	18215.58
	7	Net Worth	2980.29	2980.29
* Since, the impact of the qualifications on audited financial results is not quantifiable, adjusted figures have been reported same as before adjusting for impact of qualification. [Refer point II(e) below]				
<b>II</b>	<b>Audit Qualification</b>			
<b>A</b>	<b>a) Detail of Audit Qualification</b>			
	<b>Regarding receivables in respect of commodity trading done on National Spot Exchange Limited (NSEL)</b>			
	An amount of ₹1348.48 lakhs (net of ₹104.64 lakhs recovered till date) is outstanding as trade receivables as at March 31, 2019 in respect of commodities trading transaction done on National Spot Exchange Limited (NSEL). The Company has filed a representative suit in the Hon'ble Bombay High Court for recovery of the same. Ministry of Corporate Affairs (MCA) had ordered merger of 63 Moons Technologies Limited with NSEL which was held up by the Hon'ble High Court of Bombay. The same has been set aside by the Hon'ble Supreme Court of India. Pending outcome of the legal suit and resolution of uncertainties involved, the management has considered the receivable as good for recovery. However, in the absence of appropriate audit evidence, we are unable to determine the extent of recovery possible in this case. (Refer note 2 of the Statement).			
	<b>b) Type of Audit Observation: Qualified Opinion</b>			
	<b>c) Frequency of Observation: Qualified opinion appears for 6<sup>th</sup> time</b>			
	<b>d) For Audit Qualification(s) where the impact is quantified by the auditor, Management Views:</b> Impact is not quantifiable			
	<b>e) For Audit Qualification(s) where the impact is not quantified by the auditor</b>			
	<b>(i) &amp; (ii) Management's estimation on the impact of audit qualification and If management is unable to estimate the impact, reasons for the same:</b>			
	With reference to the amount of ₹1348.48 lakhs receivables outstanding in respect of commodity trading transactions on NSEL, considering the uncertainties involved in making any reliable estimate of			







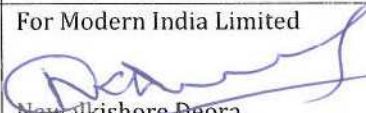
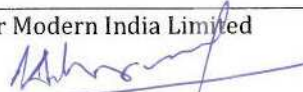

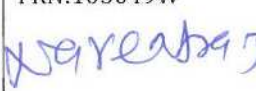


	<p>amount recoverable provision, if any, will be considered at an appropriate time other basis of resultant outcome. Until then the dues are considered good.</p> <p><b>(iii) Auditors' Comments on above:</b> Quantification is not possible, pending outcome of the legal suit and resolution of uncertainties involved as stated in parall(A)(a) above.</p>
<b>B</b>	<b>MATTER OF EMPHASIS</b>
<b>1.</b>	<p><b>a) Adjustment in value of Investment of its Subsidiary namely Modern India Property Developers Ltd.</b></p> <p>We draw attention to Note no. 3 of the Statement, wherein despite accumulated losses of ₹659.25 lakhs as at March 31, 2019 incurred by one of its subsidiary namely Modern India Property Developers Limited (MIPDL), no adjustment is considered necessary by the Management in the Company's investment of ₹1500 lakhs in MIPDL in view of proposed scheme of arrangement to amalgamate MIPDL with the Company w.e.f. April 1, 2018 and for other reasons stated therein.</p>
	<b>b) Type of Audit Observation: Matter of emphasis</b>
	<b>c) Frequency of Observation: Matter of emphasis appears 6<sup>th</sup> time</b>
	<b>d) For Emphasis of Matter where the impact is quantified by the auditor, Management Views: Not Applicable</b>
	<p><b>e) For Emphasis of Matter where the impact is not quantified by the auditor</b></p> <p><b>(i) &amp;(ii) Management's estimation on the impact of audit qualification and If management is unable to estimate the impact, reasons for the same:</b> The Company has a long term Investment of ₹1500.00 Lakhs in Equity Shares of Modern India Property Developers Limited (MIPDL), a wholly owned subsidiary of the Company. As per Audited Accounts of MIPDL, there is accumulated loss of ₹ 659.25 Lakhs as at March 31, 2019. In view of profit of Rs.10.62 lakhs during the year, plans for new business initiatives, other ensuing business activity and proposed scheme of arrangement to amalgamate MIPDL with the Company w.e.f. April 1, 2018, the management is of the opinion that no adjustment in the value of Investment is considered necessary. Pending approval of the Scheme no effect is given in the standalone financial results for the year ended March 31, 2019. (refer note 3 of the financial results.)</p> <p><b>(iii) Auditors' Comments on above:</b> Auditor's opinion on the above emphasis of matter is not modified.</p>
<b>2.</b>	<p><b>a) Pending approval of the Scheme of Arrangement no effect is given in the financial results</b></p> <p>We draw attention to Note no. 6 of the Statement regarding the Scheme of Arrangement to amalgamate Modern India Free Trade Warehousing Private Limited (MIFTWPL) and Modern India Property Developers Limited (MIPDL) with the Company with effect from April 01, 2018 filed with the Stock Exchange, Mumbai and The Hon'ble National Company Law Tribunal, Mumbai Bench ("NCLT") which is subject to approval of NCLT. Pending approval of the Scheme no effect is given in the standalone financial results for the year ended March 31, 2019.</p>
	<b>b) Type of Audit Observation: Matter of emphasis</b>
	<b>c) Frequency of Observation: Matter of emphasis appears for the 1<sup>st</sup> time</b>
	<b>d) For Emphasis of Matter where the impact is quantified by the auditor, Management Views: Not Applicable</b>







