

CLC INDUSTRIES LIMITED

(Formerly known as Spentex Industries Limited)

Manufacturer of Yarns



May 30, 2019

<p>To,</p> <p>Listing Department BSE Limited 25th Floor, P J Towers, Dalal Street Mumbai 400 001</p> <p>Stock Code. 521082</p>	<p>To,</p> <p>Manager – Listing Compliances National Stock Exchange Of India Ltd. Exchange Plaza Bandra Kurla Complex Bandra (E), Mumbai-400051</p> <p>Stock Code: SPENTEX</p>
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Dear Sir/Madam,

Sub: Audited Financial Results for the financial year ended 31st March, 2019

This is to inform you that the Board of Directors of the Company at their meeting held today *i.e.* on 30th May, 2019 has, *interalia*, considered and approved the Standalone as well as Consolidated Audited Financial Results for the year ended 31st March, 2019.

In terms of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith the following:

- Audited Standalone and Consolidated Financial Results for the financial year ended 31st March, 2019 along with Independent Auditor's report thereon;
- Audited Standalone and Consolidated Statement of Assets & Liabilities as on 31st March, 2019;
- Statement on Impact of Audit Qualifications on financial results (Standalone & Consolidated).

The aforesaid results are also being disseminated on Company's website at www.clcindia.com

We request you to take the same on record.

Yours truly,

For CLC Industries Limited

(Formerly known as Spentex Industries Limited)


Company Secretary

Bharat Kapoor
Company Secretary & Compliance Officer

Encl: As Above

Independent Auditor's Report on Quarterly and year end Standalone 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

CLC Industries Limited (Formerly Known as Spentex Industries Limited)

A-60, Okhla Industrial Area, Phase-II

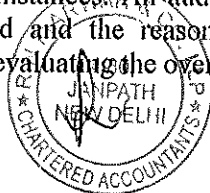
New Delhi-110020

1. We have audited the accompanying statement of standalone financial results ("The Statement") of **CLC Industries Limited (Formerly Known as Spentex Industries Limited)** ("The Company") for the quarter and year ended March 31, 2019 pursuant to the requirement of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by SEBI circular no. CIR/CFD/FAC/62/2016 dated 5th July 2016.

These quarterly financial results as well as the year to date financial results have been prepared on the basis of the annual financial statements, which are the responsibility of the company's management. Our responsibility is to express an opinion on these financial results based on our audit of such financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder as applicable and other accounting principles generally accepted in India. Our responsibility is to express an opinion on the Statement based on our audit of such financial statements.

2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Statement. The procedures selected depend on the auditor's judgment, including assessment of the risks of material misstatement of the Statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the Statement in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the management, as well as evaluating the overall presentation of the Statement.



LLP ID No.: AAC-5662

Branch Office :

613, Suncity Business Tower, Golf Course Road, Gurgaon-122002
813, Oxford Towers, 139, Airport Road, Bangalore-560 008

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our qualified audit opinion.

3. Basis of Qualified Opinion

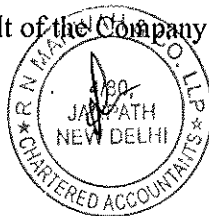
- a. The Company has not charged to statement of Profit and loss interest expense of Rs.1402.87lakhs for the quarter and Rs. 19245.01 lakhs up to previous quarter(31st December,2018) respectively, and related penal interest and other charges if any in respect of delay in repayment of borrowings from banks. The Company has also not charged to statement of Profit and loss an interest Expense of Rs.5691.50 lakhs for the year. Therefore, we are unable to comment on the adequacy of interest and other charges provided for in the statement of Profit & Loss. Refer Note no 9 to the standalone financial results for the quarter ended March 31, 2019.

We further report that, had the observation made by us in paragraphs (a) is considered, the loss before tax for the year ended March 31, 2019,would have been Rs.7811.17 lakhs as against the reported figure of Rs.2119.67 lakhs and Interest Accrued and due on Borrowing understated by Rs.5691.50 Lakhs.

4. Material Uncertainty Related to Going Concern

We draw attention to Note 5 of the standalone financial results, which indicates that the Company's net worth has been eroded as on March 31, 2019.As per SA 570, These events or conditions, along with other matters indicate that a material uncertainty exists that may cast significant doubt on the company's ability to continue as a going concern. Majority of Indian lenders have categorized borrowings of the company as Non Performing Asset(NPA) and have sent recall notices u/s 132(2) of Securitization and Reconstruction of Financial Assets and Enforcement of security Interest Act(SARFAESI),2002 to the Company and some of the lenders have filled application for recovery of its dues before Debt Recovery Tribunal(DRT). In Case the going concern concept is vitiated, necessary adjustment will be required in Carrying amount of assets and liabilities which are not ascertainable. Loan from State Bank of India and Indian bank has been assigned to Asset Reconstruction Company Private Limited under the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest (SARFESI) Act,2002.

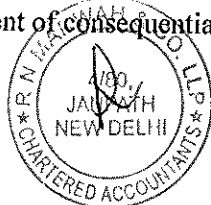
However, the financial result of the Company has been prepared on the basis of the reasons stated in the above notes.



