



Modern Denim Limited

Registered Office :

A-4, Vijay Path, Tilak Nagar, Jaipur-302 004

Phone : 0141-4113645 Fax : 0141-2621382

E-mail : modernjaipuroffice@gmail.com

Website : www.moderndenim.com

CIN : L17124RJ1977PLC001758

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: - Audited Financial Results for the quarter and year ended 31st March, 2018
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 Audited Financial Results along with the Audit Report for the quarter and year ended 31st March, 2018 which was approved by the Board of Directors in the meeting held on i.e. 29th May, 2018.

Thanking you

Yours Faithfully
For Modern Denim Limited

Komal Sulaniya
Komal Sulaniya
Company Secretary

Encl: - As above

Corporate Head Office : 68/69, Godavari, Pochkhanwala 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

Independent Auditors' Report on Standalone Quarterly and Year to Date Financial Results of 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
Ahmedabad

We have audited the accompanying standalone annual financial results of **Modern Denim Limited** ("the Company") having its Registered Office at A-4, Vijay Path, Tilak Nagar, Jaipur – for the quarter ended 31 March, 2018 and year to date results for the period 01 April, 2017 to 31 March, 2018 ('the Statement'), attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated 5 July 2016.

This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been compiled from the related standalone Ind AS financial statements which has been prepared in accordance with the Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder ('Ind AS') and other accounting principles generally accepted in India. Our responsibility is to express an opinion on the Statement based on our audit of such standalone financial statements.

Attention is drawn to the fact that the figures for the quarter ended 31 March, 2018 and the corresponding quarter ended in the previous year as reported in the Statement are the balancing figures between audited figures in respect of the full financial year and the published year to date figures up to the end of the third quarter of the relevant financial years. Also, the figures up to the end of the third quarter of the corresponding financial years had not been subjected to our review.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. 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. 33.37 lacs for the quarter ended (Rs. 133.51 lacs for the year 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 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. 29.86 lacs for the quarter ended (Rs. 119.38 lacs for the year ended) 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. 39.97 lacs for the quarter ended (Rs. 159.91 lacs for the year ended) 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", In our opinion and to the best of our information and according to the explanations given to us these financial results:

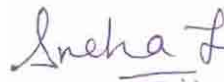
- i. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated 5 July, 2016 in this regard; and
- ii. give a true and fair view of net profit, and other comprehensive income and other financial information of the Company for the year ended 31 March, 2018



The comparative financial results of the Company for the quarter and year ended 31 March, 2017, included in the standalone financial results have been prepared from annual standalone financial statements audited by the predecessor auditor who had audited the standalone financial statements for the relevant period. The reports of the predecessor auditor, on the annual financial statements of the Company for year ended 31 March 2017, dated 29 May 2017, expressed an unmodified opinion.

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

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MODERN DENIM LIMITED

(CIN No. L17124RJ1977PLC001758)

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

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Statement of Standalone Audited Financial Results for the Quarter and Year ended 31st March, 2018

(₹ in lacs except earning per share data)

S. No.	Particulars	Quarter Ended			Year Ended	
		31.03.2018 (Unaudited)	31.12.2017 (Unaudited)	31.03.2017 (Unaudited and not subjected to review)	31.03.2018 (Audited)	31.03.2017 (Audited)
1	Income from Operations					
	(a) Revenue from Operations	1610.71	1810.48	2903.41	7332.13	7726.72
	(b) Other Income	30.95	1.98	5.38	37.74	11.60
	Total Revenue	1641.66	1812.46	2908.79	7369.87	7738.32
2	Expenses					
	(a) Cost of Materials consumed	1,341.04	690.01	1440.26	5113.24	5041.97
	(b) Purchase of stock-in-trade	-	-	24.52	29.18	47.10
	(c) Changes in inventories of finished goods, Stock-in-progress	(368.88)	607.49	249.63	(719.54)	(598.70)
	(d) Excise duty	-	-	-	-	-
	(e) Employee benefits expense	260.85	248.94	270.34	1,141.89	1,056.01
	(f) Finance Cost	2.91	10.72	54.69	63.51	112.58
	(g) Depreciation and amortisation expense	25.26	24.77	23.64	98.94	98.64
	(h) Other expenses	597.40	343.53	625.29	1,953.71	1,779.86
	Total Expenses	1858.58	1925.46	2688.37	7680.93	7537.46
3	Profit/(Loss) before exceptional items & tax (1-2)	(216.92)	(113.00)	220.42	(311.06)	200.86
4	Exceptional Items	-	-	-	-	-
5	Profit/(Loss) before tax (3+4)	(216.92)	(113.00)	220.42	(311.06)	200.86
6	Tax expense					
	Current tax	-	-	-	-	-
	Deferred tax	-	-	-	-	-
		-	-	-	-	-
7	Profit/(Loss) for the period (5-6)	(216.92)	(113.00)	220.42	(311.06)	200.86
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)	(10.30)	(4.68)	(41.79)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-	-
	Other Comprehensive Income for the period	(1.17)	(1.17)	(10.30)	(4.68)	(41.79)
9	Total Comprehensive Income (7+8)	(218.09)	(114.17)	210.12	(315.74)	159.07
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	(0.58)	(0.30)	0.59	(0.83)	0.54
	Diluted	(0.58)	(0.30)	0.41	(0.83)	0.38





