



RAJ RAYON INDUSTRIES LIMITED

(A Government Recognised Star Export House)



Corporate Off. : 5C/196 & 197, AKSHAY MITTAL INDUSTRIAL ESTATE, SAKINAKA, ANDHERI (E), MUMBAI-400 059 (INDIA)
☎ : +91 - 22 - 4034 3434 • Fax : +91 - 22 - 4034 3400 • E-mail : mumbai@rajrayon.com • Website : www.rajrayon.com
CIN NO. : L17120DN1993PLC000368

Date: 14/02/2022

To,

The Secretary BOMBAY STOCK EXCHANGE LIMITED P J Towers Dalal Street, Fort, Mumbai 400 001	NATIONAL STOCK EXCHANGE OF INDIA LIMITED Listing Department Exchange Plaza, 5 th Floor, Bandra-kurla Complex, Bandra (East), Mumbai - 400 051.
Company Code No. : 530699	Company Code : RAJRAYON

Dear Sir,

Sub: Proceedings of the Board meeting held on February 14, 2022

The Board of Directors of the Company at its meeting held on **February 14, 2022** has inter- alia approved and taken on record the un-audited Financial Results of the Company for the Third quarter ended December 31, 2021, copy of the same is attached at **Annexure - I**.

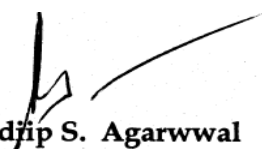
Please find enclosed herewith the Summarized un-audited Financial Results for the Third quarter ended December 31, 2021 and the Limited Review Report on the Financial Results of the Auditors thereon, for your kind information and records. Extract of audited financial results would also be published in one English and one vernacular newspaper as required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Board Meeting commenced at 3.00 p.m. and concluded at 5.30.p.m.

Kindly take the above information on your record and acknowledge.

Thanking you,
Yours faithfully,

For RAJ RAYON INDUSTRIES LIMITED


Sandeep S. Agarwal
CFO



Independent Auditor's Review Report on the Quarterly and Year to Date Unaudited Standalone Financial Results of the Company pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

Review report to
The Board of Directors
Raj Rayon Industries Limited

1. We have reviewed the accompanying Statement of Unaudited Standalone Financial Results of Raj Rayon Industries Limited ('the Company') for the quarter ended December 31, 2021 and year to date results for the period from April 01, 2021 to December 31, 2021 ('the Statement') attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the 'Listing Regulations').
2. The Hon'ble National Company Law Tribunal, Ahmedabad Bench ("NCLT") has approved the resolution plan submitted by SVG Fashions Private Limited ('Resolution Applicant' or 'Management') vide their order dated October 05, 2021 ("NCLT Order"). Pursuant to the said order Corporate Insolvency Resolution Process ("CIRP") has been completed. The unaudited financial results have been considered and recommended by the Board of Directors.
3. The Company's Management is responsible for the preparation of the Statement in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 (IND AS 34) 'Interim Financial Reporting', prescribed under Section 133 of the Companies Act, 2013, as amended read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The statement has been approved by the Company's Board of Directors. Our responsibility is to express a conclusion on the Statement based on our review.
4. We conducted our review of the Statement 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 Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



701, Stanford Office Condominium
Near Shoppers Stop, S.V.Road
Andheri (West), Mumbai - 400058, India

Phone: +91 22 62392666

E- mail: mumbai@mkps.in | Web : www.mkps.in

5. Based on our review conducted as above, **except for the effect of the matter described in the Basis of Qualified Conclusion given below**, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard ('IND AS') specified under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

6. Other Matters

The opening balances as on April 01, 2021 considered in these financial statements have been audited by predecessor auditor. The comparative financial results of the Company for the corresponding quarter and nine months ended December 31, 2020 and year ended March 31, 2021 was reviewed/audited by predecessor auditors, who vide their report dated February 13, 2021 and July 26, 2021 respectively have issued a modified opinion. Our conclusion on the Statement is not modified in respect of this matter.

7. Basis for Qualified Conclusion:

- a) The Company is carrying balances recoverable from various government authorities classified under other non-current assets aggregating to Rs. 1,026.64 lakhs which is being reviewed by the Company for recoverability and accordingly no adjustment has been made in the Financial Results. However, in absence of any records and documents we are unable to comment on the consequential impact on the statement of profit and loss.
- b) In view of pending confirmations from banks we are unable to comment on the impact, if any, on the financial statement arising out of such pending confirmations. In the absence of such pending confirmations and reconciliations, consequential impact of the same on financial results of the company cannot be ascertained.

