



Modern Denim Limited

Registered Office :

A-4, Vijay Path, Tilak Nagar, Jaipur-302 004
Phone : 0141-4113545 Fax : 0141-2621382
E-mail : modernjaipuroffice@gmail.com
Website : www.moderndenim.com
CIN : L17124RJ1977PLC001756

Date: - 28/11/2018

BSE Ltd.
Department of Corporate Services
1st Floor, New Trading Ring,
Rotunda Building
P J Towers, Dalal Street,
Fort Mumbai - 400 001

Dear Sir,

Sub: - Unaudited Financial Results for the quarter ended 31st December, 2017
Scrip Code: BSE 500451

This is to inform you that in term of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby enclose a copy of the Unaudited Financial Results along with the Limited Review Report for the quarter ended 31st December, 2017 which was approved by the Board of Directors in the meeting held on i.e. 14th February, 2018.

Thanking you

Yours Faithfully
For Modern Denim Limited

Komal Sulaniya

Komal Sulaniya
Company Secretary

Encl: - As above

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

Tel.: 022-24973269 Fax : 022-24950962

Plant : 10 K.M. Mile Stone, Sarkhej-Bavla, N.H. No. 8 A, Village-Moraiya, Ahmedabad-382 210 Tel.: 02717-251361

LIMITED REVIEW REPORT

To,
Board of Directors of
Modern Denim Limited
Ahmedabad

We have reviewed the accompanying Standalone Statement of Unaudited Financial Results of Modern Denim Limited ("the Company") having its Registered Office at A-4, Vijay Path, Tilak Nagar, Jaipur - 302004 for the quarter and nine months ended **December 31, 2017** ("the Statement") attached herewith, 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 05, 2016. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on these financial statements based on our review.

Attention is drawn to the fact that the figures for the corresponding quarter and nine months ended December 31, 2016 including the reconciliation of net profit for the quarter and nine months under Ind AS of the corresponding quarter with net profit reported for the quarter under Previous GAAP, as reported in these financial results have been approved by the Company's Board of Directors, have not been subject to our review. Further these financial results under Previous GAAP have been audited by the previous auditors of the company.

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 believe that our audit provides a reasonable basis for our opinion.

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 ended (upto nine months ended Rs. 100.14 lacs) 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 was expecting waiver / relief under rehabilitation scheme submitted to BIFR and after abatement of BIFR, the Company is in process of filing a Compromise, Arrangement and Amalgamation Scheme u/s 230-232 of the Companies Act, 2013 to Hon'ble NCLT. (Refer Note -2 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. 29.84 lacs for the quarter ended (upto nine months ended Rs. 89.52 lacs) on certain Secured and Unsecured Borrowings has not been made in accounts as the Company was expecting waiver / relief under rehabilitation scheme submitted to BIFR and after abatement of BIFR, the Company is in process of filing a Compromise, Arrangement and Amalgamation Scheme u/s 230-232 of the Companies Act, 2013 to Hon'ble NCLT. (Refer Note -1 of the Statement).
- 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. 39.98 lacs for the quarter ended (upto nine months ended Rs.119.94 lacs) is not provided. (Refer Note -3 of the Statement).

Emphasis Matter

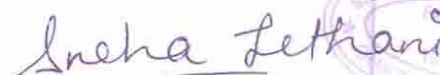
We draw attention of the standalone financial statements disclosing the material uncertainties that may affect the company from being able to continue as a going concern. The company has neither the intention to liquidate nor the intention to cease its operation nor is compelled to do so. The financial statements have, therefore, been prepared on going concern basis. Our opinion is not qualified in respect of this matter.

Opinion

Except what is reported above in "basis of qualified opinion", nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with the applicable Indian Accounting Standards (Ind AS) and other recognized accounting practices and policies generally has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Circular No. CIR/CFD/FAC/62/2016 dated July 05, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

Place: Ahmedabad
Date: 26.11.2018

For, Samir M. Shah & Associates
Chartered Accountants
(Firm Regd. No.: 122377W)



(Sneha Jethani)
Partner
(M. No. 160932)





Modern DENIM LIMITED

Works : 10 K.M. Mile Stone, Sarkhej-Bavla, N.H. No. 8A,
Vilalge : Moraiya, Ahmedabad-382 210.

