

INFORMATION MEMORANDUM



MODERN THREADS (INDIA) LIMITED

CIN: L17115RJ1980PLC002075

Registered Office:

Modern Woollens,
Pragati Path,
Bhilwara - 311 001 (Rajasthan)
Tel : 91-1482-241801
Website : www.modernwoollens.com
Email : cs@modernwoollens.com

Marketing Office :

5, Bhima Building
Sir Pochkhanwala Road, Worli,
Mumbai - 400 030 (Maharashtra)
Tel : 022-24928622/23



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MODERN THREADS (INDIA) LIMITED

GENERAL INFORMATION

Our Company was originally incorporated on August 28, 1980, as "Modern Threads (India) Limited" under the provisions of the Companies Act, 1956 with the Registrar of Companies, Rajasthan Jaipur. Our Company has received the certificate for commencement of business on September, 6th, 1980 from Registrar of Companies, Rajasthan, Jaipur. Corporate Identification Number of the Company is L17115RJ1980PLC002075.

REGISTERED OFFICE OF OUR COMPANY

Registered Office:

Unit : Modern Woollens
Pragati Path,
Near Transport Nagar,
Bhilwara - 311 001 (Rajasthan)
Tel : 91-1482-241801 Fax : 1482-297924
Website : www.modernwoollens.com
Email : cs@modernwoollens.com

COMPANY SECRETARY AND COMPLIANCE OFFICER

Mr. Banwari Lal Saini
Contact No.: 1482-241801
Email: cs@modernwoollens.com

Email-ID for Investor Grievance
cs@modernwoollens.com

REGISTRAR TO THE COMPANY	AUDITORS OF THE COMPANY
Beetal Financial & Computer Services (P) Ltd Beetal house, 3rd floor, 99, Madangir Behind Local Shopping Centre, Near Dada Harsukhdas Mandir, New Delhi-110062 Telephone no. 011-29961281/82 Fax: 0141-2365888 Email: beetalrta@gmail.com Website: www.beetalfinancial.com Contact Person: Mr. Puneet Mittal SEBI Regn. No. : INR000000262	S.S. Surana & Company Chartered Accountants E-285, Lal Kothi Scheme, Jaipur - 302 015 (Rajasthan) Contact No.: 0141-2741946 E-mail : prahaladgupta@gmail.com Contact Person: Mr. Prahalad Gupta

Legal Advisors : NA

DEMAT Credit

The Company has executed Agreements with CDSL and NSDL for its securities in DEMAT form as per the following details:



MODERN THREADS (INDIA) LIMITED

Dematerialization of Shares

Tripartite agreements have been signed by the Company, Registrar and Depositories (CDSL and NSDL). The ISIN No. allotted to the Company is INE794W01014

The details of shares in demat mode as on 31.03.2023 are given hereunder:

S. No.	Details	No. of Shares	Percentage of Total
1	Dematerialized Equity Shares	26595409	76.48%

Listing Status

S. No.	Name of the Stock Exchange	Year of Listing	Current Status	Date of Suspension	Reason for Suspension
1	Bombay Stock Exchange	09th Feb, 1982	Trading Suspended	7 th January 2002	Non-Compliance of Certain Provisions of Listing Agreement
2.	National Stock Exchange of India Limited.	22nd Nov, 1995	Trading Suspended	11 th Nov 2002	Non-Compliance of Certain Provisions of Listing Agreement
3.	Calcutta Stock Exchange Limited	15 th Jun, 1995	Trading Suspended	22 nd Nov 2000	Non-Compliance of Certain Provisions of Listing Agreement

CAPITAL STRUCTURE AND FINANCIAL PERFORMANCE OF THE COMPANY

The Details of Share Capital as on date of Information Memorandum is set forth below:

SHARE CAPITAL:

Particulars	Amount in (Rs.)
Authorized Capital 3,47,75,160 Equity Shares of Rs. 10/- Each	34,77,51,600
Issued, Subscribed and Paid Up Capital 3,47,75,160 Equity Shares of Rs. 10/- Each Fully Paid Up	34,77,51,600
Listed Capital 3,47,75,160 Equity Shares of Rs. 10/- Each Fully Paid Up	34,77,51,600