5. Emphasis of Matter

Without qualifying our limited review report, we draw attention to:

- a) Refer note No. 4 of the Standalone financial results for the quarter and year ended March 31, 2019, In the Financial year 2017-18 'Expenses of Exceptional nature' comprise the company has made a provision for value of long term investments amounting to Rs.2,044.70 lakhs in Amit Spinning Industries Limited (ASIL), Subsidiary of the Company and written off recoverable amounting of Rs.7557.94 lakhs due from above subsidiary. During the year the ASIL moved to National Company Law Tribunal (NCLT) for resolution of its liabilities. Further, NCLT vide order dated 01.08.2017 has admitted the ASIL's petition and had appointed Resolution Professional for ASIL keeping in view of ongoing proceedings of ASIL in National Company Law Tribunal under Insolvency and Bankruptcy code. The NCLT vide its order dated 31st July 2018, had approved the resolution plan as submitted by Resolution Applicants for ASIL, the company was required to transfer its entire shareholding held in ASIL at a total consideration of Rs. One Only in favour of Resolution Applicants as stipulated in Sanctioned Resolution plan. The Company was holding 2,09,81,077 equity shares (50.96%) in ASIL and company is in process to comply with the Resolution plan. Further we are unable to determine the amount of liability that may arise on account of Corporate Guarantee given on behalf of subsidiary, and compliance of IND-AS 109 in respect to accounting of corporate guarantee. Further provision made for inventory carrying cost of Rs. 2601.28 lakhs for which reconciliation with the parties are pending.
- b) Note no.6 to the standalone financial results for the quarter ended March 31, 2019, Amount Receivable from Government Authorities aggregating to Rs.496.79 lakhs are pending from more than 3 years where payments are not forthcoming. The Management is of the view that ultimately there would be no losses against these outstanding balances and hence no provision is considered necessary at this stage.
- c) Note no. 7 to the standalone financial results for the quarter ended March 31, 2019, Goods and Service Tax Return of March Month was not filed by Head Office due to Liquidity Crunch and there was a Difference of Rs.142.36 lakhs between Goods and Service Tax Credit Ledger and Goods and Service Tax Receivable as appearing in books as at 31st March, 2019.
- d) Note no. 8 to the standalone financial results for the quarter ended March 31, 2019, wherein the Company has not allotted shares against share application money of Rs.1109.50 lakhs which was brought in by the promoters in more than one installment under the restructuring scheme approved by the Bankers of the Company. However, the Company has not complied with the provision of Section 42 of the Companies Act, 2013 for the reason stated in the said note. Share application money pending allotment amounting to Rs.1109.50 is been treated as Deposit as per deposit rules 2014 of Companies act, 2013 in Board meeting held on 13th February, 2019 vide resolution no.19(ii). Necessary approvals/procedures from respective authorities/MCA and adjustment of consequential impact if any are still pending.



- e) Note no.10 to the standalone financial results for the quarter ended March 31, 2019, regarding balances of parties under the head trade receivable, trade payable and loans & advances, Borrowings from Banks/ NBFC, balances with current accounts of Banks which are subject to confirmation, reconciliation and consequential adjustments if any. Loan Balances of State Bank of India and Indian Banks has assigned to Asset Reconstruction Company Private Limited under the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest (SARFESI) Act,2002. Confirmation from Asset Reconstruction Company Private limited is not received yet.
- f) Note No. 14 the Company is Required to deposit/invest a sum of at least 15% of the amount of its debentures maturing during the financial year 2017-18 in one or more of the prescribed methods vide circular no.04/2013 dated February 11,2013 issued by Ministry of Corporate Affairs .However, the Company has not complied with the requirement of the said circular.
- g) Note no.11 Due to working capital crunch, Baramati plant was shut down since September '2017. Management of the company is confident of restarting the unit within current financial year once financial restructuring is carried out by lenders and additional working capital is raised.
- h) Depreciation amounting to Rs. 18.90 lakhs is under booked for the year ended 31st March,2019 as compared to the Depreciation which was required to be booked in Financial statements as per Schedule II of Companies Act,2013, Results for the quarter and year ended are understated to that extent.

Our opinion is not modified in this matter

6. Qualified Opinion

In our opinion and to the best of our information and according to the explanation given to us, *except for the effects of the matter described in the basis of qualification opinion paragraph*, the statement;

- a. is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in this regard as modified by Circular No. Cir/CFD/FAC/62/2016 dated July 5, 2016; and
- b. gives a true and fair view in conformity with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India of the net profit for the quarter and net loss for the year and "Other comprehensive income" and other financial information of the Company for the quarter and year ended March 31, 2019.



R.N. MARWAH & CO. LLP

CHARTERED ACCOUNTANTS

7. The Statement includes the results for the quarter ended March 31, 2019, being the balancing figure between audited figures in respect of full financial year and the published year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

For RN Marwah & Co. LLP

Chartered Accountants

Firm Registration No: 001211/N/500019

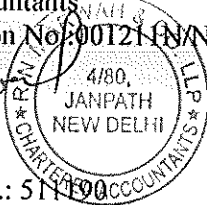

(Sunil Narwal)