<p><b>e) For Emphasis of Matter where the impact is not quantified by the auditor</b></p> <p><b>(i) &amp;(ii) Management's estimation on the impact of audit qualification and If management is unable to estimate the impact, reasons for the same:</b> The Scheme of Arrangement to amalgamate Modern India Free Trade Warehousing Private Limited and Modern India Property Developers Limited (both WOS) with it with effect from April 01, 2018 has been filed with the Stock Exchange, Mumbai and The Hon'ble National Company Law Tribunal, Mumbai Bench ("NCLT"). The same is subject to approvals of NCLT. (refer note 6 of the financial results.)</p> <p><b>(iii) Auditors' Comments on above:</b> Auditor's opinion on the above emphasis of matter is not modified.</p>		
<p><b>iii</b></p>	<p><b>SIGNATURE</b></p> <p>a) CEO/MANAGING DIRECTOR</p>	<p>For Modern India Limited</p>  <p>Vijay Kumar Jatia Chairman and Managing Director DIN:00096977</p> 
	<p>b) Chief Financial Officer</p>	<p>For Modern India Limited</p>  <p>Nawalkishore Deora Sr. Vice President and Chief Financial Officer</p> 
	<p>c) AUDIT COMMITTEE CHAIRMAN</p>	<p>For Modern India Limited</p>  <p>Anand Didwania Chairman of Audit Committee DIN:00022120</p> 
	<p>d) STATUTORY AUDITOR</p>	<p>For Khandelwal Jain and Co. Chartered Accountants FRN:105049W</p>  <p>Narendra Jain Partner Membership No. 048725</p> 

Date: 30.05.2019  
Place: Mumbai



**STATEMENT ON IMPACT OF AUDIT QUALIFICATIONS ON ANNUAL CONSOLIDATED AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED MARCH 31,2019:**