MODERN THREADS (INDIA) LIMITED**SHAREHOLDING PATTERN AS ON 31st March, 2023**

Category	No. of Shares	% of total Shareholding	No. of Shares in Demat	Whether 100% in demat for promoter and 50% in demat for public	No of Shares pledged	% of pledged shares
Promoter & Promoter Group	22636901	65.10	22636901	65.10	-	-
Public Shareholding	12138259	34.90	3958508	11.38	-	-
Non-Promoter Non-Public Shareholding	-	-	-	-	-	-
Total	3,47,75,160	100.00	26595409	76.48	-	-

FINANCIAL PERFORMANCE FOR THE LAST 2 YEARS**(Amount in Lacs)**

Particulars	Financial Year 2022-23	Financial Year 2021-22
Revenue from Operations	30111.22	22263.09
Other Income	419.82	206.46
Total Income	30531.04	22469.55
Expenses	27994.25	21444.88
Profit before Tax and exceptional items	2536.79	724.64
Exceptional Items	18874.85	70.00
Profit before Tax	21411.84	794.67
Tax Expense	0.00	0.76
Profit for the Year	21411.84	793.91
Share Capital :		
*Equity	3477.52	3477.52
Preference	225.00	225.00
TOTAL	3702.52	3702.52
Accumulated Losses	(3008.94)	(24437.14)
Total Reserves	6857.73	(14570.47)

***Company's only equity capital is listed**

HISTORY AND CORPORATE STRUCTURE

Our Company was originally incorporated on August 28, 1980, as "Modern Threads (India) Limited" under the provisions of the Companies Act, 1956 with the Registrar of Companies, Rajasthan Jaipur. Our Company has received the certificate for commencement of business on September, 6th, 1980 from Registrar of Companies, Rajasthan, Jaipur. Corporate Identification Number of the Company is L17115RJ1980PLC002075.

PRESENT BUSINESS

The Company has its Woollen Division situated at Bhilwara and Yarn Division situated at Village Raila, Dist. Bhilwara, Rajasthan. We are the largest exporter of wool and blended worsted yarn. Our products reach more than 25 countries across the globe including Europe, Latin America, far eastern, middle east and African countries. About 80% of our turnover comes from export markets which itself speak about our quality standards.

Nature of Products

We produce various yarns according to the demands of spinners

- 100% Yarn
- Polyester/Wool Blended Worsted yarn
- Nylon Blended Yarn
- Siro and core Elastane Yarn
- Wool Silk/Wool cashmere yarn
- Solo yarn etc.

We also produce various qualities of wool as listed below

- Wool Tops
- Scoured Wool

At our plants situated at Bhilwara, Rajasthan we have good infrastructure facilities including uninterrupted supply of raw materials and utilities. At our plants we have continued supply of electricity from AVVNL (Ajmer Vidyut Vitran Nigam Limited). We have also installed In-House DG set as a back-up facility in our plants. We have also have satisfactory supply of water.

The company does not have any collaboration, performance guarantee or assistance in marketing by the collaborators.



MODERN THREADS (INDIA) LIMITED

MAIN OBJECTS OF OUR COMPANY:

The main objects of our Company as set forth in the Memorandum of Association of our Company are as follows:

