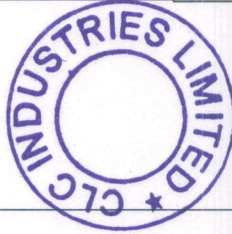


CLC Industries Limited (Formerly known as Spentex Industries Limited)		
CIN: L74899DL1991PLC138153		
Regd. Off : A-60, Okhla Industrial Area, Phase - II, New Delhi - 110020.		
Correspondence Address : 318, N-3, CIDCO, Jalna Road, Cidco Colony (Aurangabad), Aurangabad, Maharashtra, India, 431001		
Webiste: www.clcindia.com ; Email ID: companysecretary@clcindustries.com ; Phone No.: 0240-6608636		
BALANCE SHEET AS AT 31st MARCH, 2024		
	Amount in Lakhs	
	As at 31st MARCH, 2024	As at 31st MARCH, 2023
<b>Assets</b>		
<b>I) Non-Current Assets</b>		
a) Property, Plant and Equipment	4,590.73	11,493.42
b) Capital Work in Progress	253.03	15.99
c) Financial Assets	-	-
(i) Investment	0.88	0.53
(ii) Loans	-	-
(iii) Others	124.19	767.88
d) Deferred Tax Assets (Net)	-	-
e) Other Non-current Assets	9.82	27.35
	<b>4,978.66</b>	<b>12,305.18</b>
<b>II) Current Assets</b>		
a) Inventories	-	465.99
b) Financial Assets	-	-
(i) Investment	-	-
(ii) Trade Receivables	0.00	915.37
(iii) Cash and cash equivalents	583.99	189.30
(iv) Loans	-	75.12
(v) Others	0.74	761.92
c) Current Tax Assets (Net)	2.52	110.70
d) Other current assets	4,008.86	5,481.83
	<b>4,596.10</b>	<b>8,000.23</b>
<b>Total Assets</b>	<b>9,574.76</b>	<b>20,305.41</b>
<b>Equity and Liabilities</b>		
<b>Equity</b>		
a) Equity Share Capital	1,039.47	8,977.20
b) Other Equity	4,584.36	(63,805.95)
	<b>5,623.83</b>	<b>(54,828.74)</b>
<b>Liabilities</b>		
<b>I) Non-Current Liabilities</b>		
<b>a) Financial Liabilities</b>		
(i) Borrowings	3,492.86	-
(ii) Trade Payables	-	-
(iii) Other financial liabilities	-	-
b) Provisions	1.71	1,618.73
c) Deferred tax liabilities (Net)	-	-
d) Other non-current liabilities	-	-
	<b>3,494.57</b>	<b>1,618.73</b>
<b>II) Current Liabilities</b>		
<b>a) Financial Liabilities</b>		
(i) Borrowings	-	53,550.82
(ii) Trade Payables		
(a) Dues to MSME	70.03	-
(b) Dues to Othes	172.64	6,923.97
(iii) Other financial liabilities	-	-
b) Other current liabilities	213.68	12,208.20
c) Provisions	-	832.43
d) Current Tax Liabilities (Net)	-	-
	<b>456.35</b>	<b>73,515.42</b>
<b>Total Equities and Liabilities</b>	<b>9,574.76</b>	<b>20,305.41</b>

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Bhupendra Singh Rajpal  
Chairman & Whole time Director  
DIN: 00311202



CLC Industries Limited

(Formerly known as Spentex Industries Limited)

Registered Office : A-60, OKHLA INDL AREA PHASE II, NEW DELHI, Delhi, India, 110020.

Correspondence Address : 318, N-3, CIDCO, Jaina Road, Cidco Colony (Aurangabad), Aurangabad, Maharashtra, India, 431001

Website: www.clcindia.com ; Email ID: companysecretary@clcindustries.com ; Phone No.: 0240-6608636

CIN: L74899DL1991PLC138153

Statement of Standalone Audited Financial Results for the Quarter and Year Ended on March 31st, 2024

(Rs. in Lakhs except per share data)