For MKPS & Associates
Chartered Accountants
Firm's Registration No. 302014E

**ANKITA
NEMANI**

Ankita Nemani
Partner
Membership No. 159486
UDIN: 22159486ACBQDA5674



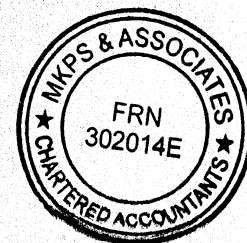
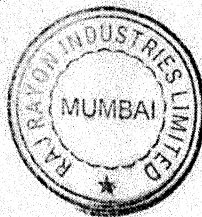
Place: Mumbai
Date: February 14, 2022

RAJ RAYON INDUSTRIES LIMITED
STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE
QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2021
Registered office: Survey No. 177/1/3, Village - Suranji, Dist - Silvassa, Dadra & Nagar Haveli (UT) - 396 230.
Tel: 91-22-40343434, Fax: 91-22-40343400, email: investors@rajrayon.com, website: www.rajrayon.com
CIN No. L17120DN1993PLC000368

(Rs. in Lakhs, unless otherwise stated)

Particulars	Quarter Ended			Nine months Ended		Year Ended
	31st December, 2021	30th September, 2021	31st December, 2020	31st December, 2021	31st December, 2020	31st March, 2021
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1 INCOME						
(a) Revenue from Operations						
(b) Other Income	5.50	-	-	5.50	-	-
TOTAL INCOME	5.50	-	-	5.50	1.54	95.61
2 EXPENSES						
(a) Cost Of Materials Consumed						
(b) Purchases Of Stock-In-Trade						
(c) Changes in Inventories of Finished Goods, Work In Progress and Manufactured Components						
(d) Employee Benefits Expense						
(e) Finance Cost	1.31	-	-	1.31	-	-
(f) Depreciation And Amortisation Expense (Refer Note 6)	0.02	-	-	0.02	-	-
(g) Other Expenses	689.15	869.17	887.53	2,427.49	2,662.86	3,550.36
TOTAL EXPENSES	183.66	1.54	3.99	188.40	10.30	23.07
3 PROFIT BEFORE EXCEPTIONAL ITEMS AND TAX (1-2)	874.14	870.71	891.52	2,617.22	2,673.16	3,573.43
4 Exceptional Items (Refer Note 5)	(868.64)	(870.71)	(891.52)	(2,611.68)	(2,671.62)	(3,477.82)
5 PROFIT BEFORE TAX (3-4)	67,271.12	(870.71)	(891.52)	65,528.08	(2,671.62)	(3,477.82)
6 TAX EXPENSE						
Current Tax						
Deferred Tax						
TOTAL TAX EXPENSE	-	-	-	-	-	-
7 PROFIT AFTER TAX (5-6)	67,271.12	(870.71)	(891.52)	65,528.08	(2,671.62)	(3,477.82)
8 Other Comprehensive Income						
Items that will not be reclassified to profit or loss						
Re-Measurment Gain / (Loss) on Defined Benefit Plans						
Income Tax Effect on Above						
9 TOTAL COMPREHENSIVE INCOME FOR THE PERIOD (7+8)	67,271.12	(870.71)	(891.52)	65,528.08	(2,671.62)	(3,477.82)
10 Paid-up Equity Share Capital (Face Value of Re. 1/- each)	3,464.54	3,464.54	3,464.54	3,464.54	3,464.54	3,464.54
11 Other Equity						(64,023.65)
12 Earning Per Equity Share (Face Value of Re. 1/- each)						
Basic (in Rs.) (Not annualised)	19.42	(0.25)	(0.26)	18.91	(0.77)	(1.00)
Diluted (in Rs.) (Not annualised)	19.42	(0.25)	(0.26)	18.91	(0.77)	(1.00)


See accompanying notes to the financial results



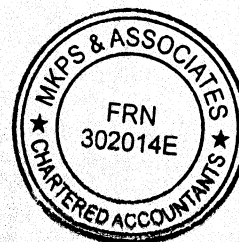
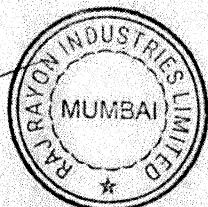
Notes to Financial Results

