

RAJRAYON 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.surangi@rajrayon.com

Date: 14/11/2022

To,

The Secretary BSE 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 : RAJRILTD

Dear Sir,

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

We wish to inform you that, the Board of Directors of the Company, at its meeting held today November 14, 2022 has *inter- alia* considered, approved and taken on record:

1. The Un-audited Financial Results of the Company for the quarter and half year ended September 30, 2022 along with Cash Flow Statement and Statement of Assets and Liabilities as on that date.
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 11.30 a.m. and concluded at 1.30.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

RAJ RAYON INDUSTRIES LIMITED
STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 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			Half year ended		Year Ended
	30th September, 2022	30th June, 2022	30th September, 2021	30th September, 2022	30th September, 2021	31st March, 2022
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1 INCOME						
(a) Revenue from operations	56.67	-	-	56.67	-	5.50
(b) Other income	15.21	28.55	-	43.76	0.04	0.04
TOTAL INCOME	71.88	28.55	-	100.43	0.04	5.54
2 EXPENSES						
(a) Cost of materials consumed	81.75	-	-	81.75	-	-
(b) Purchases of Stock-In-Trade	-	-	-	-	-	-
(c) Changes in inventories of finished goods, work-in-progress	(35.59)	-	-	(35.59)	-	-
(d) Employee benefits expense	9.14	5.48	-	14.62	-	5.59
(e) Finance costs	0.46	0.40	-	0.86	-	0.32
(f) Depreciation and amortisation expense (Refer Note 5)	334.75	333.58	869.17	668.33	1,738.35	2,798.91
(g) Other expenses	58.58	34.10	1.54	92.68	4.74	236.48
TOTAL EXPENSES	449.09	373.56	870.71	822.65	1,743.09	3,041.30
3 PROFIT BEFORE EXCEPTIONAL ITEMS AND TAX (1-2)	(377.21)	(345.01)	(870.71)	(722.22)	(1,743.05)	(3,035.76)
4 Exceptional Items (Refer Note 4)	-	-	-	-	-	67,113.12
5 PROFIT BEFORE TAX (3-4)	(377.21)	(345.01)	(870.71)	(722.22)	(1,743.05)	64,077.36
6 TAX EXPENSE						
Current Tax	-	-	-	-	-	-
Deferred Tax	-	-	-	-	-	-
TOTAL TAX EXPENSE	-	-	-	-	-	-
7 PROFIT AFTER TAX (5-6)	(377.21)	(345.01)	(870.71)	(722.22)	(1,743.05)	64,077.36
8 Other Comprehensive Income						
Items that will not be reclassified to profit or loss	-	-	-	-	-	-
Re-Measurement Gain / (Loss) on Defined Benefit Plans	-	-	-	-	-	-
Income Tax Effect on Above	-	-	-	-	-	-
9 TOTAL COMPREHENSIVE INCOME FOR THE PERIOD (7+8)	(377.21)	(345.01)	(870.71)	(722.22)	(1,743.05)	64,077.36
10 Paid-up Equity Share Capital (Face Value of Re. 1/- each)	5,512.82	5,512.82	3,464.54	5,512.82	3,464.54	22.82
11 Other Equity						3,495.43
12 Earning Per Equity Share (Face Value of Re. 1/- each)						
Basic (in ₹) (Not annualised)	(0.07)	(0.06)	(0.25)	(0.13)	(0.50)	2,807.34
Diluted (in ₹) (Not annualised)	(0.04)	(0.04)	(0.25)	(0.08)	(0.50)	2,807.34

See accompanying notes to the financial results



Notes to the unaudited Financial Results for the Quarter and Half year ended September 30 ,2022

1	The above unaudited results for the quarter and half year ended September 30, 2022 have been reviewed by the Audit Committee and approved by the Board of Directors at their meetings held on November 14, 2022. The unaudited results for the quarter and half year ended September 30, 2022 has 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 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.
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 4th May, 2022. On 10th June, 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 21st July 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 31st March, 2022 on account of gains recognised 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 in this quarter and thus, the Company recorded revenue from operations of Rs. 56.67 lakhs.
7	The Company is primarily engaged in a single business segment of Manufacturing & Marketing of Textiles Yarns.
8	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: November 14, 2022

RAJ RAYON INDUSTRIES LIMITED
Statement of Assets and Liabilities as at 30th September, 2022

(₹ in Lakhs, unless otherwise stated)

