



# 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,

31<sup>st</sup> March, 2018

BSE Limited  
Phiroze Jeejeebhoy Towers  
Dalal Street, Mumbai- 400001

**Sub: Submission of Unaudited Financial Results for the quarter ended 30<sup>th</sup> June, 2017**  
**Scrip code:500282**

Dear Sir/Madam,


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 30<sup>th</sup> June, 2017 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 14<sup>th</sup> September, 2017 commenced at 4.00 P.M. and ends at 4:30 P.M.

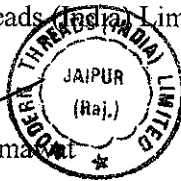
Please acknowledge the receipt

Thanking you,

Yours Faithfully

For Modern Threads (India) Limited

  
Kapil Kumar Kumawat  
Company Secretary



Encl: As above

**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)

# S.S.SURANA & CO.

CHARTERED ACCOUNTANTS

E-285, Lal Kothi Scheme, Jaipur- 302015

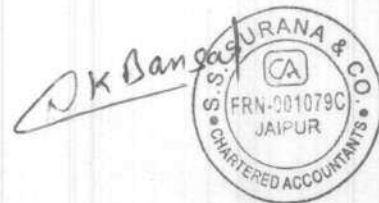
Email: [prahaladgupta@gmail.com](mailto:prahaladgupta@gmail.com), Phone - 0141-2741946

## 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 **30<sup>th</sup> June 2017** ("the statement"), being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI ( Listing Obligations and Disclosures Requirements) Regulations 2015, read with Circular no. CIR/CFD/FAC/62/2016 dated July 5 2016.
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 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 provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. Based on our review conducted as stated above, nothing has come to our attention, except:
  - i. Dividend (Interest) on cumulative redeemable preference shares for the current quarter will be ascertained at the year end and unprovided dividend is Rs. 2,947.87 lacs upto 31.03.2017.
  - ii. Interest on certain unsecured loans/deposits for the current quarter amounting to Rs. 21.70 Lacs not provided for and unprovided interest on these loans/deposits is Rs. 872.38 lacs up to 31.03.2017.
  - iii. Balances of trade payables pertaining to Thread Division of the company are subject to confirmation and consequential adjustments, if any.
  - iv. Impairment loss on fixed assets and impact of depletion in inventories pertaining to Thread Division of the company, if any, not ascertained.

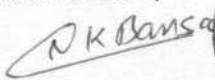


- v. The Board of Industrial and Financial Reconstruction (BIFR) had declared the company as sick company and after abatement of Sick Industrial Companies (Special Provision) Act, 1985, the company has not filed rehabilitation/ revival scheme to NCLT under Insolvency and Bankruptcy Code. The company 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 basis for the reasons explained by the management.

that causes us to believe that the accompanying statement of unaudited standalone financial results prepared in accordance with applicable Indian Accounting Standards 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 ) Regulation, 2015, as modified by Circular no. CIR/CFD/FAC/62/2016 dated 5 July, 2016 including the manner in which it is to be disclosed, or that it contains any material misstatements.

Place: Mumbai  
Date: 14/09/17

For S.S.SURANA & CO.  
Chartered Accountants  
(FRN. 001079C)

  
(Neeraj Bansal)  
Partner

Membership No. 432036





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### Statement of Unaudited Standalone Financial Results for the quarter ended 30th June 2017

(Amount in Lacs)

Particulars	For the quarter	
	Ended on 30.06.2017 (Unaudited)	Ended on 30.06.2016 (Unaudited)
<b>1. Income</b>		
(a) Revenue from Operations	3621.84	3861.49
(b) Other Income	37.99	31.90
<b>Total income (net)</b>	<b>3659.83</b>	<b>3893.39</b>
<b>2. Expenses</b>		
(a) Cost of Materials consumed	2625.89	3052.51
(b) Purchase of stock-in-trade	-	-
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(199.85)	(510.40)
(d) Employee benefits expense	325.29	290.40
(e) Finance Cost	15.90	22.19
(f) Depreciation and amortisation expense	37.64	38.44
(g) Other expenses	726.71	771.05
(h) Excise duty	1.51	3.03
<b>Total Expenses</b>	<b>3533.09</b>	<b>3667.22</b>
<b>3. Profit / (Loss) before exceptional items and Tax (1 - 2)</b>	<b>126.74</b>	<b>226.17</b>
4. Exceptional Items	-	-
<b>5. Profit / (Loss) before tax (3 + 4 - 5)</b>	<b>126.74</b>	<b>226.17</b>
6. Tax expense	-	-
<b>7. Profit / (Loss) for the year (5 - 6)</b>	<b>126.74</b>	<b>226.17</b>
<b>8. Other Comprehensive Income</b>		
(a) Items that will not be reclassified to profit or loss (net of tax)	(6.88)	(5.74)
(b) Items that will reclassified to profit or loss (net of tax)	-	-
<b>Other Comprehensive Income for the period</b>	<b>(6.88)</b>	<b>(5.74)</b>
<b>9. Total comprehensive Income for the Period (7 + 8)</b>	<b>119.86</b>	<b>220.43</b>
<b>10. Paid-up equity share capital</b> (Face Value of the Share ₹ 10/-)	<b>3477.52</b>	<b>3477.52</b>
<b>11. Earnings Per Equity Share (Basic/Diluted) in Rs</b>		
(a) Basic	0.36	0.65
(b) Diluted (refer note no. 10)	0.36	0.46