Partner

Membership No.: 511190

Place: New Delhi

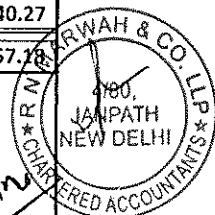
Date: May 30, 2019



CLC Industries Limited (Formerly known as Spentex Industries Limited)			
Regd. Off: A-60, OKHLA INDUSTRIAL AREA, PHASE - II, NEW DELHI - 110020. CIN : L74899DL1991PLC138153; Email : secretarial@clcindia.com			
Standalone Statement of Assets and Liabilities (₹ in Lakhs)			
	Particulars	As at March 31,2019	As at March 31,2018
	ASSETS		
1	Non-current assets		
	(a) Property, plant and equipment	15,271.69	16,275.64
	(b) Capital work-in-progress	15.99	0.04
	(d) Financial Assets		
	(i) Investments	0.49	0.51
	(ii) Loans	478.41	956.84
	(iii) Others	122.84	199.25
	(e) Deferred tax assets (net)	-	-
	(f) Other non-current assets	47.73	-
	Total Non current assets (A)	15,937.15	17,432.28
2	Current assets		
	(a) Inventories	550.90	2,355.44
	(b) Financial Assets		
	(i) Trade receivables	576.42	958.84
	(ii) Cash and cash equivalents	700.08	197.36
	(iii) Bank balances other than (ii) above	6.92	7.12
	(iv) Loans	136.94	58.07
	(v) Others	5,629.19	1,607.15
	(c) Current Tax Assets (Net)	122.99	74.66
	(d) Other current assets	1,319.38	2,563.39
	Total current assets (B)	9,042.82	7,822.03
	Non-current assets classified as held for sale	27.32	102.86
	Total current assets (C)	27.32	102.86
	Total (A+B+C)	25,007.29	25,357.18
	EQUITY AND LIABILITIES		
	Equity		
	(a) Equity Share capital	8,977.20	8,977.20
	(b) Other Equity	(55,955.19)	(52,711.38)
	Total Equity (A)	(46,977.99)	(43,734.17)
	LIABILITIES		
1	Non-current liabilities		
	(a) Financial Liabilities		
	(i) Borrowings	-	3,117.00
	(ii) Other financial liabilities	-	66.87
	(b) Provisions	1,351.23	1,267.21
	Total Non-current liabilities (B)	1,351.23	4,451.08
2	Current liabilities		
	(a) Financial Liabilities		
	(i) Borrowings	30,146.16	30,082.35
	(ii) Trade Payables	6,006.22	6,226.48
	(iii) Other financial liabilities	30,375.44	25,696.88
	(b) Other current liabilities	3,241.36	2,134.50
	(c) Provisions	864.88	500.05
	Total Current liabilities (C)	70,634.05	64,640.27
	Total Equity and Liabilities (A+B+C)	25,007.29	25,357.18

For & on behalf of the Board of Directors
CLC Industries Limited
(Formerly known as Spentex Industries Limited)

Mukund Choudhary
Managing Director
Place : New Delhi
Date : May 30, 2019



K. M. W. R. W. & CO. LLP

1.16.1539849

CLC Industries Limited

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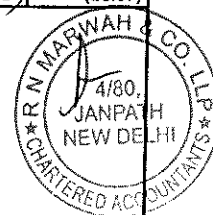
Standalone Statement of unaudited financial results for the quarter and year ended March 31, 2019

(all amount in Lakhs of INR, unless otherwise stated)

S.No.	Particulars	Quarter Ended			Year Ended	Year Ended
		31.03.2019	31.12.2018	31.03.2018	31.03.2019	31.03.2018
		Audited (Refer Note No 15)	Unaudited	Audited (Refer Note No 15)	Audited	Audited
	Income					
I	Revenue from operations	2,886.72	5,564.44	10,630.05	24,516.95	48,053.43
II	Other Income	4,125.50	208.85	965.37	4,634.57	1,217.44
III	Total Income (I+II)	7,012.22	5,773.29	11,595.42	29,151.52	49,270.87
IV	Expenses					
	Cost of raw material consumed	718.15	2,652.35	7,355.22	13,720.07	32,030.73
	Purchase of Stock in Trade	2.21	309.32	8.70	366.28	26.45
	Changes in inventories of finished goods, work-in-progress and Stock in Trade	359.25	269.97	363.46	1,313.80	2,246.97
	Excise Duty on sale	-	-	-	-	23.93
	Employee benefits expense	1,675.13	1,542.79	1,556.22	6,414.50	7,324.42
	Finance Costs	125.48	25.51	102.82	440.86	874.17
	Depreciation and amortization expense	249.00	243.71	270.16	1,001.58	1,055.46
	Other expenses	3,390.61	2,109.67	2,136.91	8,530.16	10,293.62
	Total expenses (IV)	6,519.83	7,153.32	11,793.49	31,787.25	53,875.75
V	Profit /(Loss) before exceptional Items and Tax (III-IV)	492.39	(1,380.03)	(198.07)	(2,635.73)	(4,604.88)
VI	Expenses of exceptional nature	-	-	2,601.18	-	32,203.82
VII	Income of exceptional nature	-	-	-	516.06	-
VII	Profit/(loss) before,extraordinary, and tax (V-VI)	492.39	(1,380.03)	(2,799.25)	(2,119.67)	(16,808.70)
VIII	Tax Expenses					
	(1) Current Tax	-	-	-	-	-
	(2) Mat Credit Entitlement Excess Provision Written Back	-	-	(44.13)	-	(44.13)
	(3) Deferred Tax	-	-	-	-	-
	Total Tax Expenses	-	-	(44.13)	-	(44.13)
IX	Profit /Loss for the period (VII-VIII)	492.39	(1,380.03)	(2,755.12)	(2,119.67)	(16,764.57)
X	Other comprehensive income					
A	Items that will be reclassified to profit or loss					
B	Items that will not be reclassified to profit or loss					
	Changes in fair value of FVTOCI equity Instruments	-	-	(0.02)	0.02	(0.11)
	Actuarial (gain)/loss on remeasurement of defined benefit plan	(159.76)	58.11	145.26	14.57	238.02
	Other comprehensive income for the period (net of tax)	(159.76)	58.11	145.24	14.59	237.91
XI	Total comprehensive income for the period (IX+X)	652.15	(1,438.14)	(2,900.36)	(2,134.26)	(17,002.48)
	Paid up Equity Share Capital Face value of Rs. 10 each (No. in Lakhs)	897.72	897.72	897.72	897.72	897.72
	Earnings per share (of INR 10 each):					
	(a) Basic	0.55	(1.54)	(3.07)	(2.36)	(18.67)
	(a) Diluted	0.55	(1.54)	(3.07)	(2.36)	(18.67)

For & on behalf of the Board of Directors
CLC Industries Limited
(Formerly known as Spentex Industries Limited)

Mukund Choudhary
Managing Director
Place : New Delhi
Date : May 30 ,2019



K. GADAN

CLC Industries Limited (Formerly known as Spentex Industries Limited)

Regd. Off : A-60, OKHLA INDUSTRIAL AREA, PHASE - II, NEW DELHI - 110020.

