

**RAJ RAYON INDUSTRIES LIMITED**

Regd. Office: Survey No. 177/1/3, Village – Surangi, Dist –Silvassa, Dadra &amp; Nagar Haveli (UT) – 396 230

Tel: 91-7977290784, e-mail: investors@rajrayon.com, website: www.rajrayon.com

CIN No. L17120DN1993PLC000368

**STATEMENT OF UN-AUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER ENDED: 30TH JUNE 2019**

(Rs. in Lakhs)					
Sr.No.	Particulars	Quarter ended 30-06-2019 (Unaudited)	Quarter ended 31-03-2019 (Audited)	Quarter ended 30-06-2018 (Unaudited)	Year ended 31-03-2019 (Audited)
<b>1</b>	<b>Income</b>				
	(a) Revenue from Operations	-	-	1,815.99	1,815.99
	(b) Other Income	0.35	20.35	3.25	25.98
	<b>Total income</b>	<b>0.35</b>	<b>20.35</b>	<b>1,819.24</b>	<b>1,841.97</b>
<b>2</b>	<b>Expenses</b>				
	(a) Cost of materials consumed	-	-	1,152.68	1,152.68
	(b) Purchases of stock-in-trade	-	-	-	-
	(c) Changes in inventories of finished goods, work-in-progress & stock in trade	-	-	464.78	464.78
	(e) Employee benefits expense	-	1.83	63.30	93.48
	(f) Finance Costs	-	0.49	0.16	1.61
	(g) Depreciation and amortisation expense	903.66	911.94	919.23	3,669.64
	(h) Other expenses	37.15	1,117.78	99.24	1,288.86
	<b>Total expenses</b>	<b>940.81</b>	<b>2,032.04</b>	<b>2,699.39</b>	<b>6,671.05</b>
<b>3</b>	<b>Profit(Loss) Before exceptional and extraordinary items and tax (1-2)</b>	<b>(940.46)</b>	<b>(2,011.69)</b>	<b>(880.15)</b>	<b>(4,829.08)</b>
<b>4</b>	Exceptional Items / Extraordinary items		-	-	-
<b>5</b>	<b>Profit/(Loss) before tax (3-4)</b>	<b>(940.46)</b>	<b>(2,011.69)</b>	<b>(880.15)</b>	<b>(4,829.08)</b>
<b>6</b>	<b>Tax Expenses</b>				
	(i) Current Tax	-	-	-	-
	(ii) Deferred Tax	-	-	-	-
<b>7</b>	<b>Profit/(Loss) for the period (5-6)</b>	<b>(940.46)</b>	<b>(2,011.69)</b>	<b>(880.15)</b>	<b>(4,829.08)</b>
<b>8</b>	<b>Other Comprehensive Income net of taxes</b>				
	a) Items that will not be reclassified to profit or loss	-	-	-	-
	b) Items that will be reclassified to profit or loss	-	-	3.20	3.20
<b>9</b>	<b>Total Comprehensive Income (8+9)</b>	<b>(940.46)</b>	<b>(2,011.69)</b>	<b>(876.95)</b>	<b>(4,825.88)</b>
<b>10</b>	<b>Paid-up Equity Share Capital (Face Value of Rs. 1/- each)</b>	<b>3,464.54</b>	<b>3,464.54</b>	<b>3,464.54</b>	<b>3,464.54</b>
<b>11</b>	Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year				(57,154.71)
<b>12</b>	<b>(i) Earning Per Share</b>				
	- Basic	-0.27	-0.58	-0.25	-1.39
	- Diluted	-0.27	-0.58	-0.25	-1.39

**Notes:**

1. The above Un-audited financial results for the quarter ended 30th June, 2019 have been reviewed by Audit Committee and approved by the Board of Directors at their meeting held on 13th August, 2019.
2. In view of the heavy Losses & uncertainty of profits, no provision was made for Deferred Tax Assets.
3. State Bank of India (Lead Banker under Consortium advance) and its network bank have written off a sum of Rs. 313.04 Crores till the period ended 31st March 2019 in their books of account. However, the Company has continued to classify the same under the respective loan liabilities and has not written off in the books of accounts.
4. The Company's bank accounts have been classified as Non Performing Asset (NPA) by the lenders under consortium advance. The Lenders have not charged any interest during April 2019 - June 2019. The Company has not made any provision for Interest on Bank Borrowings and accordingly the loss & finance cost for the quarter ended 30th June, 2019 are understated approximately by Rs. 3,262.89 Lakhs. Further in view of the same, no provision was made for Interest subsidy under TUFs.
5. The Company has adopted Ind AS 116 'Lease', effective 1 April 2019, as notified by Ministry of Corporate Affairs ('MCA') in the Companies (Indian Accounting Standard) amendment Rules, 2019 using modified retrospective approach. The adopting of this standard did not have any material impact on the profit for the quarter ended 30 June 2019.
6. One operational creditor (Khanna & Khanna Ltd.) has gone into Corporate Insolvency Resolution Process (CIRP) under the provisions of Insolvency & Bankruptcy Code, 2016 (Insolvency Code) in terms of order dated 29 May 2019 passed by Hon'ble NCLT, Ahmedabad Bench. However, the same stands withdrawn dated 28 June 2019 due to mutual consent. Further the that State Bank of India has filed the petition with NCLT Ahmedabad under section 7 of the Insolvency and Bankruptcy Code and interim order was passed on 30/7/2019, wherein two weeks' time were granted to serve the reply. The next date will be on 30th August, 2019.
7. The management has prepared the Company's financial statements on a going concern basis notwithstanding the fact that the company has incurred net loss of Rs. 940.46 Lakhs during the quarter ended 30th June 2019 and have accumulated losses of Rs. 65,840.37 Lakhs as on that date. As of this date, the company's total liabilities exceed its total assets and its networth has been fully eroded. The financial performance of the Company had deteriorated substantially. The Company continue to deal with a range of uncertainties and presently not able to service its debts.
8. The Limited review of Un-audited financial results for the quarter ended 30th June, 2019 as required in terms of Clause 33 of the SEBI (Listing Obligation and Disclosure Requirements) regulations has been carried out by statutory auditors.
9. State Bank of India (lead banker) acting as a leader of Consortium lenders (Banks), pursuant to provisions of Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002, has taken over the possession of the properties mortgaged with State Bank of India, description of the properties taken over by the Bank is given in the possession notice dated 31-07-2018 published in Free Press Journal Newspaper.
10. Amounts for the quarter ended 31 March 2019 is the balancing amount between audited amounts for the full financial year and the published year to date amounts upto third quarter of the financial year, which was subjected to limited review.
11. The company is primarily engaged in a single business segment of Manufacturing & Marketing of Textiles Yarns.
12. The previous period figures have been regrouped / rearranged wherever necessary.

By order of the Board



Place : Mumbai

Date : 13th August, 2019

Rajkumari Kanodia

Non Executive Chairperson &amp; Director