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### Notes:-

- The above financial results have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on 14th Sep. 2017.
- The Company adopted Ind As from 1st April, 2017 with the transition date as 1st April 2016 and accordingly, financial results for the quarter ended June 30, 2017 have been prepared in accordance with the recognition and measurement principles laid down in Ind AS 34 "Interim Financial Reporting" prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued there under and other accounting principles generally accepted in India. The comparative figures for the quarter ended 30th June, 2016 have been restated by the management as per Ind AS. The management has exercised due diligence to ensure that the financial results give a true and fair view of the company's affairs.
- Reconciliation of Net Profit as reported previously on account of transition from the previous Generally Accepted Accounting Principles (GAAP) to Ind AS for the quarter ended 30 June 2016 is given below:

Description	(Amount in Lacs) Quarter ended 30.06.2016
Net Profit as Previous GAAP (Indian GAAP)	220.43
Actuarial Gain/(Loss) on employee defined benefit plans recognised in Other comprehensive Income*	5.74
Net Profit as per IND AS	226.17
Other Comprehensive Income	
Actuarial Gain/(Loss) on employee defined benefit plans*	(5.74)
Total Other Comprehensive Income	(5.74)
Total Comprehensive Income as reported under IND AS	220.43

\* Tax effect on OCI has not been taken into consideration as there is no taxable income and Deferred Tax Assets is not recognised in the financial statement.

- The Company has opted to avail the relaxations provided by the Securities & Exchange Board of India, vide its circular CIR/CFD/FAC/62/2016 dated 5 July 2016. In terms of the circular, Ind AS compliant financial results for the preceding quarter and previous year ended 31 March 2017 have not been presented as the same are not mandatory.
- Dividend (Interest) on cumulative redeemable preference shares for the current quarter will be ascertained at the year end and un-provided dividend is Rs. 2,947.87 lacs upto 31.03.2017.
- Interest on certain unsecured loans/deposits for the current quarter amounting to Rs. 21.70 Lacs not provided for and un-provided interest on these loans is Rs. 872.38 lacs up to 31.03.2017.
- Balances of trade payables pertaining to Thread Division of the company are subject to confirmation and consequential adjustments, if any.
- Impairment loss on fixed assets and impact of depletion in inventories pertaining to Thread Division of the company, if any, not ascertained.
- The Board of Industrial and Financial Reconstruction (BIFR) had declared the company as sick company and after abatement of Sick Industrial Companies (Special Provision) Act, 1985, 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 the waiver amount will be written back on discharge of full payment.
- Share Application Money Rs. 1450/- Lacs has been raised pursuant to restructuring / settlement scheme submitted to BIFR but consequent to abatement of Sick Industrial Companies (Special Provision) Act, 1985, allotment of share application money will be done after requisite approvals, hence share application money has not been considered for Diluted EPS for the quarter ended 30/06/2017.
- Figures for the previous period have been regrouped/ reclassified wherever necessary to make them Ind AS compliant and comparable with that of current period.

Place : Mumbai  
Date : 14/09/17



For and on behalf of the Board of Directors  
Modern Threads (India) Limited  
(Rajesh Banka)  
(Chairman & Managing Director)  
DIN:03438721

Corporate Head Office : 68/69, Godavari, Pochkhanwala, Worli, Mumbai-400030  
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**UNAUDITED STANDALONE SEGMENT WISE REVENUE, RESULTS, ASSETS & LIABILITIES FOR THE  
 QUARTER ENDED 30TH JUNE, 2017**

(Amount in Lacs)

Particulars	For the quarter	
	Ended on 30.06.2017 (Unaudited)	Ended on 30.06.2016 (Unaudited)
<b>1. Segment Revenue</b>		
(a) Woollen	3621.84	3861.49
(b) Synthetic Yarn	-	-
(c) Others	-	-
<b>Total</b>	<b>3621.84</b>	<b>3861.49</b>
Less: Inter Segment Sales	-	-
<b>Net sales</b>	<b>3,621.84</b>	<b>3,861.49</b>
<b>2. Segment Results</b>		
<b>Profit / ( Loss ) before tax and interest</b>		
(a) Woollen	254.28	254.34
(b) Synthetic Yarn	(111.64)	(5.98)
(c) Others	-	-
<b>Total</b>	<b>142.64</b>	<b>248.36</b>
Less: i) Interest	15.90	22.19
ii) Other Un-allocable expenditure net off Un-allocable Income	-	-
<b>Total Profit Before Tax</b>	<b>126.74</b>	<b>226.17</b>
<b>3. Segment Assets</b>		
(a) Woollen	7,605.29	7,540.50
(b) Synthetic Yarn	1,344.73	1,019.37
(c) Others	1,070.34	718.44
(d) Un allocated	-	-
<b>Total</b>	<b>10,020.36</b>	<b>9,278.31</b>
<b>4. Segment Liabilities</b>		
(a) Woollen	(7,296.79)	(6,256.63)
(b) Synthetic Yarn	18,979.32	18,411.40
(c) Others	13,829.21	13,477.31
(d) Un allocated	-	-
<b>Total</b>	<b>25,511.74</b>	<b>25,632.08</b>

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



( Rajesh Ranka )  
 ( Chairman & Managing Director )  
 DIN:03438721

Place : Mumbai  
 Date : 14/09/17

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