



# 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 : 30/03/2021

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 Unaudited Financial Results for the quarter ended 31<sup>st</sup> December, 2020**

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 for the quarter ended 31<sup>st</sup> December, 2020, 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 30<sup>th</sup> March, 2021, commenced at 4.00 P.M. and concluded at 5.30 P.M.

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



Encl : as above

**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)

# 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](mailto:dkg.bhl@gmail.com)

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**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 unaudited Standalone Financial Results of **Modern Threads (India) Ltd ('the Company')** for the quarter ended **31st December, 2020** and the year to date results for the period **1<sup>st</sup> April 2020 to 31<sup>st</sup> December 2020 ("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 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 31.12.2020 Rs.17.06 Lakhs and nine months ended Rs.51.19 Lakhs (cumulative Rs. 1689.37 Lakhs up to 31.12.2020). 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 applicable



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Indian Accounting Standards u/s 133 of the Companies Act, 2013 read with relevant rules issued there under and other recognized 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.

## 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 31.03.2021. 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 - 21076713 AAAA DJ 2722



Place: Bhilwara

Date: 30/03/2021



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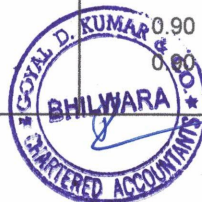
Website : www.modernwoollens.com

CIN : L17115RJ1980PLC002075

## Statement of Standalone Unaudited Financial Results for the Quarter and Nine Months ended 31/12/2020

(Rs in Lakhs)

Particulars	Quarter Ended			Nine Months ended		Year Ended
	31-12-2020	30-09-2020	31-12-2019	31-12-2020	31-12-2019	31-03-2020
	Un-audited	Un-audited	Un-audited	Un-audited	Un-audited	Audited
<b>1. Income</b>						
(a) Revenue from Operations	4,557.98	4,209.42	4,871.37	10,467.63	14,702.01	20,058.98
(b) Other Income	13.30	28.07	655.51	67.37	1,478.40	2,406.97
<b>Total income</b>	<b>4,571.28</b>	<b>4,237.49</b>	<b>5,526.88</b>	<b>10,535.00</b>	<b>16,180.41</b>	<b>22,465.95</b>
<b>2. Expenses</b>						
(a) Cost of Materials consumed	2,398.25	2,220.62	3,192.86	5,883.63	9,528.95	12,680.28
(b) Purchase of stock-in-trade	-	-	-	-	-	-
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	280.61	567.41	(138.66)	594.86	304.46	551.94
(d) Employee benefits expense	538.20	444.15	607.73	1,311.05	1,684.47	2,242.70
(e) Finance cost	0.38	4.47	6.88	8.28	35.55	12.14
(f) Depreciation and amortisation expense	73.22	71.79	66.19	217.18	196.22	301.50
(g) Other expenses						
Manufacturing Expenses	730.13	682.62	906.65	1,776.85	2,599.43	3,339.83
Administrative and Selling Expenses	238.58	284.34	244.18	606.10	784.53	1,011.56
<b>Total Expenses</b>	<b>4,259.37</b>	<b>4,275.40</b>	<b>4,885.83</b>	<b>10,397.95</b>	<b>15,133.61</b>	<b>20,139.95</b>
<b>3. Profit/(Loss) before exceptional items and Tax (1-2)</b>	<b>311.91</b>	<b>(37.91)</b>	<b>641.05</b>	<b>137.05</b>	<b>1,046.80</b>	<b>2,326.00</b>
<b>4. Exceptional Items</b>	-	-	-	-	210.00	210.00
<b>5. Profit/(loss) before tax (3-4)</b>	<b>311.91</b>	<b>(37.91)</b>	<b>641.05</b>	<b>137.05</b>	<b>1,256.80</b>	<b>2,536.00</b>
<b>6. Tax expense</b>	-	-	-	-	-	0.12
<b>7. Net Profit / (Loss) after tax (5 -6)</b>	<b>311.91</b>	<b>(37.91)</b>	<b>641.05</b>	<b>137.05</b>	<b>1,256.80</b>	<b>2,535.88</b>
<b>8. Other Comprehensive Income</b>						
(a) Items that will not be reclassified to profit or loss (net of Tax) (Refer Note 7)	(0.73)	(0.73)	3.01	(2.19)	9.03	2.96
(b) Items that will be reclassified to profit or loss (net of Tax)	-	-	-	-	-	-
<b>Other Comprehensive Income for the period (8a+8b)</b>	<b>(0.73)</b>	<b>(0.73)</b>	<b>3.01</b>	<b>(2.19)</b>	<b>9.03</b>	<b>2.96</b>
<b>9. Total Comprehensive Income (7 + 8)</b>	<b>311.18</b>	<b>(38.64)</b>	<b>644.06</b>	<b>134.86</b>	<b>1,265.83</b>	<b>2,538.84</b>
<b>10. Paid-up equity share capital</b> (Face Value of the Share Rs.10 /-)	<b>3,477.52</b>	<b>3,477.52</b>	<b>3,477.52</b>	<b>3,477.52</b>	<b>3,477.52</b>	<b>3,477.52</b>
<b>11. Other Equity excluding revaluation reserve</b>						<b>(15,596.79)</b>
<b>12. Earnings Per Share (Basic/Diluted) in Rs.</b>						
(a) Basic	0.90	(0.11)	1.84	0.39	3.61	7.29
(b) Diluted	0.80	(0.11)	1.84	0.39	3.61	7.29



