



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 : 91-1482-297924

E-Mail : cs@modernwoollens.com

Website : www.modernwoollens.com

CIN : L17115RJ1980PLC002075

To,

Date : September 14, 2022

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 14/09/2022

This has reference to our earlier letter dated September 07, 2022.

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 3.30 P.M. and concluded at 4.25 P.M. today on September 14, 2022.

The Board has inter-alia approved the Unaudited Financial Results of the Company for the quarter ended 30th June, 2022.

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, 2022, 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 (Maharashtra)
Plant [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

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 on **30th June, 2022 ("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, 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 30.06.2022 Rs.9.01 Lakhs and (cumulative Rs. 948.36 Lakhs up to 30.06.2022). 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 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.

6. Attention is drawn to Note 8 to the Statement regarding standalone financial results for the quarter ended 31st March, 2022 which are the balancing figure between the audited figures in respect of the full financial year ended 31st March, 2022 and the published unaudited year to date figures up to the third quarter of the previous financial year, which were subjected to limited review by us.

7. **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 31.03.2023. 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 Conclusion is not modified in respect of this matter.

Place: Bhilwara
Date: 14/09/2022



For Goyal D. Kumar & Co.
Chartered Accountants
Firm Registration No. 007817C

D.K. Goyal
Proprietor
Membership No. 076713

UDIN - 22076713ASEMU X 1681



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MODERN THREADS (INDIA) LIMITED
REGD. OFFICE: A-4, VIJAY PATH, TILAK NAGAR, JAIPUR - 302004
CIN NO: L17115RJ1980PLC002075
Standalone Unaudited Segmentwise Revenue, Results, Assets and Liabilities for the
Quarter ended 30th June, 2022

Particulars	(Rs. In Lakhs)			
	Quarter Ended			Year Ended
	30-06-2022	31-03-2022	30-06-2021	31-03-2022
	Un-audited	Audited (Refer Note 8)	Un-audited	Audited
1. Segment Revenue				
(a) Woollen	4663.06	4352.56	2614.07	13418.78
(b) Synthetic Yarn	2275.53	2618.44	1446.06	8844.31
(c) Others *	-	-	-	-
Total	6938.59	6971.00	4060.13	22263.09
Less: Inter Segment Sales	-	-	-	-
Net sales/Revenue from Operations	6938.59	6971.00	4060.13	22263.09
2. Segment Results				
Profit / (Loss) before tax, Finance Costs & Exceptional item				
(a) Woollen	418.91	177.60	220.30	927.85
(b) Synthetic Yarn	36.07	(10.88)	(31.48)	26.02
(c) Others *	-	(9.28)	-	(9.28)
Total	454.98	157.44	188.82	944.59
Less: i) Finance Costs	79.58	81.96	39.79	219.92
Less: ii) other Unallocable exp net off unallocable income	-	-	-	-
Profit/(Loss) before tax and exceptional item	375.40	75.48	149.03	724.67
Add: iii) Exceptional items	-	70.00	-	70.00
Total Profit/(Loss) Before Tax	375.40	145.48	149.03	794.67
3. Segment Assets				
(a) Woollen	10741.31	9597.37	8456.77	9597.37
(b) Synthetic Yarn	3369.57	3082.68	2819.68	3082.68
(c) Others *	1150.86	1150.86	1150.86	1150.86
Total	15261.74	13830.91	12427.31	13830.91
4. Segment Liabilities				
(a) Woollen	4588.19	3651.02	2718.96	3651.02
(b) Synthetic Yarn	12534.11	12413.33	12614.74	12413.33
(c) Others *	8850.23	8859.51	8850.23	8859.51
Total	25972.53	24923.86	24183.93	24923.86
*PTA project Shelved				
For and on behalf of the Board of Directors Modern Threads (India) Limited  (Ram Awatar Kabra) Executive Director DIN:00945603				
				
Place : Bhilwara				
Date : 14/09/2022				

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MODERN THREADS (INDIA) LIMITED

REGD. OFFICE: A-4, VIJAY PATH, TILAK NAGAR, JAIPUR - 302 004

CIN NO: L17115RJ1980PLC002075

Statement of Standalone unaudited Financial Results for the Quarter ended 30th June, 2022

Particulars	Quarter Ended			Year Ended
	30-06-2022	31-03-2022	30-06-2021	31-03-2022
	Un-audited	Audited (Refer Note 8)	Un-audited	Audited
1. Income				
(a) Revenue from Operations	6,938.59	6,971.00	4,060.13	22,263.09
(b) Other Income	50.14	103.12	42.80	206.46
Total income	6,988.73	7,074.12	4,102.93	22,469.55
2. Expenses				
(a) Cost of Materials consumed	4,501.43	4,223.81	2,964.33	14,578.82
(b) Purchase of stock-in-trade				
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(353.32)	268.66	(595.47)	(1,099.20)
(d) Employee benefits expense	703.18	706.11	501.90	2,505.24
(e) Finance costs	79.58	81.96	39.79	219.92
(f) Depreciation and amortisation expense	77.29	76.81	69.99	299.83
(g) Other expenses				
Manufacturing Expenses	1,187.69	1,149.54	757.37	3,850.34
Administrative and Selling Expenses	417.48	491.75	215.99	1,389.93
Total Expenses	6,613.33	6,998.64	3,953.90	21,744.88
3. Profit/(Loss) before exceptional items and Tax (1-2)	375.40	75.48	149.03	724.67
4. Exceptional Items (Refer Note 5)		70.00		70.00
5. Profit/(loss) before tax (3-4)	375.40	145.48	149.03	794.67
6. Tax expense		0.76		0.76
7. Net Profit / (Loss) after tax (5 -6)	375.40	144.72	149.03	793.91
8. Other Comprehensive Income				
(a) Items that will not be reclassified to profit or loss (net of Tax) (Refer Note 9)	6.77	2.16	8.32	27.11
(b) Items that will be reclassified to profit or loss (net of Tax)				
Other Comprehensive Income for the period (8a+8b)	6.77	2.16	8.32	27.11
9. Total Comprehensive Income (7 + 8)	382.17	146.88	157.35	821.02
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				(14,570.47)
12. Earnings Per Share (Basic/Diluted) in Rs.				
(a) Basic	1.08	0.42	0.43	2.28
(b) Diluted	1.08	0.42	0.43	2.28



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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 14th September 2022.
- 2 These unaudited standalone 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 31.03.2023. 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 30-06-2022 Rs. 9.01 lakhs (cumulative Rs. 948.36 Lakhs up to 30-06-2022). 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 figures of the quarter ended 31st March, 2022 are the balancing figures between the audited figures in respect of the full financial year ended 31st March, 2022 and the published unaudited year to date figures up to the third quarter of the previous financial year.
- 9 Figures for the previous period have been regrouped/rearranged wherever necessary to conform to current period presentation.

Place : Bhilwara
Date : 14/09/2022



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

(Ram Awatar Kabra)
Executive Director
DIN:00945603

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