



## **Modern Denim Limited**

Registered Office : Talheti, Village : Karoli, Tehsil : Abu Road

District : Sirohi - 307510 ( Rajasthan ) India

Phone: 02974-228377, Fax : 02974-228043

www.moderndenim.com CIN- ~~272403ZAR200001234~~

Email : denim.modern@gmail.com ~~6~~IN: L17124RJ1977PLC001758

**Date: - 14/02/2020**

**BSE Ltd.**

**Department of Corporate Services**

1<sup>st</sup> Floor, New Trading Ring,

Rotunda Building

P J Towers, Dalal Street,

Fort Mumbai - 400 001

Dear Sir,

**Sub: - Outcome of Board Meeting**

**Scrip Code: BSE 500451**

This has reference to our earlier letter dated February 07, 2020.

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 5.30 P.M. and concluded at 6.30 P.M., on February 14, 2020 and Board has inter-alia approved the following:-

**Unaudited Financial Results for the quarter and nine months ended December 31, 2019**

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 for the quarter and nine months ended December 31, 2019 of the Company alongwith copy of the certificate of Statutory Auditors in respect of the Limited Review of the said results.

This is for your information and record.

Thanking you

Yours Faithfully

**For Modern Denim Limited**

*Komal Sulaniya*

**Komal Sulaniya**

**Company Secretary &**

**Compliance Officer**

Encl: - As above

Limited Review Report on unaudited quarterly standalone financial results of the Modern Denim Limited Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To  
Board of Directors of  
Modern Denim Limited

1. We have reviewed the accompanying statement of unaudited standalone Financial Results of Modern Denim Limited ('the Company') having its registered office at Talheti, Village-Karoli, Tehsil Abu Road, Dist-Sirohi, Rajasthan-307510 for the quarter ended December 31, 2019 ('the Statement'), attached herewith, being submitted by the Company pursuant to the requirements 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 Company's 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 thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review in accordance with the Standard on Review Engagements (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 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. **Basis for Qualified Opinion**
  - a) As per Ind AS 109 "Financial Instruments", the company has not recognised interest on financial liabilities on effective interest method. Provision on Interest amounting to Rs.33.38 lacs for the quarter (Rs.100.14 lacs up to nine months ended) on financial liabilities in respect of cumulative redeemable preference shares including Dividend Distribution Tax Payable thereon has not been provided in accounts as the Company is expecting waiver / relief under Compromise, Arrangement and Amalgamation Scheme filed u/s 230-232 of the Companies Act, 2013 to Hon'ble NCLT. (Refer Note -1 of the Statement).
  - b) As per Ind AS 109 "Financial Instruments", the company has not recognised interest on financial liabilities on effective interest method. Provision for interest amounting to Rs. 15.42 lac for the quarter (Rs. 46.26 lacs up to nine months ended) on certain Secured and Unsecured Borrowings has not been made in accounts as the Company is expecting waiver / relief under Compromise,





- c) As per Ind As 109, the non-current borrowing is not fair valued and hence amortisation of pre received income corresponding to unwinding of financial liability under finance cost amounting to Rs. 57.90 lacs for the quarter (Rs.173.70 lacs up to nine months ended) is not provided. (Refer Note -3 of the Statement).

**5. Material uncertainty related to Going Concern**

We draw attention to Note 8 of the financial results disclosing the material uncertainties that may affect the company from being able to continue as a going concern which are as under.

- a. The Board for Industrial and Financial Reconstruction (BIFR) had declared the company as a sick company and after abatement of BIFR, the company has filed a Compromise Arrangement and Amalgamation Scheme u/s 230-232 of the Companies Act, 2013 to Hon'ble NCLT.

- b. The Company's net worth is fully eroded and has a negative net worth of -4730.62 Lacs. The company has neither the intention to liquidate nor the intention to cease its operation nor is compelled to do so. The financial statements have, therefore, been prepared on going concern basis. Our opinion is not qualified in respect of this matter.

6. In our opinion and to the best of our information and according to the explanations given to us except what is reported above in "basis of qualified opinion", these quarterly Financial Results

- (i) are presented in accordance with the requirements of the Regulation 33 of the SEB (Listing Obligations and Disclosure Requirements) Regulations, 2015 as modified by the SEBI circular no. CIR/CFD/FAC/62/2016 dated July 5, 2016; and
- (ii) give a true and fair view of the net profit/(loss), other comprehensive income and other financial information of the Company for the quarter ended December 31, 2019.

