



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: 30/05/2022

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 : RAJRILTD

Dear Sir,

Sub: Proceedings of the Board meeting held on May 30, 2022

Ref: Regulation 30 and 33 read with Para A of Part A of Schedule III and 52 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015('Listing Regulations')

The Board of Directors of the Company at its meeting held on 30th May, 2022 has inter- alia

1. Approved and taken on record the audited Financial Results of the Company for the last quarter & year ended March 31, 2022, copy of the same is attached at **Annexure - I.**
2. Approved and authorized the Board to borrow from Bank/ Financial institution upto Rs. 3000 Crores

Please find enclosed herewith the Summarized audited Financial Results for the last quarter & year ended March 31, 2022 and the Auditors report on the Financial Results 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.

Declaration with respect to audit report with unmodified opinion:

Pursuant to Regulations 33 (3) (d) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby declare that the Statutory Auditors of the Company has issued the Auditors Report under the Companies Act, 2013 and Financial Results as prepared under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the Financial Year ended on March 31, 2022 with unmodified opinion.



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Declaration of Non applicability of Regulation 32

Declaration of Non applicability of Regulation 32 of the SEBI (LODR) Regulations, 2015 (Statement of Deviation or Variation for Proceeds of Public Issue, Right Issue, Preferential Issue, QIP,) for the quarter ended 31st March 2022.

The aforesaid Financial Results will be made available on the Company's website at <http://www.rajrayon.com>

Board Meeting commenced at 12.00 noon and concluded at 17.25.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**



Independent Auditor's Report

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

To
 The Board of Directors of
Raj Rayon Industries Limited

Report on the audit of the Financial Results

Qualified Opinion

We have audited the accompanying annual financial results ("the Statement") of **Raj Rayon Industries Limited** ('the Company') for the year ended March 31, 2022, attached herewith along with notes thereto, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

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 except for the effects of the matters described in paragraph "Basis for Qualified Opinion" below; and
- (ii) gives a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards and other accounting principles generally accepted in India, of the net loss after tax and other comprehensive income and other financial information for the year ended March 31, 2022 except for the effects of the matters described in paragraph "Basis for Qualified Opinion" below.

Basis for Qualified Opinion

We have not received direct bank confirmations and hence 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.

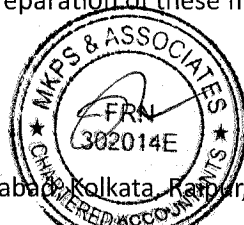
We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Companies Act, 2013 (the Act). Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Results* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial results under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Management's Responsibilities for the Financial Results

This Statement has been prepared based on the annual audited financial statements. The Company's Board of Directors are responsible for the preparation of these financial results that give a true and fair view of

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

the net profit and other comprehensive income and other financial information in accordance with the applicable accounting standards prescribed under Section 133 of the Act, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial results, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

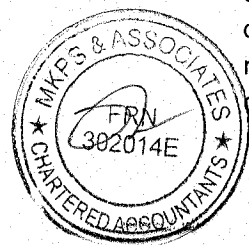
The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Results

Our objectives are to obtain reasonable assurance about whether the financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial control system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.



- Evaluate the overall presentation, structure and content of the financial results, including the disclosures, and whether the financial results represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that individually or in aggregate makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

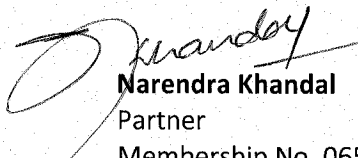
We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matters:

- (i) The Financial Results include the results for the quarter ended March 31, 2022, and corresponding quarter ended of the previous year being the balancing figure between audited figures in respect of full financial year and the published unaudited year to date figures up to the third quarter of the current and previous financial year which were subject to limited review by us and the predecessor auditor respectively.
- (ii) The financial statements of the Company for the year ended 31st March, 2021, were audited by the predecessor auditor; whose report dated 1st July, 2021 expressed a modified opinion on those statements.
- (iii) We draw your attention to note no 2 to 7 of the financial results which describes the implementation of the resolution plan pursuant to approval by National Company Law Tribunal and the resultant impacts of the same on the financial results for the quarter and year ended March 31, 2022.