CIN : L74899DL1991PLC138153; Email : secretarial@clcindia.com

- 1 The above audited Standalone Financial Results of the Company for the quarter and year ended March 31, 2019 have been reviewed and recommended by the Audit Committee and approved by the Board of Directors of the Company at its meeting held on May 30, 2019. The financial results are prepared in accordance with the Indian Accounting Standard (Ind AS) as prescribed under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules 2015 (as amended).
- 2 The format for the quarterly results as prescribed in SEBI's Circular No. CIR/CFD/CMD/15/2015 dated 30th November 2015 has been modified to comply with the requirements of SEBI's Circular No. CIR/CFD/FAC/62/2016 dated 5th July, 2016, Ind AS and Schedule III to the Companies Act, 2013 applicable to the Company that is required to comply with Ind-AS.
- 3 In accordance with Ind AS 108 "Operating Segment" on Segment Reporting notified under the Companies (Accounting Standards) Rules, 2006 (as amended) in accordance with section 133 of the Companies Act, 2013, read with relevant rules issued thereunder, for standalone financials, the Company is in the business of Manufacture of Yarn and there is only single segment

(₹ in Lakhs)

Entity wise disclosure	Domestic	Overseas	Total
Revenue from operations			
Quarter ended on 31st March, 2019	2,666.14	220.58	2,886.72
Quarter ended on 31st March, 2018	9,076.50	1,553.55	10,630.05
Year ended on 31st March, 2019	20,518.56	3,998.38	24,516.95
Year ended on 31st March, 2018	44,831.74	3,221.69	48,053.43

- 4 In the FY 2017-18' Expenses of exceptional nature comprise 'the company has made a provision for value of long term investments amounting to Rs.2,044.70 lakhs in Amit Spinning Industries Limited(ASIL), Subsidiary of the Company and written off recoverable amounting of Rs. 7557.94 lakhs due from above subsidiary. During the FY 2017-18 the ASIL moved to National Company Law Tribunal (NCLT) for resolution of its liabilities. Further, NCLT vide order dated 01.08.2017 has admitted the ASIL's petition and had appointed Resolution Professional for ASIL keeping in view of ongoing proceedings of ASIL in National Company Law Tribunal under Insolvency and Bankruptcy code. The NCLT vide its order dated 31st July 2018, had approved the resolution plan as submitted by Resolution Applicants for ASIL, the company was required to transfer its entire shareholding held in ASIL at a total consideration of Rs. One only in favour of Resolution Applicants as stipulated in Sanctioned Resolution plan. The Company was holding 2,09,81,077 equity shares (50.96%) in ASIL and company is in process to comply with the Resolution plan. Further we are unable to determine the amount of liability that may arise on account of Corporate Guarantee given on behalf of subsidiary, and compliance of IND-AS 109 in respect to accounting of corporate guarantee.
Further provision made for inventory carrying cost of Rs. 2601.28 lakhs for which reconciliation with the parties are pending.
- 5 As on March 31, 2019, the accumulated losses of the Company had exceeded its net worth. The Quarterly and year ended results of the company has been prepared on going concern basis as the management believe that the accumulated losses would be wiped off and the profitability improved and the net worth will turn positive once financial restructuring is carried out by the lenders and requisite working capital is raised. Company is in advanced stages of this financial resolution and is quite hopeful that within the current financial year, the same will be carried out.
- 6 Amount receivable from Govt. Authorities aggregating to Rs. 496.79 lakhs are pending from more than three years where payments are not forthcoming. The company is making appropriate concerted efforts and expect to reduce the outstanding dues significantly. The management is of the view that ultimately there would be no losses against these outstanding balances and hence no provision is considered necessary at this stage.
- 7 Goods and Service Tax Return of Head office for the month of March not filled due to Liquidity Crunch and there is a difference of Rs.142.36 lakhs between Goods and Service Tax Credit Ledger and Goods and Service Tax Receivable as at March 31, 2019.

RAMADAN

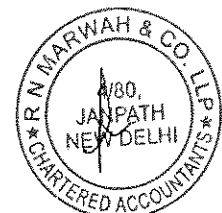


- 8 The Company has not allotted shares against amount of Rs. 1,109.50 lakhs which was brought in by the promoters in more than one instalments under restructuring scheme approved by the bankers of the company. Due to pending necessary approvals and directions for allotment of shares, the Company has not complied with the provisions of Section 42 of the Companies Act, 2013 . As per rule 2(1)(c)(viii) of Companies (Acceptance of Deposits) Rules, 2014, if shares are not allotted within 60 days from the date of receipts of Share Application money and application money is not refunded to the subscriber the same shall be treated as deposit. During the year board meeting dated February 13,2019, share application Money treaded as Deposit. Necessary approvals/procedures from respective authorities/MCA and adjustment of consequential impact if any are still pending .
- 9 The Company's accounts had become Non performing assets (NPA) with majority of the banks/NBFCs and due to this reason, the majority of lenders stopped charging interest from the company on their outstanding debts amount from the dates on which their accounts become NPA. In view of the above, the company has not charged to statement of profit and loss account interest expenses of Rs. 1,402.87 lakhs and related penal interest and other charges for the quarter, if any, in respect of delay in repayment of borrowings from the banks. Further, Liability for interest expenses of Rs. 19245.01 lakhs till December 31, 2018 has not been accounted for.
- 10 Management has not been able to obtain confirmation of balances from Loan Lenders and other debit & credit balances of Trade payables, Loans, advances & deposits. Loan from State Bank of India and Indian Bank has been assigned to Asset Reconstruction Company Private Limited under the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest (SARFESI) Act,2002. Confirmation from Asset Reconstruction Company Private limited is pending. Further no Balance Confirmation form current accounts of Bank Balances obtained during the year. In the absence of such confirmations, any provisions to be made for the adverse variation in the carrying amounts of these balances are not quantified, since quantum of claims and disputes, if any remains unascertained. The management, however, does not expect any material variations.
- 11 Due to working capital crunch, Baramati plant was shut down since September `2017. Management of the company is confident of restarting the unit within current financial year once financial restructuring is carried out by lenders and additional working capital is raised.
- 12 Revenue from operations for periods up to June 30, 2017 includes excise duty, which is discontinued effective from July 01, 2017 upon implementation of Goods and Service Tax (GST) in India. In accordance with 'Ind-AS 18, Revenue' GST is not included in revenue from operations. In view of the aforesaid restructuring of indirect taxes, revenue from operations for the quarter/year ended on March 31, 2019 are not comparable to the extent with the previous periods."
- 13 IND AS 115 "Revenue from Contracts with Customers", mandatory for reporting periods beginning on or after April 01, 2018, replaces existing revenue recognition standards. The application of IND AS 115 did not have any significant impact on recognition & measurement of revenue and related items in the financial results.
- 14 The company has applied to Securities & Exchange Board of India (SEBI) seeking exemption for maintaining at least 15% of the amount of its debenture maturing during the financial year 2017-18 vide circular no 04/2013 dated 11-Feb-2013 issued by Ministry of Corporate Affair, which is still awaited.
- 15 The figures for the quarter ended March 31, 2019 & March 31, 2018 are the balancing figures between the audited figures in respect of the full financial year and the published year to date figures up to the 3rd quarter of the current financial year and previous Financial Year, respectively.
- 16 Previous period figures have been regrouped / rearranged wherever necessary, to make them comparable.

