

DESAI AND BHAGTANEY
CHARTERED ACCOUNTANTS


SHAILESH S. DESAI
B.Com, F.C.A.

MANOJ D. BHAGTANEY
B.Com, F.C.A.

**Review Report to the
Board of Directors of
Modella Woollens Limited**

1. We have reviewed the accompanying statement of Unaudited Financial Results (Provisional) for the period July 01, 2010 to September 30, 2010 of Modella Woollens Limited prepared by the Company pursuant to Clause 41 of the Listing Agreement with the Stock Exchanges in India. This statement is the responsibility of the Company's management and has been approved by the Board of Directors.
2. We have conducted a limited review to obtain moderate assurance as to whether the above financial statements are free of material misstatements. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly do not express an audit opinion.
- 3.1 The Company has not carried any Commercial activity during the Quarter - Refer Note 7 of Schedule 10.
- 3.2 The company during the year has assigned the trade mark and related copyright "Modella"- Refer Note 3.3 of schedule 10. Consequential tax impact is being ascertained.
4. Based on the limited review carried out by us of the accompanying statement of Unaudited financial results for the quarter ended September 30, 2010 and subject to matters described in para 3 above and read with the significant accounting policies and the notes to accounts, particularly Note 3 being a compensation received an extra ordinary item, nothing has come to our attention that causes us to believe that the statement prepared in accordance with accounting standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.

For Desai and Bhagtaney
Chartered Accountants


Shailesh Desai
Partner
Membership No: 036935
Firm Regn. No. 115646W
Mumbai, 26th October, 2010.