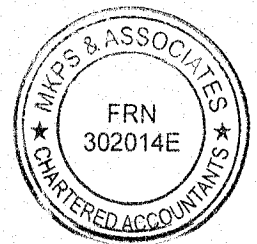
Our opinion is not modified in respect of the matters specified in "Other Matters" paragraph above.

For **MKPS & Associates**
Chartered Accountants
Firm registration No. -302014E


Narendra Khandal
Partner

Membership No. 065025
UDIN: 22065025AJXBAH5630

Place: Mumbai
Date: May 30, 2022



RAJ RAYON INDUSTRIES LIMITED
STATEMENT OF AUDITED FINANCIAL RESULTS FOR THE QUARTER/YEAR ENDED MARCH 31, 2022
Registered office: Survey No. 177/1/3, Village - Suranji, Dist - Silvassa, Dadra & Nagar Haveli (UT) - 396 230.
CIN No. L17120DN1993PLC000368

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

Particulars	Quarter Ended			Year Ended	
	31st March, 2022	31st December, 2021	31st March, 2021	31st March, 2022	31st March, 2021
	(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
1 INCOME					
(a) Revenue from Operations	-	5.50	-	5.50	-
(b) Other Income	-	-	-	0.04	95.61
TOTAL INCOME	-	5.50	-	5.54	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	4.28	1.31	-	5.59	-
(e) Finance Cost	0.30	0.02	-	0.32	-
(f) Depreciation And Amortisation Expense (Refer Note 6)	371.42	689.15	887.53	2,798.91	3,550.36
(g) Other Expenses	48.08	183.66	3.99	236.48	23.07
TOTAL EXPENSES	424.08	874.14	891.52	3,041.30	3,573.43
3 PROFIT BEFORE EXCEPTIONAL ITEMS AND TAX (1-2)	(424.08)	(868.64)	(891.52)	(3,035.76)	(3,477.82)
4 Exceptional Items (Refer Note 5)	(1,026.64)	68,139.76	-	67,113.12	-
5 PROFIT BEFORE TAX (3-4)	(1,450.72)	67,271.12	(891.52)	64,077.36	(3,477.82)
6 TAX EXPENSE					
Current Tax	-	-	-	-	-
Deferred Tax	-	-	-	-	-
TOTAL TAX EXPENSE	-	-	-	-	-
7 PROFIT AFTER TAX (5-6)	(1,450.72)	67,271.12	(891.52)	64,077.36	(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)	(1,450.72)	67,271.12	(891.52)	64,077.36	(3,477.82)
10 Paid-up Equity Share Capital (Face Value of Re. 1/- each)	22.82	3,464.54	3,464.54	22.82	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)	(63.56)	19.42	(0.26)	2,807.34	(1.00)
Diluted (in Rs.) (Not annualised)	(63.56)	19.42	(0.26)	2,807.34	(1.00)

See accompanying notes to the financial results



RAJ RAYON INDUSTRIES LIMITED
Statement of Assets and Liabilities as at 31st March, 2022

(Rs. in Lakhs unless otherwise stated)

Particulars	As at 31st March, 2022	As at 31st March, 2021
	(Audited)	(Audited)
ASSETS		
Non-Current Assets		
Property, Plant and Equipment	8,868.07	12,568.24
Capital work-in-progress	581.35	-
Financial Assets		
Investments	-	10.02
Other Financial Assets	0.30	777.11
Other Non-Current Assets	370.03	268.51
Total Non current assets	9,819.75	13,623.88
Current Assets		
Inventories	-	60.38
Financial Assets		
Trade Receivables	0.05	1,477.89
Cash And Cash Equivalents	9.00	5.86
Other Balances with Banks	1.21	1.21
Other Financial Assets	-	1.72
Other Current Assets	404.12	362.35
Total Current Assets	414.38	1,909.41
Total Assets	10,234.13	15,533.29
Equity and Liabilities		
EQUITY		
Equity Share Capital	22.83	3,464.54
Other Equity	3,495.43	(64,023.65)
Total Equity	3,518.26	(60,559.11)
Share Application Money pending Allotment	6,504.49	-
LIABILITIES		
Non-Current Liabilities		
Financial Liabilities		
Borrowings	-	2,400.00
Total Non Current Liabilities	-	2,400.00
Current Liabilities		
Financial Liabilities		
Borrowings	-	68,538.72
Trade Payables		
Total Outstanding Dues of Micro Enterprises and Small Enterprises	-	-
Total Outstanding Dues of Creditors other than Micro Enterprises And Small Enterprises	16.88	85.82
Other Financial Liabilities	190.31	5,067.51
Other Current Liabilities	4.19	-
Provisions	-	0.35
Total Current Liabilities	211.38	73,692.40
Total Liabilities	10,234.13	15,533.29