For & on behalf of Board of Directors
pentex Industries Limited

Mukund Choudhary
Managing Director
DIN: 00051529
Place : New Delhi
Dated: May 30 , 2019

R. MADAN



Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with Annual Audited Standalone Financial Results

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2019 [See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]				
I.	Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications) (Rs. In Lakhs)	Adjusted figures (audited figures after adjusting for qualifications) (Rs. In Lakhs)
	1.	Total income/Turnover (Incl. Other Income)	29,151.52	29,151.52
	2.	Total Expenditure	31,787.25	37,478.75
	3.	Net Profit/(Loss)	(2,119.67)	(7,811.17)
	4.	Earning Per Share	(2.36)	(8.70)
	5.	Total Assets	25,007.29	25,007.29
	6.	Total Liabilities	71,985.28	77,676.78
	7.	Net Worth	(46,977.99)	(52,669.49)
	8.	Any other financial item(s) (as felt appropriate by the management)	-	-
II.	Audit Qualification (each audit qualification separately):			
	a. Details of Audit Qualification:			
	<p>1. The Company has not charged to statement of Profit and loss interest expense of Rs.1402.87 lakhs for the quarter and Rs. 19245.01 lakhs up to previous quarter (31st December,2018) respectively, and related penal interest and other charges if any in respect of delay in repayment of borrowings from banks. The Company has also not charged to statement of Profit and loss an interest Expense of Rs. 5691.50 lakhs for the year. Therefore, Auditor are unable to comment on the adequacy of interest and other charges provided for in the statement of Profit & Loss. Refer Note no 9 to the standalone financial results for the quarter ended March 31, 2019.</p>			
	b. Type of Audit Qualification: Qualified Opinion/Disclaimer of Opinion/Adverse Opinion			
	Qualified Opinion			
	c. Frequency of qualification: Whether appeared first time/repetitive/since how long continuing			
	Repetitive			
	d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:			
	<p>The Company's accounts had become Non performing assets (NPA) with banks and as per extant applicable guidelines, lenders have stopped charging interest. Further, company is in discussion with lenders for a comprehensive deep restructuring and the same is expected to be implemented in current financial year. In view of the above, the Company has not charged to statement of profit and loss account interest expenses and related other charges.</p>			

e. For Audit Qualification(s), where the impact is not quantified by the auditor:

(i) Management's estimation on the impact of audit qualification:
Not Applicable

(ii) If management is unable to estimate the impact, reason for the same:

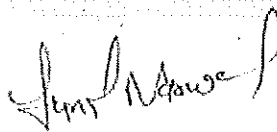
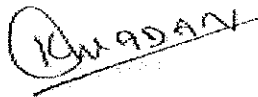
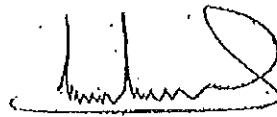
Not Applicable

(iii) Auditor's Comments on (i) and (ii) above:

Not Applicable

III. Signatories:

- Mukund Choudhary
Managing Director-cum-CEO
- Koushal Madan
Chief Financial Officer
- Kapoor Chand Garg
Audit Committee Chairman
- M/s R.N. Marwah & Co. LLP
Statutory Auditors



Place: New Delhi

Date: 30th May, 2019

Independent Auditor's Report on year end Consolidated 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

CLC Industries Limited(Formerly Known as Spentex Industries limited)

A-60, Okhla Industrial Area, Phase-II

New Delhi-110020

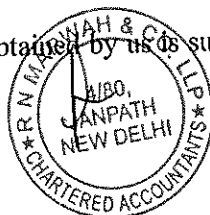
1. We have audited the accompanying statement of Consolidated financial results ("The Statement") of **CLC Industries Limited**(Formerly Known as Spentex Industries Limited)("The Holding Company") and its subsidiaries (the Holding Company and its Subsidiaries together referred to as "the Group" for the year ended March 31, 2019 being submitted by the Holding Company pursuant to the requirement of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by SEBI circular no. CIR/CFD/FAC/62/2016 dated 5th July 2016.

These financial results have been prepared on the basis of the annual financial statements, which are the responsibility of the company's management. Our responsibility is to express an opinion on these financial results based on our audit of such financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued there under as applicable and other accounting principles generally accepted in India.

2. We conducted our audit in accordance with the Standards on auditing issued by the Institute of Chartered Accountants of India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the Statement is free from material misstatement(s).

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Statement. The procedures selected depend on the auditor's judgment, including assessment of the risks of material misstatement of the Statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the Statement in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the management, as well as evaluating the overall presentation of the Statement.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our qualified audit opinion.