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Website : www.moderndenim.com

E-mail : mail@moderndenim.com

CIN : L17124RJ1977PLC001758

MODERN DENIM LIMITED

(CIN No. L17124RJ1977PLC001758)

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

Tel. No. 0141-4113645, 7823040996; Fax No. 0141-2621382; Email: modernjalpuroffice@gmail.com; Website: www.moderndenim.com

Statement of Standalone Unaudited Financial Results for the Quarter and nine months ended 31st December, 2017

(₹ in lacs except earning per share data)

S. No.	Particulars	For the Quarter			Year to date	
		Ended on 31.12.2017 (Unaudited)	Ended on 30.09.2017 (Unaudited)	Ended on 31.12.2016 (Unaudited and not subjected to review)	Current period ended on 31.12.2017 (Unaudited)	Previous period ended on 31.12.2016 (Unaudited and not subjected to review)
1	Income from Operations					
	(a) Revenue from Operations	1810.48	1781.75	1394.46	5721.42	4,823.31
	(b) Other Income	1.98	1.88	1.56	6.79	6.22
	Total Revenue	1812.46	1783.63	1396.02	5728.21	4,829.53
2	Expenses					
	(a) Cost of Materials consumed	690.01	1126.48	1230.42	3772.20	3,601.71
	(b) Purchase of stock-in-trade	-	-	-	29.18	22.58
	(c) Changes in inventories of finished goods, Stock-in-progress	607.49	(98.04)	(479.71)	(350.66)	(848.33)
	(d) Excise duty	-	-	-	-	-
	(e) Employee benefits expense	248.94	326.55	252.04	881.04	785.67
	(f) Finance Cost	10.72	16.37	29.11	60.60	57.89
	(g) Depreciation and amortisation expense	24.77	24.69	25.00	73.68	75.00
	(h) Other expenses	343.53	386.92	339.99	1,356.31	1,154.57
	Total Expenses	1925.46	1782.97	1396.85	5822.35	4,849.09
3	Profit/(Loss) before exceptional items & tax (1-2)	(113.00)	0.66	(0.83)	(94.14)	(19.56)
4	Exceptional Items	-	-	-	-	-
5	Profit/(Loss) before tax (3+4)	(113.00)	0.66	(0.83)	(94.14)	(19.56)
6	Tax expense					
	Current tax	-	-	-	-	-
	Deferred tax	-	-	-	-	-
		-	-	-	-	-
7	Profit/(Loss) for the period (5-6)	(113.00)	0.66	(0.83)	(94.14)	(19.56)
8	Other Comprehensive Income					
	Items that will not be reclassified to profit or loss :					
	(i) Actuarial Gain/(Loss) on Defined Benefit Plan	(1.17)	(1.17)	(10.53)	(3.51)	(31.49)
	(ii) Income tax relating to above	-	-	-	-	-
	Other Comprehensive Income for the period	(1.17)	(1.17)	(10.53)	(3.51)	(31.49)
9	Total Comprehensive Income (7+8)	(114.17)	(0.51)	(11.36)	(97.65)	(51.05)
10	Paid-up equity share capital (Face Value of ₹ 10/- each)	3,750.20	3,750.20	3,750.20	3,750.20	3,750.20
11	Earning per share					
	Basic	(0.30)	0.00	0.00	(0.25)	(0.05)
	Diluted	(0.30)	0.00	0.00	(0.25)	(0.05)





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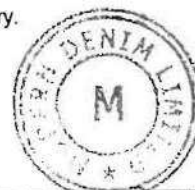
Notes:

- 1 Provision for interest amounting to ₹12.41 lacs for the quarter (₹37.23 lacs upto the period) on public retail non-convertible debentures and ₹17.43 lacs for the quarter (₹ 52.29 lacs upto the period) on public fixed deposits have not been made as the Company was expecting waiver / relief under rehabilitation scheme submitted to BIFR and after abatement of BIFR, the Company is in the process of filing a Compromise, Arrangement and Amalgamation Scheme u/s 230-232 of the Companies Act, 2013 to Hon'ble NCLT seeking the said waiver / relief.
- 2 Provision for interest amounting to ₹ 33.38 lacs for the quarter (₹100.14 lacs upto the period) on cumulative redeemable preference shares including dividend distribution tax payable have not been made as the Company was expecting waiver / relief under rehabilitation scheme submitted to BIFR and after abatement of BIFR, the Company is in the process of filing a Compromise, Arrangement and Amalgamation Scheme u/s 230-232 of the Companies Act, 2013 to Hon'ble NCLT seeking the said waiver / relief.
- 3 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 ₹ 39.98 lacs (₹ 119.94 lacs upto the period) is not provided.
- 4 The Company adopted Ind AS from 1st April 2017 and accordingly the financial results are prepared in compliance with Ind AS pursuant to the Notification of Ministry of Corporate Affairs (MCA) dated 16th February, 2016. The date of transition is 1st April, 2016. The comparative figures for the quarter and period ended 31st December 2016 have been restated by the Management as per Ind AS. However, the Management has exercised necessary due diligence to ensure that the financial results provide a true and fair view of the Company's affairs.
- 5 The financial results of the Company have been prepared in accordance with the Indian Accounting Standard ("IND AS") prescribed under Section 133 of the Companies Act, 2013 read with relevant rules thereunder and in terms of Regulation 33 of SEBI(Listing Obligation and Disclosure Requirements) Regulations, 2015 and SEBI circular dated July 5, 2016.
- 6 The format for Un-Audited Quarterly Results as prescribed in SEBI's Circular CIR/CFD/CMD/15/2015 dated November 30, 2015 has been modified to comply with requirements of SEBI's Circular CIR/CFD/FAC/62/2016 dated July 5, 2016, IND-AS and Schedule III (Division II) to the Companies Act, 2013 applicable to Companies that are required to Company with IND-AS.
- 7 From the applicability of Goods and Service Tax (GST) with effect from 1 July, 2017, Revenue From Operations are disclosed Net of GST. Accordingly the Revenue From Operations and Excise Duty Expense for the Quarter and Nine-Months Ended December 31, 2017 are not comparable with the previous periods presented in the results.
- 8 The statement does not include Ind AS compliant results for the preceding quarter and previous year ended March 31, 2017 as the same is not mandatory as per SEBI's circular No. CIR/CFD/FAC/2016 dated July 5, 2016.
- 9 A reconciliation between the profits as reported under previous GAAP and the Ind AS restated profits for the corresponding quarter and nine months ended December 31, 2016 is given below:

Particulars	(₹ in lacs)	
	For the Quarter ended on 31.12.2016	For the nine months ended on 31.12.2016
Profit after tax as per Previous GAAP	(11.36)	(51.05)
Add/(Less) adjustments		
Actuarial loss on defined benefit plan recognised in OCI	10.53	31.49
Net Profit as per Ind AS	(0.83)	(19.56)
Other Comprehensive Income		
Items that will not be reclassified to Profit & Loss		
Actuarial Gain or Loss on defined benefit plan	(10.53)	(31.49)
Income Tax on above	-	-
Total Other Comprehensive Income	(10.53)	(31.49)
Total Comprehensive Income under Ind AS	(11.36)	(51.05)

- 10 The above unaudited financial results for the quarter and nine month ended December 31, 2017 were reviewed and recommended by the audit committee at their meeting and approved by the Board of Directors at their meeting.
- 11 Segment Reporting as defined in IND-AS-108 is not applicable, since the Company has only one primary reportable segment i.e. "Denim Fabric".
- 12 The Statutory auditors have performed a "Limited Review" of the above Unaudited Financial Results for the quarter and nine months ended December 31, 2017.
- 13 Figures for the previous periods have been regrouped or rearranged wherever necessary.

Place : Ahmedabad
Date : 26/11/2018



For Modern Denim Limited

Sachin Ranka
(Chairman & Managing Director)