1. To carry on business of manufacturers, producers, processors, bleachers, dyers, ginner, spinners, importers, exporters, buyers, sellers, and dealers in all kind of threads, yarns, and fibres, whether synthetic, artificial or natural, nylon, polyester, acrylics, rayon, silk, artificial silk, linen, cotton, wool, jute and any other fibres or fibrous materials, allied products, by-products and substitute for all or any of them, wool combers, worsted spinners, woollens spinners and to treat and utilise any waste arising from any such manufacture, production or process.
2. To carry on the business of manufacturers, producers, processors, jobbers including doing the job work for others and getting the job work done from others, importers, exporters, buyers, sellers of and dealers in all kinds of fabrics, and textiles, industrial fabrics, tapes, ropes, cords, twins canvas, teri towels, durries, newar, parachutes, carpets, rugs, blankets, namdas, tarpaulin, linens, worsted stuff, and other products as are prepared or manufactured from nylon, polyester acrylics, rayon, silk, artificial silk, linen, cotton, wool, jute, and any other synthetic, artificial and natural fibre glass.
3. To carry on the business of manufacturers, producers, processors, importers, exporters, buyers, sellers, and dealers in and as brokers, agents, stockists, distributors, and suppliers of all kinds of readymade garments, surgical cotton, surgical bandages, lints, gauge, sanitary goods and other similar goods necessary for medical aid, hospital needs as are made from or with cotton, nylon, silk, polyester, acrylics, jute, wool, and other kinds of fibre, by whatever name called or made under any process, whether natural or artificial and by mechanical or other means.
4. To buy, sell, exchange, barter, ship, import, export, make advances upon and otherwise deal in and with whether as principals, agents, stockists, distributors, brokers, , wholesale and retail dealers or otherwise wither for ready or forward transactions, as may be permissible under law in jute, jute cutting, jute rejections, mesta, hemp, flax, hessian, gunny bags, sacks, carpet-backing, jute thread, jute yarn, twins, ropes, webbing and all kind of jute goods, and in cotton, kapas, wool, silk, kapok, art silk, artificial and synthetic filaments, rayons, linen, terelyne, nylone, and other fibrous substances, including waste, residual and by-products thereof whether textile, felted, netted or looped.

DETAILS OF SUBSIDIARY COMPANIES

The Company does not have any Subsidiary

RIGHTS OF MEMBERS REGARDING VOTING, DIVIDEND, LIEN ON SHARES AND THE PROCESS FOR MODIFICATION OF SUCH RIGHTS AND FORFEITURE OF SHARES

As per Articles of Association of Company

RESTRICTIONS, IF ANY, ON TRANSFER AND TRANSMISSION OF SHARES/DEBENTURES AND ON THEIR CONSOLIDATION/SPLITTING

None

REVALUATION OF ASSETS (DURING LAST FIVE YEARS) :

None



MATERIAL CONTRACTS AND INSPECTION OF DOCUMENTS

The Company has not entered into any material contract, concessions and similar other documents except those entered into in the ordinary course of the business carried on or intended to be carried on by the company. However, the company provide inspection of following documents at registered office of the company

1. Memorandum and Articles of Association of the Company, as amended.
2. Certificate of Incorporation dated 28th August, 1980 of the Company.
3. Certificate of Commencement of Business dated 06th September 1980 of the Company.
4. Copies of Annual Reports of Modern Threads (India) Limited for the last five financial years ended 31st March 2018, 31st March 2019, 31st March 2020, 31st March 2021 and 31st March 2022.
5. Copies of Tripartite agreements have been signed by the Company, Registrar and CDSL dated 03.04.2017.
6. Copies of Tripartite agreements have been signed by the Company, Registrar and NSDL dated 20.02.2017.

NO OF EMPLOYEES : The Company has total 2040 employees.

CHABGE IN REGISTERED OFFICE OF THE COMPANY

The registered office of the company was shifted from A-4, Vijay Path, Tilak Nagar, Jaipur - 302 004 (Rajasthan) to Modern Woollens, Pragati Path, Near Transport Nagar, Bhilwara - 311 001 (Rajasthan) with effect from 28/12/2020.



MANAGEMENT**BOARD OF DIRECTORS**

Our Company currently has 6 directors on Board. The following table sets forth current details regarding our Board of Directors:

S. No.	Name, Father's name, Address, Experience, Occupation, Qualification & DIN	Age	Status of Directorship in our Company	Other Directorships
1	Mr. Rajesh Ranka Father's Name - Mr. Hari Singh Ranka Address - 7th Floor, Siddharth Bldg. Dr. R.G. Thadani Marg, Worli Mumbai-400018 Maharashtra (India) Experience - 34 Years Occupation - Business Qualifications - MBA DIN - 03438721 PAN - AARPR8426Q	56 Years	Chairman & Managing Director	❖ Modern Polytex Limited ❖ Indian Woollen Mills' Federation
2	Mr. Ram Awatar Kabra Father's Name - Mr. Shree Narayan Kabra Address - 07, Chanakyapuri, New Housing Board, Shastri Nagar, Bhilwara - 311 001 (Rajasthan), India. Experience - 41 Years Occupation - Service Qualifications - FCA, FCS DIN - 00945603 PAN -AJIPL9948C	67 Years	Executive Director	❖ None
3	Mrs. Veena Jain Father's Name - Mr. Santok Chand Golchha Address - 39, HIG 1st Phase 1, Rajpura Colony, Bhadohi, Sant Ravidas Nagar, Bhadohi, 221401 UP (India) Experience - 14 Years Occupation - Business Qualifications - M. A. DIN - 07148606 PAN -ADLPG137K	45 Years	Non-Executive Non-Independent Director	None