LLP ID No.: AAC-5662

Branch Office :

613, Suncity Business Tower, Golf Course Road, Gurgaon-122002
813, Oxford Towers, 139, Airport Road, Bangalore-560 008

3. Basis of Qualified Opinion

- a. The group has not considered the financial statements of a step down subsidiary Schoeller Lotvino k.s, in preparing the consolidated financial results for the reason stated therein. This is in contrary to the Ind-AS 110 "Consolidated Financial Statements" in respect of the section 133 of the Act. Further, we are unable to determine the extent of provision that may be required for diminution in the value of long term investment amounting to Rs. 2298.76 lakhs in and from above subsidiary. Refer note no.2 to the consolidated financial result for the year ended march 31, 2019.
- b. The Holding Company has not charged to statement of Profit and loss interest expense of Rs.1402.87 lakhs for the quarter and Rs. 19245.01 lakhs up to previous quarter(31st December,2018) respectively, and related penal interest and other charges if any in respect of delay in repayment of borrowings from banks. The Company has also not charged to statement of Profit and loss an interest Expense of Rs.5691.50 lakhs for the year. Therefore, we are unable to comment on the adequacy of interest and other charges provided for in the statement of Profit & Loss.

We further report that, without considering the impact of paragraphs (a), and (b) above the effect of which, could not be determined and had the observation made by us in paragraphs is considered, the loss before tax for the year ended March 31, 2019,would have been Rs.9328.80 lakhs as against the reported figure of Rs.3637.30 lakh and Interest Accrued and due on Borrowing understated by Rs.5691.50Lakhs.

4. Material Uncertainty Related to Going Concern

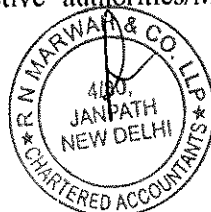
We draw attention to Note No.6 of the consolidated financial results, which indicates that the Group's net worth has deteriorated and as of March 31, 2019, the Group's current liabilities exceeded its total assets by Rs. 84100.24 Lakhs. As stated in said note, these events or conditions, along with other matters as set forth in said note, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.



5. Emphasis of Matter

Without qualifying our limited review report, we draw attention to:

- a) Refer note No.5 of the Consolidated financial results for the year ended March 31, 2019 wherein the company has made a provision for value of long term investments amounting to Rs.2,044.70 Lakhs in Amit Spinning Industries Limited, Subsidiary of the Company and written off recoverable amounting of Rs 7557.94 lakhs due from above subsidiary. During the year the ASIL moved to National Company Law Tribunal (NCLT) for resolution of its liabilities. Further, NCLT vide order dated 01.08.2017 has admitted the ASIL's petition and had appointed Resolution Professional for ASIL keeping in view of ongoing proceedings of ASIL in National Company Law Tribunal under Insolvency and Bankruptcy code. The NCLT vide its order dated 31st July 2018, had approved the resolution plan as submitted by Resolution Applicants for ASIL, the company was required to transfer its entire shareholding held in ASIL at a total consideration of Rs.One Only in favour of Resolution Applicants as stipulated in Sanctioned Resolution plan. The Company was holding 2,09,81,077 equity shares (50.96%) in ASIL and company is in process to comply with the Resolution plan. Further we are unable to determine the amount of liability that may arise on account of Corporate Guarantee given on behalf of subsidiary, and compliance of IND-AS 109 in respect to accounting of corporate guarantee. Further provision made for inventory carrying cost of Rs. 2601.28 lakhs for which reconciliation with the parties are pending.
- b) Refer Note no.7 to the Consolidated financial results for the Quarter ended March 31, 2019, Amount Receivable from Government Authorities of Holding Company aggregating to Rs.496.79 lakhs are pending from more than 3 years where payments are not forthcoming. The Management is of the view that ultimately there would be no losses against these outstanding balances and hence no provision is considered necessary at this stage.
- c) Refer Note no.8 to the Consolidated financial results for the quarter ended March 31, 2019, Goods and Service Tax Return of March Month was not filed by Holding Company due to Liquidity Crunch and there was a Difference of Rs.142.36 lakhs between Goods and Service Tax Credit Ledger and Goods and Service Tax Receivable as appearing in books as at 31st March,2019.
- d) Refer Note no.9 to the consolidated financial results for the year ended March 31, 2018, wherein the Holding Company has not allotted shares against share application money of Rs.1109.50 lakhs which was brought in by the promoters in more than one installment under the restructuring scheme approved by the Bankers of the Company. However, the Holding Company has not complied with the provision of Section 42 of the Companies Act, 2013 for the reason stated in the said note. Share application money pending allotment amounting to Rs.1109.50 is been treated as Deposit as per deposit rules 2014 of Companies act,2013 in Board meeting held on 13th Febraury,2019 vide resolution no.19(ii).Necessary approvals/procedures from respective authorities/MCA and adjustment of consequential impact if any are still pending.



R.N. MARWAH & CO. LLP
CHARTERED ACCOUNTANTS

- e) Refer Note no.11 to the Consolidated financial results for the quarter ended March 31, 2019, regarding balances of parties under the head trade receivable, trade payable and loans & advances, Borrowings from Banks/ NBFC, balances with current accounts of Banks which are subject to confirmation, reconciliation and consequential adjustments if any. Loan Balances of State Bank of India and Indian Banks has assigned to Asset Reconstruction Company Private Limited under the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest (SARFESI) Act,2002.Confirmation from Asset Reconstruction Company Private limited is not received yet.
- f) Refer Note no.15 to the Consolidated financial results for the quarter ended March 31, 2019 The Holding Company is Required to deposit/invest a sum of at least 15% of the amount of its debentures maturing during the financial year 2017-18 in one or more of the prescribed methods vide circular no.04/2013 dated February 11,2013 issued by Ministry of Corporate Affairs .However, the Holding Company has not complied with the requirement of the said circular.
- g) Refer Note no.12 to the Consolidated financial results for the quarter ended March 31, 2019, Due to working capital crunch, Baramati plant of Holding Company was shut down since September `2017. Management of the company is confident of restarting the unit within current financial year once financial restructuring is carried out by lenders and additional working capital is raised.
- h) Depreciation amounting to Rs. 18.90 lakhs of Holding Company is under booked for the year ended 31st March,2019 as compared to the Depreciation which was required to be booked in Financial statements as per Schedule II of Companies Act,2013, Results for the quarter and year ended are understated to that extent.