1	<p>a. The above unaudited results have been reviewed and recommended by the Audit Committee and approved by board of directors in their meetings held on February 14, 2022.</p> <p>b. These results have been prepared in accordance with Indian Accounting Standards as prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Indian Accounting Standards) Amendment Rules, 2016.</p> <p>c. The limited review as required under Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 has been completed by the auditors of the Company and they have expressed a modified conclusion.</p>																				
2	<p>The Hon'ble National Company Law Tribunal, Ahmedabad Bench ("NCLT") has approved the resolution plan ("Approved Resolution Plan") submitted by SVG Fashions Private Limited ('Resolution Applicant' or 'Management') vide their order dated October 05, 2021 ("NCLT Order"). Pursuant to the said order Corporate Insolvency Resolution Process ("CIRP") has been completed. The Management has taken over the operations of the Company from the Resolution Professional ("RP") and is fulfilling the conditions as per NCLT order and the resolution plan submitted. Pursuant to the Approved Resolution Plan, a Monitoring Committee has been formed w.e.f. October 07, 2021 to overlook the implementation of the approved resolution plan. Considering the above, the financial statements are being presented on a 'Going Concern' basis.</p>																				
3	<p>The settlement of lenders under Consortium Lending Arrangement was to be done by repayment of Rs. 5,349 lakhs and conversion of debt of Rs 100 lakhs to Compulsory Convertible Preference Shares in accordance with the NCLT order. Repayment of Rs. 5,349 lakhs was done, however Conversion of debt of Rs 100 lakhs to Compulsory Convertible Preference Shares ("CCPS") is pending as the in-principle approval for the same is yet to be received from Bombay Stock Exchange Limited (BSE) and National Stock Exchange of India Limited (NSE).</p>																				
4	<p>In accordance with by the Approved Resolution Plan, post quarter end the Company has cancelled the shares of the erstwhile promoters and promoter group shareholders and further the Company has also reduced shares of the public shareholders to 1 share of Re. 1 each for every 100 shares. The Capital Reduction was approved by Central Depository Services (India) Limited and National Securities Depository Limited. The Capital Reduction is considered to be fully completed on January 18, 2022 and trading approval is filed with BSE and NSE.</p>																				
5	<p>Exceptional Items on account of gains recognised in accordance with the approved resolution plan comprises of :-</p> <table border="1"> <thead> <tr> <th>Particulars</th> <th>Amount (Rs in lakhs)</th> </tr> </thead> <tbody> <tr> <td>Extinguishment of Financial Creditors after final settlement</td> <td>68,075.80</td> </tr> <tr> <td>Extinguishment of Preference Share Capital</td> <td>1,400.00</td> </tr> <tr> <td>Write Back of Other Unsecured Loans and Interest thereon</td> <td>1,114.00</td> </tr> <tr> <td>Write Back of Other Current & Non-Current Liabilities</td> <td>287.34</td> </tr> <tr> <td>Payment made to Operational Creditors</td> <td>(10.96)</td> </tr> <tr> <td>Other Current & Non-Current Assets Written Off</td> <td>(1,815.14)</td> </tr> <tr> <td>Investments Written Off</td> <td>(10.02)</td> </tr> <tr> <td>Write off Fixed Assets (Net of Accumulated Depreciation)</td> <td>(901.26)</td> </tr> <tr> <td>Total Exceptional Items</td> <td>68,139.76</td> </tr> </tbody> </table>	Particulars	Amount (Rs in lakhs)	Extinguishment of Financial Creditors after final settlement	68,075.80	Extinguishment of Preference Share Capital	1,400.00	Write Back of Other Unsecured Loans and Interest thereon	1,114.00	Write Back of Other Current & Non-Current Liabilities	287.34	Payment made to Operational Creditors	(10.96)	Other Current & Non-Current Assets Written Off	(1,815.14)	Investments Written Off	(10.02)	Write off Fixed Assets (Net of Accumulated Depreciation)	(901.26)	Total Exceptional Items	68,139.76
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6	<p>The Management has recomputed the depreciation for the nine months period ended December 31, 2021 and the impact of such recomputation has been provided in the above financial results.</p>																				
7	<p>Pursuant to provisions of Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act 2002, State Bank of India had taken over the possession of the properties. Subsequent to NCLT Order, the possession of the property has been handed over to the management and the encumbrances on the said assets of the Company shall stand permanently extinguished on completion of procedural formalities as provided in the NCLT order and resolution plan.</p>																				
8	<p>The Company is primarily engaged in a single business segment of Manufacturing & Marketing of Textiles Yarns.</p>																				
9	<p>Figures for the previous period/year have been regrouped and reclassified, wherever required.</p>																				

For Raj Rayon Industries Limited



Mr. Rajkumar Satyanarayan Agarwal
Managing Director



Place: Mumbai

Date: February 14, 2022