Place: Ahmedabad

Date: 14/02/2020

For, Samir M. Shah & Associates  
Chartered Accountants  
Firm Registration No. 122377W

  


(Samir M. Shah)

Partner

(M. No. 111052)

UDIN: 20111052AAAAADZ9379



# Modern DENIM LIMITED

**Works** : 10 K. M. Mile Stone, Sarkhej-Bavla N.H. No. 8A,  
Village - Moraiya, Ahmedabad-382210.

**Phone** : +91 7623009977

Statement of Comprehensive Income/Profit and Loss for the Year ended 31st December 2018

	2017	2018	2019	2020	2021	2022
<b>Total Revenue</b>	1250.25	1941.23	1618.11	5,555.35	5,677.06	7535.31
<b>2 Expenses</b>						
(a) Cost of Materials consumed	657.74	855.98	926.26	3,123.39	3,196.69	4449.65
(b) Purchase of stock-in-trade	21.34	-	-	21.34	-	-
(c) Changes in inventories of finished goods, Stock-in-progress	(116.26)	375.52	(4.41)	190.77	342.38	17.89
(d) Employee benefits expense	215.24	256.20	312.99	780.42	943.84	1,272.20
(e) Finance Cost	-	-	0.80	-	10.97	-
(f) Depreciation and amortisation expense	25.31	24.96	24.91	74.83	74.31	99.01
(g) Other expenses	308.40	481.91	385.39	1,380.12	1,261.33	2,142.67
<b>Total Expenses</b>	1111.77	1994.57	1645.94	5,570.87	5,829.52	7981.42
<b>3 Profit/(Loss) before exceptional items &amp; tax (1-2)</b>	138.48	(53.34)	(27.83)	(15.52)	(152.46)	(446.11)
<b>4 Exceptional Items</b>	-	(315.27)	-	(315.27)	-	-
<b>5 Profit/(Loss) before tax (3+4)</b>	138.48	(368.61)	(27.83)	(330.79)	(152.46)	(446.11)
<b>6 Tax expense</b>						
Current tax	-	-	-	-	-	-
Deferred tax	-	-	-	-	-	-
<b>7 Profit/(Loss) for the period (5-6)</b>	138.48	(368.61)	(27.83)	(330.79)	(152.46)	(446.11)
<b>8 Other Comprehensive Income</b>						
Items that will not be reclassified to profit or loss :						
(i) Actuarial Gain/(Loss) on Defined Benefit Plan	(0.54)	(0.53)	(1.18)	(1.61)	(3.53)	(2.15)
(ii) Income tax relating to above	-	-	-	-	-	-
<b>Other Comprehensive Income for the period</b>	(0.54)	(0.53)	(1.18)	(1.61)	(3.53)	(2.15)
<b>9 Total Comprehensive Income (7+8)</b>	137.94	(369.14)	(29.01)	(332.40)	(155.99)	(448.26)
<b>10 Paid-up equity share capital (Face Value of of Rs 10/- each)</b>	3,750.20	3,750.20	3,750.20	3,750.20	3,750.20	3,750.20
<b>11 Earning per share</b>						
Basic	0.37	(0.98)	(0.75)	(0.88)	(0.41)	(1.19)
Diluted	0.26	(0.98)	(0.07)	(0.88)	(0.41)	(1.19)

*Signature*





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**CIN** : L17124RJ1977PLC001758

### Notes:

1. Provision for interest amounting to ₹ 33.38 lacs for the quarter (₹ 100.14 lacs up to the nine months ended) on cumulative redeemable preference shares including dividend distribution tax payable have not been made as the Company is expecting waiver / relief under Compromise, Arrangement and Amalgamation Scheme filed u/s 230-232 of the Companies Act, 2013 to Hon'ble NCLT.
2. Provision for interest amounting to ₹ 11.58 lacs on public retail non convertible debentures for the quarter (₹ 34.74 lacs up to the nine months ended) and ₹ 3.84 lacs on public fixed deposits for the quarter (₹ 11.52 lacs up to the nine months ended).

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For Modern Denim Limited

**Sachin Ranka**  
(Chairman & Managing Director)  
DIN: 00335534

Place : Mumbai  
Date : 14/02/2020