



Modern Threads (India) Limited

Registered Office :

A-4, Vijay Path, Tilak Nagar, Jaipur-302 004
Phone : 0141-4113645, Fax : 0141-2621382
E-mail : cs@modernwoollens.com
modernjaipuroffice@gmail.com
Website : www.modernwoollens.com
CIN : L17115RJ1980PLC002075

To,

Date : 28/05/2020

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 and half year ended 30th September, 2019

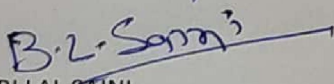
This is to inform you that in terms of Regulation 33 of SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015 as amended, we hereby enclose a copy of the Unaudited Financial Results for the quarter and half year ended 30th September, 2019, along with the limited review report given by the statutory auditor of the Company, which were approved by the Board of Directors at their meeting held on 28th May, 2020 commenced at 2.30 P.M. and concluded at 5.00 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



Corporate Head Office : 68/69, Godavari, Pochkhanwala, Worli, Mumbai-400030

Tel.:022-24973269, Fax : 022-24950962

Plants- Woollens Division : Hamirgarh Road, Bhilwara-311001 (Rajasthan)

Tel.:01482-241801, Fax : 01482-297924

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

Limited Review Report

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 September, 2019 ('the statement')**, being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended.
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 is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and 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 30.09.2019 Rs. 17.20 Lakhs and cumulative Rs. 1603.97 Lakhs up to 30.09.2019. As stated in note III, 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. III& VI)



- ii. Balances of trade payables and trade receivables are subject to confirmation and consequential adjustments, if any. (Refer Note No. 5)
- iii. Indian Accounting Standard on Leases Ind AS 116 is applicable on the company w.e.f. 01.04.2019. The company has not ascertained impact on recognition, measurement and presentations in respect of existing lease agreements on results. The company is in process of ascertaining the impact of long term leases. (Refer Note No. 8)

As stated in Para 4 (i) & (iii), impact is not ascertained by the management.

5. Qualified Opinion

Based on our review conducted as above, except for the effects/possible effects of our observation 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 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) 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 has been settled and only balance ` 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

D.K. Goyal
Proprietor
Membership No. 076713
UDIN-20076713AAAAC3357

Place: Bhilwara
Date: 28/05/2020



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Statement of Standalone Unaudited Financial Results for the Quarter and Half year ended 30/09/2019

(Rs in Lakhs)

Particulars	Quarter Ended			Half Year ended		Year Ended
	30-09-2019	30-06-2019	30-09-2018	30-09-2019	30-09-2018	31-03-2019
	Un-audited	Un-audited	Un-audited	Un-audited	Un-audited	Audited
1. Income						
(a) Revenue from Operations	5,050.80	4,779.84	5,823.24	9,830.64	10,856.67	22,821.78
(b) Other Income	665.50	157.39	84.68	822.89	165.73	438.99
Total income	5,716.30	4,937.23	5,907.92	10,653.53	11,022.40	23,260.77
2. Expenses						
(a) Cost of Materials consumed	2,865.72	3,470.37	3,834.05	6,336.09	7,577.08	15,963.40
(b) Purchase of stock-in-trade	-	-	-	-	-	-
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	697.11	(253.99)	1.13	443.12	(518.93)	(715.57)
(d) Employee benefits expense	566.30	510.44	539.28	1,076.74	1,018.43	2,155.85
(e) Finance cost	6.96	21.71	31.68	28.67	67.42	221.72
(f) Depreciation and amortisation expense	65.18	64.85	63.58	130.03	125.65	260.16
(g) Other expenses						
Manufacturing Expenses	907.05	785.73	859.28	1,692.78	1,637.46	3,293.62
Administrative and Selling Expenses	303.82	236.53	283.38	540.35	537.06	1,109.89
Total Expenses	5,412.14	4,835.64	5,612.38	10,247.78	10,444.17	22,289.07
3. Profit/(Loss) before exceptional items and Tax (1-2)	304.16	101.59	295.54	405.75	578.23	971.70
4. Exceptional Items (Refer Note 7)	-	210.00	-	210.00	-	105.00
5. Profit/(loss) before tax (3-4)	304.16	311.59	295.54	615.75	578.23	1,076.70
6. Tax expense	-	-	-	-	-	-
7. Net Profit / (Loss) after tax (5 -6)	304.16	311.59	295.54	615.75	578.23	1,076.70
8. Other Comprehensive Income						
(a) Items that will not be reclassified to profit or loss (net of Tax) (Refer Note 9)	3.01	3.01	2.40	6.02	4.80	12.03
(b) Items that will be reclassified to profit or loss (net of Tax)	-	-	-	-	-	-
Other Comprehensive Income for the period (8a+8b)	3.01	3.01	2.40	6.02	4.80	12.03
9. Total Comprehensive Income (7 + 8)	307.17	314.60	297.94	621.77	583.03	1,088.73
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						(18,135.63)
12. Earnings Per Share (Basic/Diluted) in Rs.						
(a) Basic	0.87	0.90	0.85	1.77	1.66	3.10
(b) Diluted	0.87	0.90	0.85	1.77	1.66	3.10