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STATEMENT OF ASSETS AND LIABILITIES AS AT 31ST MARCH 2018

[₹ in lacs]

Particulars	As at 31st March, 2018 (Audited)	As at 31st March, 2017 (Audited)
ASSETS		
Non-current assets		
(a) Property, plant & equipment	1,890.72	1,978.71
(b) Intangible assets	-	-
(c) Financial assets		
(i) Others	93.07	73.36
(d) Other non-current assets	10.52	15.88
Total Non-Current Assets	1,994.31	2,067.95
Current assets		
(a) Inventories	1,994.85	1,319.17
(b) Financial Assets		
(i) Trade receivables	1,182.85	801.48
(ii) Cash and cash equivalents	11.90	44.99
(iii) Bank balances other than cash & cash equivalent	12.82	12.82
(iv) Other Financial Assets	13.08	13.16
(c) Current Tax Assets (net)	15.91	9.58
(d) Other current assets	251.09	156.94
Total Current Assets	3,482.50	2,358.14
TOTAL ASSETS	5,476.81	4,426.09
EQUITY AND LIABILITIES		
EQUITY		
(a) Equity share capital	3,750.20	3,750.20
(b) Other Equity	(7,760.16)	(7,444.42)
Total Equity	(4,009.96)	(3,694.22)
LIABILITIES		
Non-current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	4,614.00	2,107.00
(b) Provisions	200.20	184.31
(c) Deferred tax liabilities (Net)	-	-
Total Non-Current Liabilities	4,814.20	2,291.31
Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	1,503.10	2,339.81
(ii) Trade payables	1,038.37	1,081.09
(iii) Other financial liabilities	2,058.12	2,129.16
(b) Other current liabilities	43.46	260.44
(c) Provisions	29.52	18.50
Total Current Liabilities	4,672.57	5,829.00
TOTAL EQUITY AND LIABILITIES	5,476.81	4,426.09





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Notes:

- 1 Provision for interest amounting to ₹ 49.65 lacs on public retail nonconvertible debentures and ₹ 69.73 lacs on public fixed deposits for the year 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 ₹ 133.51 lacs 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 ₹ 159.91 lacs is not provided.
- 4 The Company adopted Indian Accounting Standards ("Ind AS") with effect from 01st April, 2017 (transition date being 01st April, 2016) and accordingly these financial results 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 the relevant rules issued there under.
- 5 From the applicability of Goods and Service Tax (GST) with effect from 1st July, 2017, revenue from operations are disclosed net of GST. Accordingly the revenue from operations and excise duty expense for the quarter and year ended 31st March, 2018 are not comparable with the previous periods presented in the results.
- 6 A reconciliation between the profits as reported under previous GAAP and the Ind AS restated profits for the corresponding quarter and year ended March 31, 2017 is given below:

Particulars	(₹ in lacs)	
	For the Quarter ended on 31.03.2017	For the year ended on 31.03.2017
Profit after tax as per Previous GAAP	210.12	159.07
Add/(Less) adjustments		
Actuarial loss on defined benefit plan recognised in OCI	10.30	41.79
Net Profit as per Ind AS	220.42	200.86
Other Comprehensive Income		
Items that will not be reclassified to Profit & Loss		
Actuarial Gain or Loss on defined benefit plan	(10.30)	(41.79)
Income Tax on above	-	-
Total Other Comprehensive Income	(10.30)	(41.79)
Total Comprehensive Income under Ind AS	210.12	159.07

7 Reconciliation of equity between Ind AS and previous GAAP is as under:

Particulars	(₹ in lacs)
	As at 31.03.2017
Total Equity (Shareholder's Fund) as per previous GAAP	(3,044.22)
Adjustments - reclassification of preference share capital to borrowings	(650.00)
Total Equity as per Ind AS	(3,694.22)

- 8 The above unaudited financial results for the quarter and year ended March 31, 2018 were reviewed and recommended by the audit committee their meeting and approved by the Board of Directors at their meeting.
- 9 Segment Reporting as defined in IND-AS 108 is not applicable, since the Company has only one reportable segment i.e. "Denim Fabric".
- 10 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)



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- 2 Provision for interest amounting to ₹ 133.51 lacs 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.
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	For the Quarter ended on 31.03.2017	For the year ended on 31.03.2017
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Add/(Less) adjustments		
Actuarial loss on defined benefit plan recognised in OCI	10.30	41.79
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Other Comprehensive Income		
Items that will not be reclassified to Profit & Loss		
Actuarial Gain or Loss on defined benefit plan	(10.30)	(41.79)
Income Tax on above	-	-
Total Other Comprehensive Income	(10.30)	(41.79)
Total Comprehensive Income under Ind AS	210.12	159.07

7 Reconciliation of equity between Ind AS and previous GAAP is as under:

Particulars	(₹ in lacs)
	As at 31.03.2017
Total Equity (Shareholder's Fund) as per previous GAAP	(3,044.22)
Adjustments - reclassification of preference share capital to borrowings	(650.00)
Total Equity as per Ind AS	(3,694.22)

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Place : Ahmedabad
Date : 26/11/2018



For Modern Denim Limited

Sachin Ranka
(Chairman & Managing Director)