



Modern Threads (India) Limited

Registered Office :

Modern Woollens, Pragati Path,
Bhilwara-311001 (Rajasthan), India

Phone : 91-1482-241801

E-mail : cs@modernwoollens.com

Website : www.modernwoollens.com

CIN : L17115RJ1980PLC002075'

Dated : February 12, 2024

To,
BSE Limited
Listing Department,
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai - 400 023
Scrip Code : 500282

To,
National Stock Exchange of India Limited
Listing Department,
Exchange Plaza, C/1, Block-G,
Bandra-Kurla Complex, Bandra (E)
Mumbai - 400 051
Scrip Code : MODTHREAD

Dear Sir/Madam,

Sub : Submission of Unaudited Financial Results of the Company for the quarter and nine months ended 31st December, 2023

This is to inform you that in terms of Regulation 33 of SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015 as amended, we hereby enclose a copy of the Unaudited Financial Results of the Company for the quarter and nine months ended 31st December, 2023, along with the limited review report given by the statutory auditors of the Company, which were approved by the Board of Directors at their meeting held on 12th February, 2024, commenced at 2.00 P.M. and concluded at 3.35 P.M.

This is for your information and records.

Thanking You,

Yours faithfully,
FOR Modern Threads (India) Limited

Banwari Digitally signed by
Banwari Lal Saini

Lal Saini Date: 2024.02.12
15:38:31 +05'30'

(BANWARI LAL SAINI)
Company Secretary & Compliance Officer
Membership No. : A12576



Corporate Head Office : 5, Bhima Building, Sir Pochkhanwala Road, Worli, Mumbai-400 030

Plants : **Woollens Division** : Pragati Path, Bhilwara-311001 (Rajasthan)
Yarn Division : NH-79, Ajmer-Bhilwara High Way, Village Raila, District - Shahpura-311024 (Rajasthan)

S.S SURANA & COMPANY

Chartered Accountants

• E-285, Lal Kothi Scheme,
Jaipur-302015 (Rajasthan)
☎ Telefax: +91 141 2741946 | +91 9829227946
✉ prahaladgupta@gmail.com

Independent Auditor's Review Report on Standalone Unaudited Quarterly Financial Results and Year to Date Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

To

The Board of Directors of
Modern Threads (India) Ltd

1. We have reviewed the accompanying statement of Standalone unaudited Financial Results of Modern Threads (India) Ltd ('the Company') for the quarter ended on 31st December, 2023 and the year to date Results for the period 1st April, 2023 to 31st December, 2023 ('the Statement'), attached herewith, being submitted by the company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended ("Listing Regulations").
2. This statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued there under and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. Our responsibility is to express a conclusion on the statement based on our review.
3. We conducted our review of the statement 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 financial statements are free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. **Basis for Qualified Conclusion:**
 - i. The company has not provided for interest (Dividend) on cumulative redeemable preference shares for the quarter ended 31.12.2023 Rs. 9.11 Lakhs and for the nine months ended on 31.12.2023 Rs. 27.22 lakhs (cumulative Rs. 1002.70 Lakhs upto 31.12.2023). Cumulative Interest (Dividend) Rs. 1002.70 lakhs has not been provided for as the company is in process of settlement of remaining redeemable preference share capital. (Refer Note No. 3)
 - ii. Balances of trade payables and trade receivables are subject to confirmation and consequential adjustments, if any. (Refer Note No. 4)



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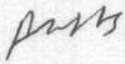
5. Qualified Conclusion

Based on our review conducted as above, except for the effects/possible effects of the matters stated in Para 4 (including non quantification for the reasons stated therein), nothing has come to our attention that causes us to believe that the accompanying statement prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standards ('Ind AS') prescribed under section 133 of the Companies Act, 2013 as amended, read with relevant rules issued there under and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For S.S. SURANA & CO.

Chartered Accountants

Firm Registration No. 001079C


Pralhad Gupta
(Partner)

