

# RAJ RAYON INDUSTRIES LIMITED

CIN NO.: L17120DN1993PLC000368

REGD. OFFICE & FACTORY : SURVEY NO. 177/1/3 & 177/1/4, VILLAGE : SURANGI, SILVASSA - 396 230 ( U. T. OF DADRA & NAGAR HAVELI & DAMAN & DIU )

Contact : +91 98795 04195, 99988 20661 • E-mail : admin.surang@rajrayon.com

Date: 14/02/2023

To,

<b>The Secretary</b> <b>BSE LIMITED</b> P J Towers Dalal Street, Fort, Mumbai 400 001	<b>NATIONAL STOCK EXCHANGE OF INDIA LIMITED</b> Listing Department Exchange Plaza, 5 <sup>th</sup> Floor, Bandra-kurla Complex, Bandra (East), Mumbai – 400 051.
<b>Company Code No. : 530699</b>	<b>Company Code : RAJRILTD</b>

Dear Sir,

**Sub.: Proceedings of the Board meeting held on February 14, 2023**

We wish to inform you that, the Board of Directors of the Company, at its meeting held today February 14, 2023 has *inter- alia* considered, approved and taken on record:

1. The Un-audited Financial Results of the Company for the quarter and nine months ended December 31, 2022.
2. Limited Review Report on the said results received from the Statutory Auditors of the Company.

Extract of Unaudited 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 4.00 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**



**RAJKUMAR SATYANARAYAN AGARWAL**

**MANAGING DIRECTOR**

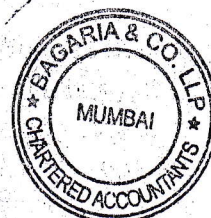
**DIN: 00395370**

**Encl.: A/a**

**Independent Auditors' Review Report**

Review report to  
The Board of Directors of  
Raj Rayon Industries Limited


1. We have reviewed the accompanying Statement of Unaudited Financial Results of Raj Rayon Industries ("the Company") for the quarter and nine months ended December 31, 2022 attached herewith (the "Statement") being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations"). 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 results based on our review.
2. 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 financial information is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under Section 143(10) of the Act 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. We have not performed an audit and accordingly, we do not express an audit opinion.
3. Based on our review conducted and procedures performed as stated in paragraph 2 above and except for the effect of the matter described in the basis of qualified conclusion given in paragraph 4 below, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standards (IND AS) specified under section 133 of the Companies Act, 2013 as amended 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
4. **Basis for qualified conclusion:**  
In view of the pending confirmations relating to three inoperative bank accounts continuing prior to the date, the new management took over the operations of the company, we are unable to comment on the impact, if any, on the financial statement arising out of such pending confirmations and reconciliations.



5. The Statement includes comparative unaudited financial results for the quarter and nine months ended December 31, 2021 and audited financial results for the financial year ended March 31, 2022. The financial results for the quarter and nine months ended December 31, 2021 and for the financial year ended March 31, 2022 have been reviewed and audited by predecessor auditor whose reports dated February 14, 2022 and May 30, 2022 respectively, expressed a modified conclusion and opinion, on those financial results / statements.

Our conclusion on the Statement is not modified in respect of the above matter.

**For Bagaria & Co. LLP**  
**Chartered Accountants**  
Firm Registration No:  
113447W / W-100019



**Arun Bagaria**  
Partner

Membership No.: 036732  
UDIN: 23036732BGQBKA4328

Place: Mumbai

Date: February 14, 2023

RAJ RAYON INDUSTRIES LIMITED

STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2022

Registered office: Survey No. 177/1/3, Village - Surangi, 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

( ₹ in Lakhs, unless otherwise stated)(except per equity share data)