R. K. K. K.



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SEGMENTWISE REVENUE, RESULTS, ASSETS AND LIABILITIES FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER, 2019

(Rs in Lakhs)

Particulars	Quarter Ended			Half Year ended		Year Ended
	30/09/2019	30/06/2019	30/09/2018	30/09/2019	30/09/2018	31/03/2019
	Un-audited	Un-audited	Un-audited	Un-audited	Un-audited	Audited
1. Segment Revenue						
(a) Woollen	3597.43	3392.44	4307.98	6989.87	8151.25	17173.79
(b) Synthetic Yarn	1453.37	1,387.40	1515.26	2840.77	2,705.42	5647.99
(c) Others	-	-	-	-	-	-
Total	5050.80	4779.84	5823.24	9830.64	10856.67	22821.78
Less: Inter Segment Sales	-	-	-	-	-	-
Net sales/Revenue from Operations	5050.80	4779.84	5823.24	9830.64	10856.67	22821.78
2. Segment Results						
Profit / (Loss) before tax and interest						
(a) Woollen	387.91	247.19	387.52	635.10	751.24	1649.32
(b) Synthetic Yarn	(76.79)	(123.89)	(60.30)	(200.68)	(105.59)	(455.90)
(c) Others	-	-	-	-	-	-
Total	311.12	123.30	327.22	434.42	645.65	1193.42
Less: i) Interest	6.96	21.71	31.68	28.67	67.42	221.72
Less: ii) other Unallocable exp net off unallocable income	-	-	-	-	-	-
Add: iii) Exceptional items	-	210.00	-	210.00	-	105.00
Total Profit/(Loss) Before Tax	304.16	311.59	295.54	615.75	578.23	1,076.70
3. Segment Assets						
(a) Woollen	8658.09	9329.57	8635.24	8658.09	8635.24	9067.23
(b) Synthetic Yarn	2659.15	2551.56	2830.80	2659.15	2830.80	2625.63
(c) Others	1139.54	1129.64	1079.76	1139.54	1079.76	1129.64
Total	12456.78	13010.77	12545.80	12456.78	12545.80	12822.50
4. Segment Liabilities						
(a) Woollen	4527.63	5536.63	5410.50	4527.63	5410.50	5327.32
(b) Synthetic Yarn	13115.26	12967.42	13448.88	13115.26	13448.88	13303.06
(c) Others	8850.23	8850.23	8850.23	8850.23	8850.23	8850.23
Total	26493.12	27354.28	27709.61	26493.12	27709.61	27480.61

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



Ram Rai Kabra
Director

DIN:07985411

Place : Bhilwara
Date : 28/05/2020



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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 28th May 2020.
- 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 ammended, 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 provided for interest (Dividend) on cumulative redeemable preference shares for the Quarter ended amounting to Rs. 17.20 Lakhs and half year ended Rs.34.13(cumulative Rs. 1603.97 Lakhs up to 30-09-2019) has not been provided in view of accumulated losses and also in process of settlement of remaining redeemable preference share capital.(Refer Note No.4)
- 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 The company has settled redeemable Preference Share Capital of Rs. 300 Lakhs at Rs. 90 Lakhs and balance Rs. 210 Lakhs has been recognised as exceptional items(Income). The company is in process of settlement of remaining redeemable Preference Share Capital of Rs. 425 Lakhs.
- 8 Indian Accounting Standard on Leases Ind AS 116 is applicable on the company w.e.f. 01.04.2019. The company is in process of ascertaining the impact on recognition, measurement and presentations in respect of existing lease agreements on results.
- 9 Tax effect has not taken into consideration as there is no taxable income and deffered tax asset has not recognised in the financial statement as a matter of prudence.
- 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**

Place : Bhilwara

Date : 28/05/2020

R. K. Kabra
(Ram Rai Kabra)

Director

DIN:07985411





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STANDALONE UN-AUDITED STATEMENT OF ASSETS AND LIABILITIES AS AT 30TH SEPTEMBER, 2019

(Rs in Lakhs)