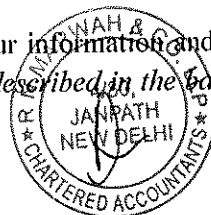
Our opinion is not modified in this matter

6. We did not audit the financial statements of one subsidiaries, whose financial statements reflect total assets/ Liabilities of Rs. Nil/40316.05 lakhs as at March 31, 2019, total revenues/Expenses of Rs. Nil/1517.63 for the year ended on that date, as considered in the consolidated financial statements. These financial statements are unaudited and have been furnished to us by the management and our opinion on the consolidated financial statements is based solely on such unaudited financial statements.

Our opinion on the statement is not modified in respect of the above matter with regard to our reliance on the work done and financial statements certified by the management.

7. Qualified Opinion

In our opinion and to the best of our information and according to the explanation given to us, *except for the effects of the matter described in the basis of qualification opinion paragraph*, the statement;

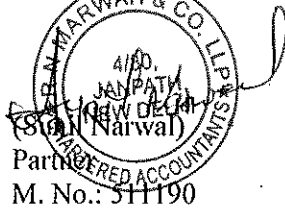


R.N. MARWAH & CO. LLP
CHARTERED ACCOUNTANTS

Includes the results of entities as given below:-
Subsidiary:- Spentex Netherlands B.V.

- a. is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in this regard as modified by Circular No. Cir/CFD/FAC/62/2016 dated July 5, 2016; and
- b. gives a true and fair view in conformity with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India of the net loss and "Other comprehensive income" and other financial information of the Company for the year ended March 31, 2019.

For RN Marwah & Co. LLP
Chartered Accountants
Firm Registration No.:001211N/N500019



Partners
M. No.: 511190

Place: New Delhi
Date: May 30, 2019

CLC Industries Limited
(Formerly known as Spentex Industries Limited)
 Regd. Off : A-60, OKHLA INDUSTRIAL AREA, PHASE - II, NEW DELHI - 110020.
 CIN : L74899DL1991PLC138153; Email : secretarial@clcindia.com

Consolidated Statement of Audited financial results for the Year ended March 31, 2019
 (all amount in Lakhs of INR, unless otherwise stated)

S.No.	Particulars	Year Ended	Year Ended
		Audited	Audited
		31.03.2019	31.03.2018
		Audited	Audited
	Income		
I	Revenue from operations	24,516.95	48,053.43
II	Other Income	4,634.57	9,797.21
III	Total Income (I+II)	29,151.52	57,850.64
	Expenses		
IV	Cost of raw material consumed	13,720.07	32,030.73
	Purchase of Stock in Trade	366.28	26.45
	Changes in inventories of finished goods, work-in-progress and Stock in Trade	1,313.80	2,246.97
	Excise Duty on sale	-	23.93
	Employee benefits expense	6,414.50	7,324.42
	Finance Costs	1,958.49	1,935.61
	Depreciation and amortization expense	1,001.58	1,055.46
	Other expenses	8,530.16	10,293.62
	Total expenses (IV)	33,304.88	54,937.19
V	Profit/(Loss) before exceptional Items and Tax (III-IV)	(4,153.36)	2,913.45
VI	Expenses of exceptional nature	-	14,502.58
VII	Income of exceptional nature	516.06	-
VII	Profit/(loss) before, extraordinary, and tax (V-VI)	(3,637.30)	(11,589.13)
VIII	Tax Expenses		
	(1) Current Tax	-	-
	(2) Mat Credit Entitlement Excess Provision Written Back	-	(44.13)
	(3) Deferred Tax	-	-
	Total Tax Expenses	-	(44.13)
IX	Profit/Loss for the period (VII-VIII)	(3,637.30)	(11,545.00)
X	Other comprehensive income		
A	Items that will be reclassified to profit or loss		
B	Items that will not be reclassified to profit or loss		
	Changes in fair value of FVTOCI equity instruments	0.02	(0.11)
	Actuarial (gain)/loss on remeasurement of defined benefit plan	14.57	238.02
	Other comprehensive income for the period (net of tax)	14.59	237.91
XI	Total comprehensive income for the period (IX+X)	(3,651.89)	(11,782.91)
	Paid up Equity Share Capital Face value of Rs. 10 each (No. in Lakhs)	897.72	897.72
	Earnings per share (of INR 10 each):		
	(a) Basic	(4.05)	(12.86)
	(a) Diluted	(4.05)	(12.86)

Notes:

For & on behalf of the Board of Directors
 CLC Industries Limited
 (Formerly known as Spentex Industries Limited)



Mukund Choudhary
 Managing Director
 Place : New Delhi
 Date : May 30, 2019

CLC Industries Limited
(Formerly known as Spentex Industries Limited)
 Regd. Off : A-60, OKHLA INDUSTRIAL AREA, PHASE - II, NEW DELHI - 110020.
 CIN : L74899DL1991PLC138153; Email : secretarial@clcindia.com

