



Modern Threads (India) Limited

Registered Office :

Unit : Modern Woollens

Hamirgarh Road, Pragati Path, Near Transport Nagar,
Bhilwara-311001 (Rajasthan) India

Tel : 91-1482-241801, Fax : 297924, Email : cs@modernwoollens.com

Website : www.modernwoollens.com CIN : L17115RJ1980PLC002075

To,

Date : August 12, 2021

The Manager,
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai - 400023
Scrip Code: 500282

The Manager,
National Stock Exchange of India Ltd.
Exchange Plaza, C-1, Block G,
Bandra Kurla Complex,
Bandra East, Mumbai-400051
Scrip Code: MODTHREAD

Dear Sir/Madam,

Sub.: Submission of outcome of Board Meeting held on 12/08/2021

This has reference to our earlier letter dated August 05, 2021.

Pursuant to Regulation 30 & 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we wish to inform you that the meeting of Board of Directors of the Company commenced at 2.30 P.M. and concluded at 5.30 P.M. today on August 12, 2021.

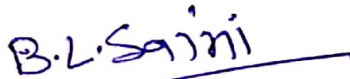
The Board has inter-alia approved the Unaudited Financial Results of the Company for the quarter ended 30th June, 2021.

Pursuant to Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith Unaudited Financial Results of the Company for the quarter ended 30th June, 2021, alongwith Auditor's Review Report on the said results.

This is for your information and records.

Thanking You,

Yours faithfully,
FOR Modern Threads (India) Limited



(BANWARI LAL SAINI)
Company Secretary & Compliance Officer
Membership No. : A 12576



Marketing Office : 5, Bhima Building, Sir Pochkhanwala Road, Worli, Mumbai-400030

Plants : **Woollens Division** : Hamirgarh Road, Pragati Path, Near Transport Nagar, Bhilwara-311001 (Rajasthan)
Yarn Division : Village Raila, District - Bhilwara-311024 (Rajasthan)

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Goyal D. Kumar & Co.

CHARTERED ACCOUNTANTS

207-208, Om Textile Tower, Pur Road, Bhilwara-311001(Raj.)

Phone No 01482-241554 Mail: - dkg.bhl@gmail.com

Independent Auditor's Review Report on Standalone Unaudited Quarterly Financial 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 unaudited Standalone Financial Results of **Modern Threads (India) Ltd ('the Company')** for the quarter ended **30th June, 2021 ("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 read with relevant rules issued there under and other accounting principles generally accepted in India. Our responsibility is to issue a report 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 statement is 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 Opinion:**
 - i. The company has not provided for interest (Dividend) on cumulative redeemable preference shares for the quarter ended 30.06.2021 Rs.13.06 Lakhs (cumulative Rs. 1319.45 Lakhs up to 30.06.2021). The company has not provided interest (dividend) in view of accumulated losses and also in process of settlement of remaining redeemable preference share capital. (Refer Note No. 4)
 - ii. Balances of trade payables and trade receivables are subject to confirmation and consequential adjustments, if any. (Refer Note No. 5)
5. **Qualified Opinion**

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 all material respects in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in



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terms of Regulation 33 of the SEBI (Listing obligations and Disclosure Requirements) Regulation, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

6. Material Uncertainty related to Going Concern

We draw attention that the company had made a reference to The Board of Industrial and Financial Reconstruction (BIFR) based on audited accounts for the financial ended 31st March, 2004 and BIFR in the hearing held on 12th December, 2005 had declared the company as sick industrial company u/s 3(1)(o) of the SICA Act. Consequent to abatement of Sick Industrial Companies (Special Provision) Act, 1985, w.e.f. 01.12.2016 the company has not filed rehabilitation/ revival scheme to NCLT under Insolvency and Bankruptcy Code. The company has accumulated losses with its net worth continuing to stand fully eroded and the financial statements of the company have been prepared on going concern as the Debentures, term loan and accrued interest thereon has been settled and only balance Rs.75 Lakhs is payable till 31.03.2022. The company is expecting compliance of term of settlement and liability will be written back on discharge of full payment. (Refer Note No.3)

Our opinion is not modified in respect of this matter.