Particulars	As at	As at
	30.09.2019	31.03.2019
	UNAUDITED	AUDITED
ASSETS		
Non-Current Assets		
a Property, Plant and Equipment	4011.85	4070.27
b Capital Work-in-progress	5.60	22.59
c Intangible assets under development	33.34	33.34
d Financial Assets		
i Investments	0.76	0.76
ii Other Financial assets	273.84	203.88
e Income Tax Assets	29.99	25.89
f Other non-current assets	261.04	349.64
Total Non-current Assets (A)	4,616.42	4,706.37
Current Assets		
a Inventories	4276.73	4853.62
b Financial Assets		
i Investments	674.88	-
ii Trade Receivables	2100.28	1837.98
iii Cash and Cash Equivalents	462.05	1099.56
iv Bank Balances other than iii above	36.05	36.05
v Other Financial Assets	18.32	15.78
c Current Tax assets	2.13	-
d Other Current Assets	269.92	273.14
Total Current Assets (B)	7,840.36	8,116.13
Total Assets (A+B)	12,456.78	12,822.50
EQUITY AND LIABILITIES		
Equity		
a Equity Share Capital	3,477.52	3,477.52
b Other Equity	(17,513.86)	(18,135.63)
Total Equity (A)	(14,036.34)	(14,658.11)
Non Current Liabilities		
a Financial Liabilities		
i Borrowings	18874.85	18874.85
b Provisions	279.75	279.92
Total Non Current Liabilities (B)	19,154.60	19,154.77





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Current Liabilities			
a	Financial Liabilities		
i	Borrowings	-	-
ii	Trade Payables		
	(a) total outstanding dues of micro enterprises and small enterprises	2.31	3.14
	(b) total outstanding dues of creditors other than micro enterprises and small enterprises	2284.5	2365.56
iii	Other Financial Liabilities	4084.19	5198.89
b	Other Current Liabilities	921.64	731.76
c	Provisions	45.88	26.49
	Total Current Liabilities (C)	7,338.52	8,325.84
	Total Equity and Liabilities (A+B+C)	12,456.78	12,822.50



28/05/20

R. K. Sharma



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Cash Flow Statement for the Half Year ended 30th September, 2019

Rs. in Lakhs

Particulars	For the period ended 30th September, 2019		For the period ended 30th September, 2018	
A. Cash flow from operating activities				
Profit before exceptional items and tax	405.75		578.23	
<i>Adjustments for:</i>				
Depreciation and amortisation	130.03		125.65	
Finance costs	28.67		67.42	
Loss/(Profit) on sale of Property, Plant and Equipment	10.73		-	
Gain on Sale of Investments	(8.80)		-	
Fair Value Gain on investment through statement of profit & loss	(14.14)		(9.43)	
Remeasurement of employee benefits (Net)	6.02		4.80	
		558.26		766.68
Operating profit / (loss) before working capital changes		558.26		766.68
<i>Changes in working capital:</i>				
<i>Adjustments for (increase) / decrease in operating assets:</i>				
Inventories	576.89		(1050.72)	
Trade receivables	(262.30)		583.23	
Other non-current financial assets	(69.96)		(79.18)	
Other current financial assets	(2.54)		(5.69)	
Other current assets	3.22		161.41	
Other non-current assets	88.60		102.14	
Long-term loans and advances				
<i>Adjustments for increase / (decrease) in operating liabilities:</i>				
Trade payables	(81.89)		181.51	
Other Financial Liabilities	(814.70)		27.67	
Other current liabilities	189.88		41.59	
Non Current Liabilities	(0.17)		5.93	
Provisions	19.39		-	
Bank balance other then cash & cash equivalents	-	(353.57)	(9.75)	(41.85)
		204.69		724.83
Cash generated from operations		204.69		724.83
Net income tax (paid) / refunds		(6.23)		(2.23)
Net cash flow from / (used in) operating activities (A)		198.46		722.60
B. Cash flow from investing activities				
Purchase of Property, plant and equipment (including capital work in progress)	(76.36)		(130.53)	
Proceeds from sale of Property, plant and equipment	11.01		-	
Purchase of Mutual funds	(2,358.00)		(400.33)	
Proceeds from Short Term Borrowings			-	
Proceeds from sale of mutual funds	1,706.05		-	
		(717.30)		(530.86)
Net cash flow from / (used in) investing activities (B)		(717.30)		(530.86)



28/05/20

R. K. Sharma



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C. Cash flow from financing activities				
Proceeds from non-current borrowings				
Payment of non-current borrowings				
Finance costs	(28.67)		(67.42)	
Redemption of preference share	(90.00)	(118.67)		(67.42)
Net cash flow from / (used in) financing activities (C)		(118.67)		(67.42)
Net increase / (decrease) in Cash and cash equivalents	(A+B+C)	(637.51)		124.32
Cash and cash equivalents at the beginning of the year		1,099.56		225.40
Cash and cash equivalents at the end of the year		462.05		349.72



28/05/20

R. K. Sharma