₹in lakhs

I	Sr. No	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures * (audited figures after adjusting for qualifications)
	1	Total Income	20605.92	20605.92
	2	Total Expenditure	21188.94	21188.94
	3	Net Profit/( Loss) after tax	(321.09)	(321.09)
	4	Earnings per share	(0.89)	(0.89)
	5	Total Assets	23467.25	23467.25
	6	Total Liabilities	20014.01	20014.01
	7	Net Worth	3453.23	3453.23
		* Since, the impact of the qualifications on audited financial results is not quantifiable, adjusted figures have been reported same as before adjusting for impact of qualification. [Refer point II(e) below]		
<b>II</b>	<b>Audit Qualification</b>			
<b>A</b>	<b>a) Details of Audit Qualification</b>			
<b>1.</b>	<p><b>Regarding receivables in respect of commodity trading done on National Spot Exchange Limited (NSEL)</b> In case of the Holding Company, an amount of ₹1348.48 lakhs (net of ₹ 104.64 lakhs recovered till date) is outstanding as trade receivables as at March 31, 2019 in respect of commodities trading transaction done on National Spot Exchange Limited (NSEL). The Company has filed a representative suit in the Hon'ble Bombay High Court for recovery of the same. Ministry of Corporate Affairs (MCA) had ordered merger of 63 Moons Technologies Limited with NSEL which was held up by the Hon'ble High Court of Bombay. The same has been set aside by the Hon'ble Supreme Court of India. Pending outcome of the legal suit and resolution of uncertainties involved, the management has considered the receivable as good for recovery. However, in the absence of appropriate audit evidence, we are unable to determine the extent of recovery possible in this case. (Refer note 2 of the Statement).</p>			
	<b>b) Type of Audit Observation: Qualified Opinion</b>			
	<b>c) Frequency of Observation: Qualified opinion appears for 6<sup>th</sup> time</b>			
	<b>d) For Audit Qualification(s) where the impact is quantified by the auditor, Management Views: Impact is not quantifiable</b>			
	<b>e) For Audit Qualification(s) where the impact is not quantified by the auditor</b>			
	<b>(i) &amp; (ii) Management's estimation on the impact of audit qualification and If management is unable to estimate the impact, reasons for the same:</b>			
	With reference to the amount of ₹1348.48 lakhs receivables outstanding in respect of commodity trading transactions on NSEL, considering the uncertainties involved in making any reliable estimate of amount recoverable provision, if any, will be considered at an appropriate time other basis of resultant outcome. Until then the dues are considered good.			
	Quantification is not possible, pending outcome of the legal suit and resolution of uncertainties involved as stated in parall(A)(a) above.			







2.	<p><b>a) Pending approval of the Scheme of Arrangement no effect is given in the financial results</b> We draw attention to Note no. 6 of the Statement regarding the Scheme of Arrangement to amalgamate Modern India Free Trade Warehousing Private Limited (MIFTWPL) and Modern India Property Developers Limited (MIPDL) with the Holding Company with effect from April 01, 2018 filed with the Stock Exchange, Mumbai and The Hon'ble National Company Law Tribunal, Mumbai Bench ("NCLT") which is subject to approval of NCLT. Pending approval of the Scheme no effect is given in the consolidated financial results for the year ended March 31, 2019.</p>
	<p><b>b) Type of Audit Observation: Matter of emphasis</b></p>
	<p><b>c) Frequency of Observation: Matter of emphasis appears for the 1<sup>st</sup> time</b></p>
	<p><b>d) For Emphasis of Matter where the impact is quantified by the auditor, Management Views:</b> Not Applicable</p>
	<p><b>e) For Emphasis of Matter where the impact is not quantified by the auditor</b> <b>(i) &amp; (ii) Management's estimation on the impact of audit qualification and If management is unable to estimate the impact, reasons for the same:</b> The Scheme of Arrangement to amalgamate Modern India Free Trade Warehousing Private Limited and Modern India Property Developers Limited (both WOS) with it with effect from April 01, 2018 has been filed with the Stock Exchange, Mumbai and The Hon'ble National Company Law Tribunal, Mumbai Bench ("NCLT"). The same is subject to approvals of NCLT. (refer note 6 of the financial results.) <b>(iii) Auditors' Comments on above:</b> Auditor's opinion on the above emphasis of matter is not modified.</p>
iii.	<p><b>Signature</b></p>
	<p>a) CEO/MANAGING DIRECTOR</p> <p>For Modern India Limited</p> <p><i>Vijay Kumar Jatia</i></p> <p>Vijay Kumar Jatia Chairman and Managing Director DIN:00096977</p> 
	<p>b) Chief Financial Officer</p> <p>For Modern India Limited</p> <p><i>Nawalkishore Deora</i></p> <p>Nawalkishore Deora Sr. Vice President and Chief Financial Officer</p> 
	<p>c) AUDIT COMMITTEE CHAIRMAN</p> <p>For Modern India Limited</p> <p><i>Anand Didwania</i></p> <p>Anand Didwania Chairman of Audit Committee DIN:00022120</p> 
	<p>a) STATUTORY AUDITOR</p> <p>For Khandelwal Jain and Co. Chartered Accountants FRN:105049W</p> <p><i>Narendra Jain</i></p> <p>Narendra Jain Partner Membership No. 048725</p> 

Date: 30.05.2019

Place: Mumbai