M. No.: 074458

UDIN - 24074458BKHIFP3777



Place: Bhilwara

Date: 12.02.2024



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STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER, 2023

| Particulars | (Rs. in Lakhs) | | | | | |
|---|-----------------|-----------------|-----------------|-------------------|------------------|------------------|
| | Quarter Ended | | | Nine Months Ended | | Year Ended |
| | 31/12/2023 | 30/09/2023 | 31/12/2022 | 31/12/2023 | 31/12/2022 | 31/03/2023 |
| | Un-audited | Un-audited | Un-audited | Un-audited | Un-audited | Audited |
| 1. Income | | | | | | |
| (a) Revenue from Operations | | | | | | |
| (b) Other Income | 7,494.16 | 7,771.70 | 8,261.68 | 22,591.69 | 22,961.14 | 30,111.22 |
| Total income | 88.01 | 60.87 | 132.71 | 208.25 | 203.00 | 419.82 |
| 2. Expenses | 7,582.17 | 7,832.57 | 8,394.39 | 22,799.94 | 23,164.14 | 30,531.04 |
| (a) Cost of Materials consumed | 4,471.33 | 4,569.76 | 4,884.47 | 13,008.58 | 14,693.70 | 18,370.57 |
| (b) Purchase of stock-in-trade | - | - | - | - | - | 2.91 |
| (c) Changes in inventories of finished goods, work-in-progress and stock-in-trade | (329.78) | (174.04) | (10.14) | (276.44) | (978.26) | (732.19) |
| (d) Employee benefits expense | 895.55 | 880.07 | 851.10 | 2,558.89 | 2,365.29 | 3,131.00 |
| (e) Finance costs | 78.69 | 79.80 | 99.87 | 229.86 | 257.50 | 328.67 |
| (f) Depreciation and amortization expense | 106.60 | 101.24 | 89.43 | 303.30 | 257.73 | 349.15 |
| (g) Other expenses | | | | | | |
| Manufacturing Expenses | 1,226.28 | 1,293.61 | 1,269.56 | 3,642.33 | 3,730.82 | 4,774.18 |
| Administrative and Selling Expenses | 423.24 | 468.26 | 496.91 | 1,266.17 | 1,314.18 | 1,769.96 |
| Total Expenses | 6,871.91 | 7,218.70 | 7,681.20 | 20,732.69 | 21,640.96 | 27,994.25 |
| 3. Profit/(Loss) before exceptional items and Tax (1-2) | 710.26 | 613.87 | 713.19 | 2,067.25 | 1,523.18 | 2,536.79 |
| 4. Exceptional Items | - | - | - | - | 18,874.85 | 18,874.85 |
| 5. Profit/(loss) before tax (3-4) | 710.26 | 613.87 | 713.19 | 2,067.25 | 20,398.03 | 21,411.64 |
| 6. Tax expense | - | - | - | - | - | - |
| 7. Net Profit / (Loss) after tax (5 -6) | 710.26 | 613.87 | 713.19 | 2,067.25 | 20,398.03 | 21,411.64 |
| 8. Other Comprehensive Income | | | | | | |
| (a) Items that will not be reclassified to profit or loss (net of Tax) | 4.14 | 4.13 | 6.77 | 12.41 | 20.33 | 16.56 |
| (b) Items that will be reclassified to profit or loss (net of Tax) | - | - | - | - | - | - |
| Other Comprehensive Income for the period (8a+8b) | 4.14 | 4.13 | 6.77 | 12.41 | 20.33 | 16.56 |
| 9. Total Comprehensive Income (7 + 8) | 714.40 | 618.00 | 719.96 | 2,079.66 | 20,418.36 | 21,428.20 |
| 10. Paid-up equity share capital (Face Value of the Share Rs.10 /-) | 3,477.52 | 3,477.52 | 3,477.52 | 3,477.52 | 3,477.52 | 3,477.52 |
| 11. Other Equity excluding revaluation reserve | | | | | | |
| 12. Earnings Per Share (Basic/Diluted) in Rs. | | | | | | |
| (a) Basic | 2.04 | 1.76 | 2.05 | 5.94 | 58.66 | 61.57 |
| (b) Diluted | 2.04 | 1.76 | 2.05 | 5.94 | 58.66 | 61.57 |



Signature

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 - **Yarn Division** : NH-79, Ajmer-Bhilwara High Way, Village Raila, District - Shahpura-311024 (Rajasthan)