*BMS*



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CIN : L17115RJ1980PLC002075

**STANDALONE UNAUDITED SEGMENTWISE REVENUE, RESULTS, ASSETS AND LIABILITIES FOR THE QUARTER AND NINE MONTHS ENDED 31ST DEC., 2020**

(Rs in Lakhs)

Particulars	Quarter Ended			Nine Months ended		Year Ended
	31-12-2020	30-09-2020	31-12-2019	31-12-2020	31-12-2019	31-03-2020
	Un-audited	Un-audited	Un-audited	Un-audited	Un-audited	Audited
<b>1. Segment Revenue</b>						
(a) Woollen	2894.62	2792.59	3270.07	6883.96	10259.94	14347.02
(b) Synthetic Yarn	1663.36	1,416.83	1601.30	3583.67	4,442.07	5711.96
(c) Others	-	-	-	-	-	-
<b>Total</b>	<b>4557.98</b>	<b>4209.42</b>	<b>4871.37</b>	<b>10467.63</b>	<b>14702.01</b>	<b>20058.98</b>
Less: Inter Segment Sales	-	-	-	-	-	-
<b>Net sales/Revenue from Operations</b>	<b>4557.98</b>	<b>4209.42</b>	<b>4871.37</b>	<b>10467.63</b>	<b>14702.01</b>	<b>20058.98</b>
<b>2. Segment Results</b>						
<b>Profit / ( Loss ) before interest, tax and exceptional item</b>						
(a) Woollen	193.04	46.04	724.41	195.58	1359.51	2403.93
(b) Synthetic Yarn	119.25	(79.48)	(76.48)	(50.25)	(277.16)	(65.79)
(c) Others	-	-	-	-	-	-
<b>Total</b>	<b>312.29</b>	<b>(33.44)</b>	<b>647.93</b>	<b>145.33</b>	<b>1082.35</b>	<b>2338.14</b>
Less: i) Interest	0.38	4.47	6.88	8.28	35.55	12.14
Less: ii) other Unallocable exp net off unallocable income	-	-	-	-	-	-
<b>Profit / ( Loss ) before tax and exceptional item</b>	<b>311.91</b>	<b>(37.91)</b>	<b>641.05</b>	<b>137.05</b>	<b>1,046.80</b>	<b>2,326.00</b>
Add: iii) Exceptional items	-	-	-	-	210.00	210.00
<b>Total Profit/(Loss) Before Tax</b>	<b>311.91</b>	<b>(37.91)</b>	<b>641.05</b>	<b>137.05</b>	<b>1,256.80</b>	<b>2,536.00</b>
<b>3. Segment Assets</b>						
(a) Woollen	8650.51	8520.9	8837.17	8650.51	8837.17	8937.94
(b) Synthetic Yarn	2454.72	2403.03	2616.02	2454.72	2616.02	2564.92
(c) Others	1150.85	1141.50	1140.12	1150.85	1140.12	1141.50
<b>Total</b>	<b>12256.08</b>	<b>12065.43</b>	<b>12593.31</b>	<b>12256.08</b>	<b>12593.31</b>	<b>12644.36</b>
<b>4. Segment Liabilities</b>						
(a) Woollen	2766.18	2812.05	4059.92	2766.18	4059.92	3091.99
(b) Synthetic Yarn	12624.08	12698.74	13075.44	12624.08	13075.44	12821.41
(c) Others	8850.23	8850.23	8850.23	8850.23	8850.23	8850.23
<b>Total</b>	<b>24240.49</b>	<b>24361.02</b>	<b>25985.59</b>	<b>24240.49</b>	<b>25985.59</b>	<b>24763.63</b>



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

( Rajesh Ranka )  
Chairman & Managing Director  
DIN:03438721

Place : Bhilwara

Date : 30/03/2021

Marketing Office : 5, Bhima Building, Sir Pochkhanwala Road, Worli, Mumbai - 400030 (Maharashtra)  
Plant { Woollens Division : Hamirgarh Road, Pragati Path, Near Transport Nagar, Bhilwara - 311001 (Rajasthan)  
Yarn Division : Village Raila, District - Bhilwara - 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 30th March 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 31.03.2021. 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 31-12-2020 Rs. 17.06 Lakhs and for the nine months ended Rs.51.19 Lakhs (cumulative Rs. 1689.37 Lakhs up to 31-12-2020). 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 Tax effect has not taken into consideration as there is no taxable income and deferred tax asset has not recognised in the financial statement as a matter of prudence.
- 8 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 : 30/03/2021**

**Marketing Office**

**Plant** | **Woollens Division**

**Yarn Division**

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