See accompanying notes to the financial results



RAJ RAYON INDUSTRIES LIMITED
Statement Of Cash Flows for the year ended 31st March, 2022

(Rs. in Lakhs unless otherwise stated)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
(A) CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit / (Loss) before Tax and Extraordinary Items	64,077.36	(3,477.82)
Adjustment for:		
Depreciation	2,798.91	3,550.36
Provision for Bad & Doubtful Debts	-	-
Exceptional Item	(67,113.12)	-
Interest / Other Income	(0.04)	(3.17)
Operating Profit Before Working Capital Changes	(236.89)	69.37
Adjustment For:		
Trade Receivables	(0.05)	11.58
Other Receivables, Loans & Advances (Current / Non Current)	(467.90)	14.25
Trade Payables	16.88	(1.11)
Other Payables, Provisions (Current / Non Current)	194.51	(92.18)
Cash Used in Operations	(493.45)	1.91
Direct Taxes Paid	-	-
Cash Flow Before Extraordinary Items	(493.45)	1.91
Extraordinary Items	-	-
NET CASH FLOW USED IN OPERATING ACTIVITIES	(493.45)	1.91
(B) CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(581.35)	-
Interest / Other Income	0.04	-
NET CASH FLOWS FROM INVESTING ACTIVITIES	(581.31)	-
(C) CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of Long Term Borrowings	(5,326.59)	-
Share Application Money pending Allotment	6,404.49	-
Change in Working Capital Borrowing from Banks	-	3.17
NET CASH USED IN FINANCING ACTIVITIES	1,077.90	3.17
NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	3.14	5.08
Effect Of Foreign Exchange On Cash And Cash Equivalent	-	-
Opening Balance of Cash and Cash Equivalents	5.86	0.78
Closing Balance of Cash and Cash Equivalents	9.00	5.86

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'



Notes to Financial Results

1	<p>a. The above audited results have been audited and recommended by the Audit Committee and approved by board of directors in their meetings held on May 30, 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 audit 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 opinion.</p>																				
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 '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	The settlement of lenders under Consortium Lending Arrangement was to be done by repayment of Rs. 53 Crore and conversion of debt of Rs 1 crore to Compulsory Convertible Preference Shares ('CCPS') in accordance with the NCLT order. Repayment of Rs. 53 Crore has been made to the Lenders under Consortium and CCPS has been issued to the Financial Creditors.																				
4	In accordance with the Approved Resolution Plan, the Company has cancelled the shares of the erstwhile promoters and promoter group shareholders and has also reduced shares of the public shareholders to 1 share of Re. 1 each for every 100 shares held. The Capital Reduction was approved by Central Depository Services (India) Limited and National Securities Depository Limited. The Capital Reduction has been fully completed on January 18, 2022.																				
5	Exceptional Items on account of gains recognised in accordance with the approved resolution plan comprises of :-																				
	<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>(2,841.78)</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>67,113.12</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	(2,841.78)	Investments Written Off	(10.02)	Write off Fixed Assets (Net of Accumulated Depreciation)	(901.26)	Total Exceptional Items	67,113.12
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Total Exceptional Items	67,113.12																				
6	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.																				
7	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 and the original title documents of the properties have 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.																				
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: May 30, 2022