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Notes:-

- 1 The above financial results have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on 12.02.2024
- 2 These financial results have been prepared in accordance with the recognition and measurement principles of applicable Indian Accounting Standards ("Ind AS") notified under the companies (Indian Accounting Standards) Rules, 2015 (as amended) prescribed under section 133 of the Companies Act, 2013 and requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 (as amended), except stated otherwise.
- 3 The company has not provided for interest (Dividend) on cumulative redeemable preference shares for the quarter ended 31-12-2023 Rs. 9.11 lakhs and for the nine months ended 31.12.2023 Rs. 27.22 lakhs (cumulative Rs. 1002.70 Lakhs up to 31-12-2023). Cumulative Interest (Dividend) Rs. 1002.70 lakhs has not been provided for as the company is in process of settlement of remaining redeemable preference share capital.
- 4 Balances of trade payables and trade receivable are subject to confirmation and consequential adjustments, if any.
- 5 Share Application Money Rs. 1450 Lakhs has been raised pursuant to restructuring / settlement scheme submitted to BIFR but consequent to abatement of Sick Industrial Companies (Special Provision) Act, 1985 w.e.f. 01/12/2016, it become refundable.
- 6 Based on the management approach as defined in Ind AS 108 - Operating Segments, the Chief Operating Decision Maker (CODM) evaluates the company's performance and allocates resources based on an analysis of various performance indicators of business segment/s in which the company operates. The Company is primarily engaged in the business of textile manufacturing which the management and CODM recognise as the sole business segment. Hence, disclosure of segment-wise information is not required and accordingly not provided.
- 7 Provision for Income Tax has not been made in view of accumulated losses and deferred tax asset has not recognised in the financial statement as a matter of prudence.
- 8 Figures for the previous period have been regrouped/rearranged wherever necessary to conform to current period presentation.

For and on behalf of the Board of Directors
Modern Threads (India) Limited

(Ram Awatar Kabra)
Executive Director
DIN:00945603

Place : Bhilwara
Date : 12.02.2024



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Statement on Impact of Audit Qualifications for the Nine Months ended 31st December, 2023
(for independent Auditor's Limited Review Report with modified conclusion)
[See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]

| Sl. No. | Particulars | Audited Figures (as reported before adjusting for qualifications) | Adjusted Figures (Audited Figures after adjusting for qualifications) |
|---------|---|---|--|
| | | Rs. in Lakhs | Rs. in Lakhs |
| 1 | Turnover / Total income | 22799.94 | 22799.94 |
| 2 | Exceptional Items | - | - |
| 3 | Total Expenditure | 20732.69 | 20759.91 |
| 4 | Net Profit/(Loss) (1+2-3) | 2067.25 | 2040.03 |
| 5 | Earnings Per Share | 5.94 | 5.87 |
| 6 | Total Assets | 19879.97 | 19879.97 |
| 7 | Total Liabilities | 7465.06 | 8467.76 |
| 8 | Net Worth* | 12414.91 | 11412.21 |
| 9 | Any other financial item(s) (as felt appropriate by the management) | Nil | Nil |

* Tax effect on OCI has been taken in deferred tax and Deferred Tax Assets has not been recognized in the financial statements as a matter of prudence.

II Audit Qualification (each audit qualification separately):

a. **Details of Audit Qualification :**

(i) The company has not provided for Interest (Dividend) on cumulative redeemable preference shares for the quarter ended 31.12.2023 Rs. 9.11 Lakhs and for the nine months ended 31.12.2023 Rs. 27.22 Lakhs and Cumulative Interest (Dividend) Rs. 1002.70 Lakhs upto 31.12.2023. Cumulative Interest (Dividend) Rs. 1002.70 lakhs has not been provided for as the company is in process of settlement of remaining redeemable preference share capital.

(ii) Balances of trade payables and trade receivables are subject to confirmation and consequential Adjustments, if any.

b. **Type of Audit Qualification :** Qualified conclusion

c. **Frequency of qualification :** Repetitive

d. **For Audit Qualification(i) where the impact is quantified by the auditor, Management's Views:**
For the Audit Qualifications Company is in process of settlement with respective preference shareholders.

e. **For Audit Qualification(s) where the impact is not quantified by the auditor:**

(i) **Management's estimation on the impact of audit qualification:** Unable to Estimate

(ii) **If management is unable to estimate the impact, reasons for the same:**
For qualification (ii) the company is in process of identifying liability of trade Payables and trade receivables

(iii) **Auditors' Comments on (i) or (ii) above:-**
Management's Comments are self explanatory so no separate comments are required.

III Signatories:
For Modern Threads (India) Limited

Ram Awatar Kabra
Ran Awatar Kabra
Executive Director
DIN:00945603

P.K. Nahar
P.K. Nahar
Chief Financial Officer

Ankita
Ankita Jain
Chairman of Audit committee
DIN:09598249

Place: Bhilwara
Date: 12.02.2024

Refer Our Limited Review Report dated 12/02/2024 on Financial results of the Company

For S.S Surana & Co.
Chartered Accountants
(FRN. 001079C)

P.P. Gupta
(Prahald Gupta)
Partner
Membership No. 074458

Place: Bhilwara
Date: 12.02.2024
UDIN: 2407458BKHF3777

Corporate Head Office : 5, Bhima Building, Sir Pochkhanwala Road, Worli, Mumbai-400 030

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