Particulars	As at	As at
	30th September, 2022	31st March, 2022
	(Unaudited)	(Audited)
Assets		
Non-Current Assets		
Property, Plant and Equipment	8,410.98	8,868.07
Capital Work-in-progress	4,407.43	581.35
Financial Assets		
Investments	-	-
Other financial assets	105.08	0.30
Other Non-Current Assets	236.75	370.03
Total Non current assets	13,160.24	9,819.75
Current Assets		
Inventories	224.20	-
Financial Assets		
Trade Receivables	10.95	0.05
Cash and Cash Equivalents	24.24	9.00
Bank Balances other than Cash and Cash Equivalents	1.21	1.21
Other financial assets	-	-
Current tax assets (net)	-	-
Other Current Assets	1,086.11	404.12
Total Current Assets	1,346.71	414.38
Total Assets	14,506.95	10,234.13
Equity and Liabilities		
Equity		
Equity Share Capital	5,512.82	22.82
Instruments entirely equity in nature	2,600.00	-
Other Equity	2,773.22	3,495.43
Total Equity	10,886.04	3,518.25
Share Application Money pending Allotment	-	6,504.49
Liabilities		
Non-Current Liabilities		
Financial Liabilities		
Borrowings	2,842.60	-
Total Non Current Liabilities	2,842.60	-
Current Liabilities		
Financial liabilities		
Borrowings	66.93	-
Trade Payables		
Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	71.64	16.88
Other Financial Liabilities	631.55	190.31
Other Current Liabilities	8.18	4.19
Provisions	-	-
Current tax liabilities (net)	0.01	0.01
Total Current Liabilities	778.31	211.38
Total Equity and Liabilities	14,506.95	10,234.13

See accompanying notes to the financial results



RAJ RAYON INDUSTRIES LIMITED
Statement Of Cash Flow

(₹ in Lakhs, unless otherwise stated)

Particulars	For half year ended	
	30th September, 2022	30th September, 2021
	(Unaudited)	(Unaudited)
(A) CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit / (Loss) before Tax	(722.22)	(1,743.05)
Adjustment for:		
Depreciation	668.33	1,738.35
(Profit) / Loss on Sale of Fixed Asset	(27.52)	
Interest / Other Income	(2.05)	(0.04)
Finance Costs	-	-
Operating Profit Before Working Capital Changes	(83.45)	(4.74)
Adjustment For:		
(Increase)/Decrease in Trade Receivables	(10.90)	-
(Increase)/ Decrease in Financial and Other Assets	(551.64)	(0.96)
(Increase)/Decrease in Inventories	(224.20)	-
Increase/(Decrease) in Trade Payables	54.76	-
Increase/(Decrease) in Financial and Other liabilities	445.23	1.86
Cash Used in Operations	(370.20)	(3.84)
Direct Taxes Paid	-	-
NET CASH FLOW USED IN OPERATING ACTIVITIES	(370.20)	(3.84)
(B) CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property, Plant & Equipment	(4,058.27)	-
Sale of Fixed Assets	75.31	-
(Investments) / Maturity of FDRs	(100.00)	-
Interest / Other Income	0.20	0.04
NET CASH FLOWS FROM INVESTING ACTIVITIES	(4,082.76)	0.04
(C) CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issue of equity share capital	770.00	
Proceeds from issue of compulsory convertible preference shares	815.51	
Proceeds/(Repayment) of Long Term Borrowings	2,815.76	-
Proceeds/(Repayment) of Short Term Borrowings	66.93	-
NET CASH USED IN FINANCING ACTIVITIES	4,468.20	-
NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	15.24	(3.80)
Opening Balance of Cash and Cash Equivalents	9.00	5.86
Closing Balance of Cash and Cash Equivalents	24.24	2.06

Note:

1. The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS) 7, 'Statement of Cash flows'

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Independent Auditor's Review Report On unaudited quarterly financial results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To the Board of Directors

RAJ RAYON INDUSTRIES LIMITED

1. We have reviewed the accompanying statement of unaudited financial results of **RAJ RAYON INDUSTRIES LIMITED** ("the Company") for the quarter ended 30th September, 2022 attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing, Obligations and Disclosure requirements) Regulations, 2015.

The statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34") prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India. Our responsibility is to issue a report on this financial Statement based on our review.

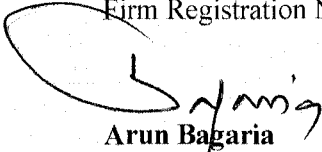
2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review 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 have not performed an audit and accordingly, we do not express an audit opinion.
3. Based on our review conducted as above, *except for the effect of the matter described in the basis of qualified opinion given 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. Attention is drawn to the facts that:
The comparative financial information of the Company for the corresponding quarter ended September 30, 2021 were reviewed by predecessor auditor who expressed an qualified conclusion on those standalone financial results vide their report dated November 11, 2021 respectively.
5. **Basis for qualified conclusion:**
In view of the pending confirmations from banks, we are unable to comment on the impact, if any, on the financial statement arising out of such pending confirmations and reconciliations, consequential impact of the same on financial results of the company cannot be ascertained.

Mumbai
14 November, 2022

For Bagaria & Co LLP

Chartered Accountants

Firm Registration No. 113447W


Arun Bagaria

Partner

Membership No.

UDIN: 22036732BDAPSM7437