For Goyal D. Kumar & Co.

Chartered Accountants

Firm Registration No. 007817C



D.K. Goyal

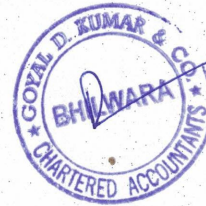
Proprietor

Membership No. 076713

UDIN - 21076713AAAAFW1848

Place: Bhilwara

Date: 12/08/2021





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STANDLONE SEGMENTWISE REVENUE, RESULTS, ASSETS AND LIABILITIES FOR THE QUARTER ENDED 30TH JUNE,2021

(Rs in Lakhs)

Particulars	Quarter Ended			Year ended
	30-06-2021	31-03-2021	30-06-2020	31-03-2021
	Un-audited	Audited (Refer Note)	Un-audited	Audited
1. Segment Revenue				
(a) Woollen	2,614.07	2,502.25	1,196.75	9,386.21
(b) Synthetic Yarn	1,446.06	1,743.21	503.48	5,326.88
(c) Others	-	-	-	-
Total	4,060.13	4,245.46	1,700.23	14,713.09
Less: Inter Segment Sales	-	-	-	-
Net sales/Revenue from Operations	4,060.13	4,245.46	1,700.23	14,713.09
2. Segment Results				
Profit / (Loss) before tax, Finance Costs & Exceptional item				
(a) Woollen	220.30	202.88	(43.50)	398.46
(b) Synthetic Yarn	(31.48)	(97.36)	(90.02)	(147.61)
(c) Others	-	-	-	-
Total	188.82	105.52	(133.52)	250.85
Less: i) Finance Costs	39.79	140.54	3.43	148.82
Less: ii) other Unallocable exp net off unallocable income	-	-	-	-
Profit/(Loss) before tax and exceptional item	149.03	(35.02)	(136.95)	102.03
Add: iii) Exceptional items	-	70.00	-	70.00
Total Profit/(Loss) Before Tax	149.03	34.98	(136.95)	172.03
3. Segment Assets				
(a) Woollen	8,456.77	8,267.04	8,594.20	8,267.04
(b) Synthetic Yarn	2,819.68	2,829.49	2,467.30	2,829.49
(c) Others	1,150.86	1,150.86	1,141.50	1,150.86
Total	12,427.31	12,247.39	12,203.00	12,247.39
4. Segment Liabilities				
(a) Woollen	2,718.96	2,598.06	2,898.13	2,598.06
(b) Synthetic Yarn	12,614.74	12,713.07	12,711.59	12,713.07
(c) Others	8,850.23	8,850.23	8,850.23	8,850.23
Total	24,183.93	24,161.36	24,459.95	24,161.36
For and on behalf of the Board of Directors				
Modern Threads (India) Limited				
				
Rajesh Ranka				
Chairman & Managing Director				
DIN:03438721				
				
Place : Bhilwara				
Date : 12/08/2021				

Marketing Office

: 5, Bhima Building, Sir Pochkhanwala Road, Worli, Mumbai - 400030 (Maharashtra)

Plant [Woollens Division
Yarn Division

: Hamirgarh Road, Pragati Path, Near Transport Nagar, Bhilwara - 311001 (Rajasthan)

: Village Raila, District - Bhilwara - 311024 (Rajasthan)



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CIN : L17115RJ1980PLC002075

Statement of Standalone unaudited Financial Results for the Quarter ended 30/06/2021

(Rs in Lakhs)