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4	Mr. Jagdish Narayan Sharma Father's Name - Mr. Manohar Lal Sharma Address - Purani Ginani, Near Ramdev Mandir, Near Aashu Mali Shope, Bikaner -334001 (RJ) India Experience - 38 Years Occupation -Services Qualifications -Higher Secondary DIN - 07552825 PAN - ABQPA8379M	60 Years	Non Executive - Independent Director	None
5.	Mrs. Ankita Jain Father's Name - Ratanlal Mishrilal Jain Address - C-143, Behind Jain Temple, Kashipuri, Bhilwara - 311 001 (Rajasthan), India. Experience - 10 Years Occupation - Practice Qualifications - ACA DIN - 09598249 PAN -APOPJ5727N	32 Years	Non Executive - Independent Director	None
6.	Mr. Chhitar Mal Jain Father's Name - Mr. Laxmi Lal Jain Address - 31-C, Adarsh Nagar, University Road, Girwa, Udaipur - 313 001 (Rajasthan), India. Experience - 35 Years Occupation - Practice Qualifications - FCA, PHD. DIN - 09566506 PAN - ABXPJ6317M	64 Years	Non Executive - Independent Director	None

CHANGES IN BOARD OF DIRECTORS DURING LAST ONE YEAR

There has been no change in our board of Director, except the below changes:-

Sr. No.	Name of Director	Appointment	Change in Designation	Cessation	Reason for cessation
1.	Shri Laleet Kumar	-	-	12/02/2022	Resignation
2.	Shri Ram Rai Kabra	-	-	18/07/2022	Resignation
3.	Shri Rohit Singh	-	-	18/07/2022	Resignation
4.	Shri Ram Awatar Kabra	19/11/2021	-	-	-



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5.	Smt. Ankita Jain	01/07/2022	-	-	-
5.	Shri C.M. Jain	01/07/2022	-	-	-

CHANGES IN AUDITORS DURING LAST ONE YEAR

Sr. No.	Name and Address of Auditors	Firm Registration No.	Appointment	Cessation	Reason for cessation
1	Goyal D Kumar & Co., Chartered Accountants, 207-208, Om Textile Tower, Pur Road, Bhilwara - 311 001 (Rajasthan)	007817C	-	Cessation	Term Expired (41 st AGM held on 30/09/2022)
2	S.S. Surana & Company, Chartered Accountants, E-285, Lal Kothi Scheme, Jaipur - 302 015 (Rajasthan)	001079C	Appointment (From 41 st AGM held on 30/09/2022)	-	-

DETAILS OF DIRECTORS

Sr. No.	Name of Director	Date of Appointment	Remuneration	Borrowing Powers
1.	Shri Rajesh Ranka	22/09/2011	34,50,000	-
2.	Shri Ram Awatar Kabra	19/11/2021	18,33,000	-
3.	Smt. Veena Jain	18/06/2015	-	-
4.	Shri Jagdish Narayan Sharma	29/02/2020	-	-
5.	Smt. Ankita Jain	01/07/2022	-	-
6.	Shri C.M. Jain	01/07/2022	-	-

*Directors other than Shri Rajesh Ranka are being paid only sitting fee.