Particulars	Quarter Ended			Nine months ended		Year Ended
	31st December, 2022	30th September, 2022	31st December, 2021	31st December, 2022	31st December, 2021	31st March, 2022
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
<b>1 INCOME</b>						
(a) Revenue from operations	2,600.55	56.67	5.50	2,657.23	5.50	5.50
(b) Other income	28.90	15.21	-	72.66	0.04	0.04
<b>TOTAL INCOME</b>	<b>2,629.45</b>	<b>71.88</b>	<b>5.50</b>	<b>2,729.89</b>	<b>5.54</b>	<b>5.54</b>
<b>2 EXPENSES</b>						
(a) Cost of materials consumed	2,349.03	81.75	-	2,430.78	-	-
(b) Changes in inventories of finished goods	(187.26)	(35.59)	-	(222.85)	-	-
(c) Employee benefits expense	15.31	9.14	1.31	29.93	1.31	5.59
(d) Finance costs	9.89	0.46	0.02	10.75	0.02	0.32
(e) Depreciation and amortisation expense (Refer Note 5)	333.82	334.75	689.15	1,002.15	2,427.49	2,798.91
(f) Other expenses	337.55	58.58	183.66	430.23	188.40	236.48
<b>TOTAL EXPENSES</b>	<b>2,858.34</b>	<b>449.09</b>	<b>874.14</b>	<b>3,680.99</b>	<b>2,617.22</b>	<b>3,041.30</b>
<b>3 PROFIT BEFORE EXCEPTIONAL ITEMS AND TAX (1-2)</b>	<b>(228.89)</b>	<b>(377.21)</b>	<b>(868.64)</b>	<b>(951.10)</b>	<b>(2,611.68)</b>	<b>(3,035.76)</b>
4 Exceptional Items (Refer Note 4)	-	-	68,139.76	-	68,139.76	67,113.12
<b>5 PROFIT BEFORE TAX (3-4)</b>	<b>(228.89)</b>	<b>(377.21)</b>	<b>67,271.12</b>	<b>(951.10)</b>	<b>65,528.08</b>	<b>64,077.36</b>
<b>6 TAX EXPENSE</b>						
Current Tax	-	-	-	-	-	-
Deferred Tax	-	-	-	-	-	-
<b>TOTAL TAX EXPENSE</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>7 PROFIT AFTER TAX (5-6)</b>	<b>(228.89)</b>	<b>(377.21)</b>	<b>67,271.12</b>	<b>(951.10)</b>	<b>65,528.08</b>	<b>64,077.36</b>
<b>8 Other Comprehensive Income</b>						
Items that will not be reclassified to profit or loss	-	-	-	-	-	-
Re-Measurement Gain / (Loss) on Defined Benefit Plans	-	-	-	-	-	-
Income Tax Effect on Above	-	-	-	-	-	-
<b>9 TOTAL COMPREHENSIVE INCOME FOR THE PERIOD (7+8)</b>	<b>(228.89)</b>	<b>(377.21)</b>	<b>67,271.12</b>	<b>(951.10)</b>	<b>65,528.08</b>	<b>64,077.36</b>
<b>10 Paid-up Equity Share Capital (Face Value of Re. 1/- each)</b>	<b>5,560.82</b>	<b>5,512.82</b>	<b>3,464.54</b>	<b>5,560.82</b>	<b>3,464.54</b>	<b>22.82</b>
<b>11 Other Equity</b>						<b>3,495.43</b>
<b>12 Earning Per Equity Share (Face Value of Re. 1/- each)</b>						
Basic (in ₹)	(not annualised) (0.04)	(not annualised) (0.07)	(not annualised) 19.42	(not annualised) (0.17)	(not annualised) 18.91	2,807.34
Diluted (in ₹)	(0.03)	(0.04)	19.42	(0.12)	18.91	2,807.34

See accompanying notes to the financial results



**Notes to the unaudited Financial Results for the quarter and nine months ended December 31, 2022**

1	The above unaudited results for the quarter and nine months ended December 31, 2022 have been reviewed by the Audit Committee and approved by the Board of Directors at their meetings held on February 14, 2023 and have been subjected to limited review by the Statutory Auditors of the Company.
2	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 'New Management') vide their order dated October 05, 2021 ("NCLT Order"). Pursuant to the said order Corporate Insolvency Resolution Process ("CIRP") has been completed. The New Management has taken over the operations of the Company from the Resolution Professional ("RP") and has fulfilled the conditions as per NCLT order and the resolution plan submitted. Pursuant to the Approved Resolution Plan, a Monitoring Committee was 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.
3	In accordance with the Approved Resolution Plan, Resolution Applicant had brought in capital of Rs. 54.90 crores for which Company has received in principal approval on May 4, 2022. On June 10, 2022 the Company has allotted 54.90 crores equity shares to the entities defined by Resolution Applicant in Promoter and Public Category and Listing approval was also received from the exchanges on July 21, 2022. Further, the Company has issued Compulsory Convertible Preference Shares Class- B of Rs. 25 crores to Resolution Applicant for Cash and Compulsory Convertible Preference Shares Class A of Rs. 1 crore to its Financial Creditor for Conversion of their Loan.
4	Exceptional Items for the Year ended March 31, 2022 on account of gains recognized in accordance with the approved resolution plan
5	The Management has re-assessed the depreciation for the year ended March 31, 2022 and the net block as at March 31, 2022 in accordance with the useful life of the assets and the impact of such re-assessment has been provided in the above financial results.
6	After the new management takeover, the Company has started part commercial production and the Company recorded revenue from operations of Rs. 2,657.23 lakhs for nine months ended December 31, 2022.
7	During the quarter ended December 31, 2022, the Board of Directors of the Company, has considered and approved the allotment of 48,00,000 Equity Shares of the face value of Re. 1/- each upon the conversion of 1,00,000 Compulsory Convertible Preference Shares Class-A (CCPS Class -A) of the face value of Rs. 100/- each to the Financial Creditors as per the Resolution Plan (RP) of the Company approved by Hon'ble NCLT vide its order dated October 5, 2021, under Section 31 of Insolvency and Bankruptcy Code, 2016)
8	The Company is primarily engaged in a single business segment of Manufacturing & Marketing of Textiles Yarns.
9	Figures for the previous period/year have been regrouped and reclassified, wherever required.

For Raj Rayon Industries Limited



Mr. Rajkumar Satyanarayan Agarwal  
Managing Director

Place: Mumbai

Date: February 14, 2023