Particulars	Quarter Ended			Year ended
	30-06-2021	31-03-2021	30-06-2020	31-03-2021
	Un-audited	Audited (Refer Note 9)	Un-audited	Audited
1. Income				
(a) Revenue from Operations	4,060.13	4,245.46	1,700.23	14,713.09
(b) Other Income	42.80	186.56	26.00	253.93
Total income	4,102.93	4,432.02	1,726.23	14,967.02
2. Expenses				
(a) Cost of Materials consumed	2,964.33	2,864.88	1,264.76	8,748.51
(b) Purchases of stock-in-trade	-	-	-	-
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(595.47)	(291.91)	(253.16)	302.95
(d) Employee benefits expense	501.90	567.99	328.70	1,879.04
(e) Finance costs	39.79	140.54	3.43	148.82
(f) Depreciation and amortisation expense	69.99	59.56	72.17	276.74
(g) Other expenses				
Manufacturing Expenses	757.37	822.68	364.10	2,599.53
Administrative and Selling Expenses	215.99	303.30	83.18	909.40
Total Expenses	3,953.90	4,467.04	1,863.18	14,864.99
3. Profit/(Loss) before exceptional items and Tax (1-2)	149.03	(35.02)	(136.95)	102.03
4. Exceptional Items	-	-	-	70.00
5. Profit/(loss) before tax (3-4)	149.03	(35.02)	(136.95)	172.03
6. Tax expense	-	-	-	-
7. Net Profit / (Loss) after tax (5 -6)	149.03	(35.02)	(136.95)	172.03
8. Other Comprehensive Income				
(a) Items that will not be reclassified to profit or loss (net of Tax) (Refer Note 7)	8.32	35.46	(0.73)	33.27
(b) Items that will be reclassified to profit or loss (net of Tax)	-	-	-	-
Other Comprehensive Income for the period (8a+8b)	8.32	35.46	(0.73)	33.27
9. Total Comprehensive Income (7 + 8)	157.35	0.44	(137.68)	205.30
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
11. Other Equity excluding revaluation reserve				(15,391.49)
12. Earnings Per Share (Basic/Diluted) in Rs.				
(a) Basic	0.43	(0.10)	(0.39)	0.49
(b) Diluted	0.43	(0.10)	(0.39)	0.49



Signature

Marketing Office

: 5, Bhima Building, Sir Pochkhanwala Road, Worli, Mumbai - 400030 (Maharashtra)

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Yarn Division

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CIN : L17115RJ1980PLC002075

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 12th August 2021
- 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, as specified in section 133 of the Companies Act, 2013, except stated otherwise.
- 3 The company based on audited accounts for the financial year ended 31st March, 2004 had been declared as a sick industrial company u/s 3(1)(o) of the SICA Act by The Board of Industrial and Financial Reconstruction (BIFR) in the hearing held on 12th December, 2005. Consequent to abatement of Sick Industrial Companies (Special Provision) Act, 1985 w.e.f. 01/12/2016, the company has not filed rehabilitation/ revival scheme to NCLT under Insolvency and Bankruptcy Code. The company has accumulated losses with its net worth continuing to stand fully eroded and the financial statements of the company have been prepared on going concern, as the non current secured borrowings have been settled and only balance Rs.75 Lakhs is payable till 31.03.2022. The company is expecting compliance of term of settlement and liability will be written back on discharge of full payment
- 4 The company has not provided for interest (Dividend) on cumulative redeemable preference shares for the Quarter ended 30-06-2021 Rs. 13.06 Lakhs (cumulative Rs. 1319.45 Lakhs up to 30-06-2021). The company has not provided Interest (Dividend) in view of accumulated losses and also in process of settlement of remaining redeemable preference share capital.
- 5 Balances of trade payables and trade receivable are subject to confirmation and consequential adjustments, if any.
- 6 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.
- 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 The company has made an assessment of the impact of the continuing Covid-19 pandemic on the current and future operations, liquidity position and cash flow giving due consideration to the intenal and external factors. The Company is continuously monitoring the situation and does not foresee any significant impact on the operations and the financial position of the Company as on 30th June 2021.
- 9 The Figures for the quarter ended 31 March 2021 are the balancing figures between audited figures for the full financial year and the reviewed year to date figures upto the third quarter of the financial year.
- 10 Figures for the previous periods, wherever necessary have been regrouped/ reclassified to conform to the current periods presentation.

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

(Rajesh Ranka)

Chairman & Managing Director

DIN:03438721

Place : Bhilwara

Date : 12/08/2021



Marketing Office

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Plant

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