		(Amount in Lakhs of INR)	
		As at March 31,2019	As at March 31,2018
Consolidated Statement of Assets and Liabilities			
	Particulars		
	ASSETS		
1	Non-current assets		
	(a) Property, plant and equipment	15,271.69	16,275.64
	(b) Capital work-in-progress	15.99	0.04
	(c) Intangible assets	-	-
	(d) Financial Assets		
	(i) Investments	0.49	0.51
	(ii) Loans	478.41	956.84
	(iii) Others	122.84	199.25
	(e) Deferred tax assets (net)	-	-
	(f) Other non-current assets	47.73	-
	Total Non current assets (A)	15,937.15	17,432.28
2	Current assets		
	(a) Inventories	550.90	2,355.44
	(b) Financial Assets		
	(i) Trade receivables	576.42	958.84
	(ii) Cash and cash equivalents	700.08	197.36
	(iii) Bank balances other than (ii) above	6.92	7.12
	(iv) Loans	136.94	58.07
	(v) Others	5,629.19	1,607.15
	(c) Current Tax Assets (Net)	122.99	74.66
	(d) Other current assets	1,319.38	2,563.38
	Total current assets (B)	9,042.82	7,822.02
	Non-current assets classified as held for sale	27.32	102.86
	Total current assets (C)	27.32	102.86
	Total (A+B+C)	25,007.29	25,357.16
	EQUITY AND LIABILITIES		
	Equity		
	(a) Equity Share capital	8,977.20	8,977.20
	(b) Other Equity	(94,428.66)	(87,721.01)
	Total Equity (A)	(85,451.46)	(78,743.81)
	LIABILITIES		
1	Non-current liabilities		
	(a) Financial Liabilities		
	(i) Borrowings	-	3,117.00
	(ii) Other financial liabilities	-	66.86
	(b) Provisions	1,351.23	1,267.21
	Total Non-current liabilities (B)	1,351.23	4,451.07
2	Current liabilities		
	(a) Financial Liabilities		
	(i) Borrowings	31,878.71	31,925.82
	(ii) Trade Payables	6,020.76	6,240.16
	(iii) Other financial liabilities	30,375.44	58,849.37
	(b) Other current liabilities	39,967.74	2,134.50
	(c) Provisions	864.88	500.04
	Total Current liabilities (C)	109,107.53	99,649.90
	Total Equity and Liabilities (A+B+C)	25,007.29	25,357.16

For & on behalf of the Board of Directors
 CLC Industries Limited
 (Formerly known as Spentex Industries Limited)



Mukund Choudhary
 Managing Director
 Place : New Delhi
 Date : May 30,2019

Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with Annual Audited Consolidated Financial Results

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2019
[See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]

I.	Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications) (Rs. In Lakhs)	Adjusted figures (audited figures after adjusting for qualifications) (Rs. In Lakhs)
	1.	Total income/Turnover (Incl. Other Income)	29,151.52	29,151.52
	2.	Total Expenditure	33,304.88	38,996.38
	3.	Net Profit/(Loss)	(3,637.30)	(9,328.80)
	4.	Earning Per Share	(4.05)	(10.39)
	5.	Total Assets	25,007.29	25,007.29
	6.	Total Liabilities	1,10,458.76	1,16,150.26
	7.	Net Worth	(85,451.46)	(91,142.96)
	8.	Any other financial item(s) (as felt appropriate by the management)		

II. Audit Qualification (each audit qualification separately):

a. Details of Audit Qualification:

- The group has not considered the financial statements of a step down subsidiary Schoeller Lotvino k.s, in preparing the consolidated financial results for the reason stated therein. This is in contrary to the Ind-AS 110 "Consolidated Financial Statements" in respect of the section 133 of the Act. Further, we are unable to determine the extent of provision that may be required for diminution in the value of long term investment amounting to Rs. 2298.76 lakhs in and from above subsidiary. Refer note no.2 to the consolidated financial result for the year ended march 31, 2019.
- The Holding Company has not charged to statement of Profit and loss interest expense of Rs.1402.87 lakhs for the quarter and Rs. 19245.01 lakhs up to previous quarter(31st December,2018) respectively, and related penal interest and other charges if any in respect of delay in repayment of borrowings from banks. The Company has also not charged to statement of Profit and loss an interest Expense of Rs.5691.50 lakhs for the year. Therefore, we are unable to comment on the adequacy of interest and other charges provided for in the statement of Profit & Loss.

b. Type of Audit Qualification: Qualified Opinion/Disclaimer of Opinion/Adverse Opinion

Qualified Opinion

c. Frequency of qualification: Whether appeared first time/repetitive/since how long continuing

- Repetitive
- Repetitive

d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:

Qualification No. 2

The Company's accounts had become Non performing assets (NPA) with banks and as per extant applicable guidelines, lenders have stopped charging interest. Further, company is in discussion with lenders for a comprehensive deep restructuring and the same is expected to be implemented in current financial year. In view of the above, the Company has not charged to statement of profit and loss account interest expenses and related other charges.

e. For Audit Qualification(s), where the impact is not quantified by the auditor:

(i) Management's estimation on the impact of audit qualification:
Management is unable to estimate the impact of qualification no. 1

(ii) If management is unable to estimate the impact, reason for the same:

Qualification No. 1

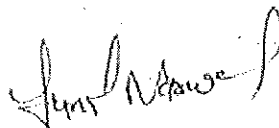
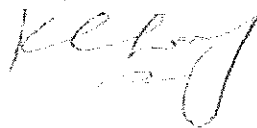
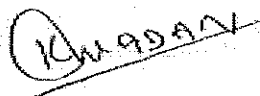

The subsidiary i.e. Schoeller Litvinov k.s. was under the control of secured creditors and its financial statements are not available , therefore consolidation is not possible.

(iii) Auditor's Comments on (i) and (ii) above:

In the absence of certainty as regards the management's assertion, we are unable to offer further comments on the qualifications 1.

III. Signatories:

- Mukund Choudhary
Managing Director-cum-CEO
- Koushal Madan
Chief Financial Officer
- Kapoor Chand Garg
Audit Committee Chairman
- M/s R.N. Marwah & Co. LLP
Statutory Auditors



Place: New Delhi

Date: 30th May, 2019