

STATEMENT REGARDING SUBSIDIARY COMPANIES PURSUANT TO SECTION 212(1)(e) OF THE COMPANIES ACT, 1956.

Name of the Subsidiary Company	Financial Year of the Subsidiary Company Ended On	Extent of Holding Company's Interest	The Net aggregate amount of the Subsidiary Companies Profit/(Loss) so far as it concerns the members of Modern India Limited. (Amount in Rupees)				Material changes, if any, between the end of the financial year of the Subsidiary Company and the Holding Company.
			Not dealt with in the Holding Company's Accounts		Dealt with in the Holding Company's Accounts		
			For the Financial year of the Subsidiary	For the previous Financial year since they became Subsidiary	For the Financial year of the Subsidiary	For the previous Financial year since they became Subsidiary	
Modern India Property Developers Limited	31st March, 2009	100%	(307650)	(18572)	Nil	Nil	N.A.
Indian Institute of Jewellery Limited	31st March, 2009	100%	(21515011)	(10647293)	Nil	Nil	N.A.
Modern International (Asia) Limited.#	31st March, 2009	100%	(5905594)	870282	Nil	Nil	N.A.
Modern India Realty & Infrastructures Limited	31st March, 2009	100%	11971	(211493)	Nil	Nil	N.A.
Modern India Free Trade Warehousing Pvt Ltd.	31st March, 2009	51%	(6500)	N.A.	Nil	Nil	N.A.
<b>Particulars required under Section 212 of the Companies Act, 1956 in respect of Subsidiaries</b>							
	<b>Modern India Property Developers Limited</b>	<b>Indian Institute of Jewellery Limited</b>	<b>Modern International (Asia) Limited.#</b>	<b>Modern India Realty &amp; Infrastructures Limited</b>	<b>Modern India Free Trade Warehousing Pvt. Ltd.</b>		
a) Capital	150000000	30000000	55389100	500000	500000		
b) Reserves	(301538)	(50521017)	6847148	(199522)	(6500)		
c) Total Assets	577773083	108152145	144330855	511030	60159826		
d) Total Liabilities	577773083	108152145	144330855	511030	60159826		
e) Details of Investments	0	0	8657883	0	0		
f) Turnover	500000	6866400	540545110	30791	0		
g) Profit before Taxation	195930	(21437327)	(5905594)	11971	(6500)		
h) Provision for Taxation	503580	77684	0	0	0		
i) Profit after Taxation	(307650)	(21515011)	(5905594)	11971	(6500)		
j) Proposed Dividend	0	0	0	0	0		

# Figures in US Dollars are converted at year end rate (Rs.50.95) for Assets & Liabilities and at average rate (Rs.45.91) for income & expenses.

**Ajit P. Walwaikar**  
G.M. (Legal) & Company Secretary

**N. K. Deora**  
Financial Controller

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

**R. Sethna**  
**A. Didwania**  
**R. R. Doshi**  
**P. K. Bubna**  
**D. J. Thakkar**  
**Vasanti Patel**

} Directors

Mumbai : 10<sup>th</sup> June, 2009



MODERN INDIA LTD



---

## AUDITORS' REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

To,  
The Board of Directors,  
Modern India Limited

1. We have examined the attached Consolidated Balance Sheet of Modern India Limited ("the Company") its Subsidiaries and Joint Ventures ("The Modern Group") as at March 31, 2009, the Consolidated Profit and Loss Account and the Consolidated Cash flow Statement for the year then ended. These financial statements are the responsibility of the Company's Management and have been prepared by the management on the basis of separate financial statements and other financial information regarding components. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with generally accepted auditing standards in India. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are prepared, in all material respects, in accordance with an identified financial reporting framework and are free of material misstatements. An audit includes, examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. We did not audit the financial statements of certain Subsidiaries whose financial statements reflect total assets of Rs. 8857.93 lacs, Company's share in Revenue of Rs. 5550.20 lacs, share in Loss of Rs 201.97 lacs and cash inflow of Rs.365.06 lacs. These financial statements have been audited by other auditors whose reports(s) have been furnished to us and our opinion, in so far as it relates to the amounts included in respect of the said audited Subsidiaries, is based solely on the Reports of the other auditors.
4. We report that the consolidated financial statements have been prepared by the Company's Management in accordance with the requirements of Accounting Standard (AS) 21, Consolidated Financial Statements, AS 23 Accounting for Investments in Associates in Consolidated Financial Statements, and AS 27 Financial Reporting of Interest in Joint Ventures as notified under the Companies (Accounting Standard) Rules, 2006.
5. Based on our audit and on consideration of the reports of other auditors on separate financial statements and on the other financial information of the components, and to the best of our information and according to the explanations given to us, we are of the opinion that the attached Consolidated Financial Statements give a true and fair view in conformity with the accounting principles generally accepted in India:
  - (i) the Consolidated Balance Sheet gives a true and fair view of the consolidated state of affairs of the Modern Group as at 31st March, 2009;
  - (ii) the Consolidated Profit and Loss Account, of the profit of the Modern Group for the year ended on that date; and
  - (iii) in the case of the Consolidated Cash Flow Statement, of the Modern Group for the year ended on that date.

For K. S. Aiyar & Co.  
Chartered Accountants

Satish Kelkar  
Partner  
Membership No. 38934

Place: Mumbai  
Date: 10th June, 2009