MODERN THREADS (INDIA) LIMITED**DETAILS OF KEY MANAGERIAL PERSONNEL (KMP)**

Sr. No.	Name of KMP	Date of Appointment	DIN/PAN	Status of Directorship in our Company	Other Directorships
1.	Shri Rajesh Ranka	22.09.2011	03438721	Chairman & Managing Director	Modern Polytex Limited Indian Woollen Mills' Federation
2.	Shri Prabodh Kumar Nahar (Chief Financial Officer)	01.07.2014	AAJPN4575A	-	-
3.	Shri Banwari Lal Saini (Company Secretary & Compliance Officer)	28.05.2020	AFMPS7784Q	-	-


CORPORATE GOVERNANCE

Corporate Governance is administered through our Board and the Committees of the Board. In compliance with the regulations 18, 19 and 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 we have formed the Audit Committee, Nomination and Remuneration Committee and Stakeholders' Relationship Committee. However, the primary responsibility for upholding Corporate Governance and providing necessary disclosures within the framework of legal provisions and institutional conventions with commitment to enhance shareholders' value vests with our Board.

The Board of Directors of the Company consists of 6 (Six) members and out of 6 (Six) Directors, 2 (Two) are Executive Directors, 1 (One) is Non-Executive Director (Women Director), 3 (Three) are Non Executive - Independent Directors.

In terms of the above stated provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Composition of the abovementioned committees is as follows:

Committee	Designation
Audit Committee	
Smt. Ankita Jain	Chairperson (Independent Director)
Shri C.M. Jain	Member (Independent Director)
Shri R A Kabra	Member (Executive Director)

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Nomination & Remuneration Committee	
Smt. Ankita Jain	Chairperson (Independent Director)
Shri C.M. Jain	Member (Independent Director)
Shri J. N. Sharma	Member (Independent Director)
Stakeholders Relationship Committee	
Smt. Ankita Jain	Chairperson (Independent Director)
Shri C.M. Jain	Member (Independent Director)
Shri R A Kabra	Member (Executive Director)

OUR PROMOTERS AND THEIR BACKGROUND**Mr. Rajesh Ranka**

Mr. Rajesh Ranka aged 56 years, is an MBA from Rajasthan University. He is Chairman & Managing Director of our Company and having experience of more than 34 years in the field of Textile Management. The Company will surely benefit in the long-run from his varied experience in financial markets etc.

OUTSTANDING LITIGATION**A. Matters likely to affect operation and finances of the company including disputed tax liabilities of any nature**

The disputed statutory dues, which have not been deposited on account of matters pending before appropriate authorities are as under:-

Name of statute	Nature of Dues	Amount (Rs. in Lakhs)	Period to which the amount relates	Forum where dispute is pending
Rajasthan Municipality Act, 1959	Urban Tax	79.91	FY 2007-2017	Stay of demand granted by HC., appeal pending before deputy director local bodies agriculture
Employee State Insurance Act	ESI	28.09	FY 1986-1999	High Court, Jodhpur
	ESI	3.53	FY 1993-1996	Labour Tribunal, Delhi
Provident Fund Act	PF	4.67 Lacs	FY 1987-2006	Comm., Jaipur
The Rajasthan Tax on Entry for goods in to Local area Act	Entry Tax	4.50 Lacs	FY 2015-2016	Tax Board, Ajmer



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B. Criminal prosecution launched against the company and the directors for alleged offences

NIL

C. Particulars of default, if any, in meeting statutory dues, institutional dues, and towards instrument holders like debentures, fixed deposits, and arrears on cumulative preference shares.

The company does not have any undisputed statutory dues, also the company is not in default towards instrument holders except as below.

The Company has not provided for interest (Dividend) on cumulative redeemable preference shares amounting to Rs. 36.13 lakhs for the year (Rs. 975.48 Lakhs up to 31-03-2023) as the company is in process of settlement of remaining redeemable preference share capital.

DECLARATION

No statement made under this Information Memorandum contravenes any of the provisions of Companies Act, 1956 / Companies Act 2013, as may be applicable and the rules made thereunder. All the legal requirement connected with the listing /revocation of suspension of trading in equity of shares of our company and also the guidelines, instructions etc. issued by SEBI, Government and any other competent authority in this behalf have been duly complied with. All information contained in this document is true and correct.

FOR Modern Threads (India) Limited

PLACE : Bhilwara
DATE : 03/01/2024




(BANWARI LAL SAINI)
Company Secretary