



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: March 7,2020

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 24th February, 2020

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 February 24, 2020 has inter- alia approved and taken on record the un-audited Financial Results of the Company for the Third quarter ended December 31, 2019, 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, 2019 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 4.30 p.m. and concluded at 5.40.p.m.

Kindly take the above information on your record and acknowledge.

Thanking you,

Yours faithfully,

For RAJ RAYON INDUSTRIES LIMITED

Kanodia 59

(SUSHIL KUMAR KANODIA)
CEO CFO



RAJ RAYON INDUSTRIES LIMITED

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


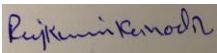

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STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER ENDED AND NINE MONTHS ENDED: 31st DECEMBER, 2019

Sr.No.	Particulars	(Rs. in Lakhs)					
		Quarter ended 31-12-2019 (Unaudited)	Quarter ended 30-09-2019 (Unaudited)	Quarter ended 31-12-2018 (Unaudited)	Nine Months ended 30th Dec. 2019 (Unaudited)	Nine Months ended 30th Dec, 2018 (Unaudited)	Year ended 31-03-2019 (Audited)
1	Income						
	(a) Revenue from Operations	-	-	-	-	1,815.99	1,815.99
	(b) Other Income	340.26	-	0.14	340.61	5.63	25.98
	Total income	340.26	-	0.14	340.61	1,821.62	1,841.97
2	Expenses						
	(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	-	-	7.61	-	91.65	93.48
	(f) Finance Costs	-	-	0.48	-	1.12	1.61
	(g) Depreciation and amortisation expense	901.62	903.67	919.23	2,708.95	2,757.70	3,669.64
	(h) Other expenses	50.88	32.62	27.66	120.65	171.08	1,288.86
	Total expenses	952.50	936.29	954.98	2,829.60	4,639.01	6,671.05
3	Profit(Loss) before exceptional and extraordinary items and tax (1-2)	(612.24)	(936.29)	(954.84)	(2,488.99)	(2,817.39)	(4,829.08)
4	Exceptional items / Extraordinary items						
5	Profit/(Loss) before tax (3-4)	(612.24)	(936.29)	(954.84)	(2,488.99)	(2,817.39)	(4,829.08)
6	Tax Expenses						
	(i) Current Tax	-	-	-	-	-	-
	(ii) Deferred Tax	-	-	-	-	-	-
7	Profit/(Loss) for the period(5-6)	(612.24)	(936.29)	(954.84)	(2,488.99)	(2,817.39)	(4,829.08)
8	Other Comprehensive Income net of taxes						
	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
9	Total Comprehensive Income (8+9)	(612.24)	(936.29)	(954.84)	(2,488.99)	(2,814.19)	(4,825.88)
10	Paid-up Equity Share Capital (Face Value of Rs. 1/- each)	3,464.54	3,464.54	3,464.54	3,464.54	3,464.54	3,464.54
11	Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year						(57,154.71)
12	(i) Earning Per Share						
	- Basic	(0.18)	(0.27)	(0.28)	(0.72)	(0.81)	(1.39)
	- Diluted	(0.18)	(0.27)	(0.28)	(0.72)	(0.81)	(1.39)

Sr. No	Notes:
1	The above Financial Results were reviewed by the Audit Committee and the Board of Directors at its meeting held on 24th February, 2020.
2	An application was filed against Raj Rayon Industries Limited under Section 10 of Insolvency and Bankruptcy Code, 2016 read with Rule 7 of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016 before the Hon'ble NCLT Ahmedabad with a prayer to commence the Corporate Insolvency Resolution Process (CIRP) in respect of itself. The said application for initiation of Corporate Insolvency Resolution Process (CIRP), which was registered as C.P. (IB) No. 350/NCLT/AHM/2019, has been admitted by Hon'ble National Company Law Tribunal (NCLT), Ahmedabad Bench, Ahmedabad (Hon'ble NCLT/Hon'ble Adjudicating Authority) vide its order dated 23/01/2020. Under the IBC proceedings, the power of the Board were suspended with effect from 23/01/2020. The NCLT order also provided for a moratorium with effect from 23/01/2020 till the completion of the Corporate Insolvency Resolution process (CIRP) or until it approves the resolution plan under section 1(1) or passes an order for liquidation of the company under section 33, whichever is earlier. Currently, the CIRP process in respect of the company is in progress.
3	The Un-audited Financial Results of the company for the quarter ended 31/12/2019 were placed at the meeting of the Directors of Raj Rayon Limited on its Board (Powers suspended), Auditors and Finance & Accounts-Head held on 24th February, 2020. Accordingly, the said Financial Results of the company have been approved by the Managing Director of the company at the said meeting.
4	In view of the heavy Losses & uncertainty of profits, no provision was made for Deferred Tax Assets.
5	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 back in the books of accounts.
6	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 October 2019 to December, 2019. The Company has not made any provision for Interest on Bank Borrowings and accordingly the loss & finance cost for the current quarter ended 31st December, 2019 are understated approximately by Rs. 3,262.37 Lakhs. Further in view of the same, no provision was made for Interest subsidy under TUFs.
7	The Company's account stands exited from CDR Mechanism.
8	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. 612.24 Lakhs during the current quarter ended 31st December 2019. As of this date, the company's total liabilities exceed its total assets and its net worth 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.
9	The Limited Review of Un-Audited Financial Results for the quarter and nine month ended 31st December, 2019 as required in terms of Clause 33 of the SEBI (Listing Obligation and Disclosure Requirements) regulations has been carried out by statutory auditors.
10	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.
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.

Place: Mumbai Date: 24th February, 2020		For Raj Rayon Industries Limited (under CIRP)	For Raj Rayon Industries Limited (under CIRP)	For Raj Rayon Industries Limited (under CIRP)
				
	Rajkumari Kanodia Non Executive Chairperson & Director	Mayadhar Mahakud Managing Director	Sushilkumar Kanodia Chief Financial Officer	