Sr. No.	Particulars	Quarter Ended on			Year Ended on	Year Ended on
		Three Months ended on	Preceding Three Months ended on	Corresponding Three Months		
		31.03.2024 (Audited)	31.12.2023 (Unaudited)	31.03.2023 (Audited)	31.03.2024 (Audited)	31.03.2023 (Audited)
	<b>Income</b>					
I	Revenue from Operations	-	-	-	-	-
II	Other Income	503.26	5.22	0.33	789.34	0.63
III	<b>Total Income (+II)</b>	<b>503.26</b>	<b>5.22</b>	<b>0.33</b>	<b>789.34</b>	<b>0.63</b>
IV	<b>Expenses</b>					
	Cost of Materials Consumed	-	-	-	-	-
	Purchases of Stock-in-Trade	-	-	-	-	-
	Changes in inventories of finished goods, Stock-in-Trade and work-in-progress	-	-	-	-	-
	Employee benefits expense	13.71	2.19	0.49	32.70	4.97
	Finance costs	370.72	-	-	370.72	-
	Depreciation and amortization expense	181.32	262.81	225.18	1,001.72	900.73
	Other expenses	2,481.61	42.57	56.09	2,701.58	189.34
	<b>Total Expenses (IV)</b>	<b>3,047.35</b>	<b>307.57</b>	<b>281.77</b>	<b>4,106.72</b>	<b>1,095.04</b>
V	<b>Profit/(Loss) before exceptional items and tax (III-IV)</b>	<b>(2,544.09)</b>	<b>(302.35)</b>	<b>(281.43)</b>	<b>(3,317.39)</b>	<b>(1,094.41)</b>
VI	Exceptional items	-	-	-	-	-
VII	<b>Profit/(loss) before tax (V+VI)</b>	<b>(2,544.09)</b>	<b>(302.35)</b>	<b>(281.43)</b>	<b>(3,317.39)</b>	<b>(1,094.41)</b>
VIII	<b>Tax Expenses</b>					
	(1) Current Tax	110.69	-	-	110.69	-
	(2) Deferred Tax	-	-	-	-	-
IX	<b>Profit/(loss) for the period from continuing operations (VII-VIII)</b>	<b>(2,654.79)</b>	<b>(302.35)</b>	<b>(281.43)</b>	<b>(3,428.08)</b>	<b>(1,094.41)</b>
X	<b>Other comprehensive income</b>					
	(A) Items that will not be reclassified to profit or loss - Changes in fair value of FVTOCI Equity Instruments (Net of taxes)	0.35	-	1,779.00	0.35	(0.02)
	(B) Items that will be reclassified to profit or loss (Net of taxes)	-	-	-	-	-
XI	<b>Total Comprehensive Income for the period (IX+X) (Comprising Profit/(Loss) and Other Comprehensive Income for the period)</b>	<b>(2,654.44)</b>	<b>(302.35)</b>	<b>1,497.57</b>	<b>(3,427.73)</b>	<b>(1,094.43)</b>
XII	<b>Paid-up equity share capital (Face value of INR 10/- each)</b>	<b>1,039.47</b>	<b>6,184.97</b>	<b>8,977.20</b>	<b>1,039.47</b>	<b>8,977.20</b>
XIII	<b>Other Equity as per balance sheet</b>				<b>5,623.83</b>	<b>(63,805.93)</b>
XIV	<b>Earnings per equity share (Face Value of ₹ 10/-) (for continuing operation): (Not Applicable for the quarter)</b>					
	(1) Basic	(13.90)	(29.09)	144.07	(4.81)	(105.29)
	(2) Diluted	(13.90)	(29.09)	144.07	(4.81)	(105.29)



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**Notes:**

1. These standalone financial results of the Company have been prepared in accordance with the recognition and measurement principles as laid down in Indian Accounting Standards ("Ind AS") as prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India.
2. The figures for the corresponding previous period have been regrouped/reclassified/recasted wherever necessary, to make them comparable.
3. The above standalone financial results have been reviewed by the Audit Committee and approved by the Board of Directors in their meeting held on 30th May, 2024 and have been audited by the Statutory Auditors of the Company. The Statutory Auditors vide their report dated 30th May, 2024 have expressed a modified opinion on the aforesaid results.
4. There is no manufacturing operations carried out by the company, hence, segmental reporting is not applicable as per Ind AS-108.
5. The Hon'ble National Company Law Tribunal, Principal Bench, New Delhi admitted the Corporate Insolvency Resolution Process (hereinafter referred to as "CIRP") application filed against M/s. CLC Industries Limited by Financial Creditor, Edelweiss Asset Reconstruction Company Limited U/s.7 of the Insolvency and Bankruptcy Code, 2016 and appointed Mr. Subhash Kumar Kundra as the Interim Resolution Professional under the Code vide order dated January 03, 2020. The Adjudicating Authority approved the said Resolution Plan vide its order pronounced on May 12, 2023, accordingly necessary effect in the books of accounts has been given.
6. The Company is regularizing the compliance as prescribed under the approved Resolution Plan.
7. As provided in resolution plan, approved by Hon'ble NCLT vide its order dated 12th May 2023, Board has cancelled 100% shareholding of erstwhile promoters i.e. 3,77,97,226 of Rs.10/- each in it's Board Meeting held on 27.12.2023. Further, the Board had approved the allotment of 98,74,932 equity shares of Rs.10/- each to Manjeet Cotton Private Limited. The public shareholders are issued 5,19,748 shares against their holding of 5,19,74,809 shares of Rs.10/- each, 12th January, 2024 being the record date.
8. In terms of the relevant clauses of the approved Resolution Plan, the Company has sold the Buttibori, Solapur & Pithampur units during the period under consideration.
9. There is one shareholder investors complaint received and disposed as well during period under review.

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

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**Bhupendrasingh Rajpal**  
Chairman  
DIN: 00311202

Place: Aurangabad (MH)  
Date: 30.05.2024



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**CLC Industries Limited**  
(Formerly known as Spentex Industries Limited)  
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431001  
Webiste: www.clcindia.com ; Email ID: companysecretary@clcindustries.com ;  
Phone No.: 0240-6608636

**STATEMENT OF CASH FLOW FOR THE FINANCIAL YEAR 2023-24**

(Amount in Lakhs)

	PARTICULARS	2023-24	2022-23
A	<b>Cash flow from operating activities</b>		
	Profit Before Tax & Extra ordinary items		(3,428.08)
	<b>Adjustment for</b>		
	i) Depreciation, Amortisation & Adjustment	1,001.72	900.73
	ii) Interest paid / Financial Charges	370.72	-
	iii) Provision for Grauity & Leave Encashment	(2,449.45)	-
	iv) Reduction in borrowings	(53,550.82)	-
	v) Reduction in liailities	71,818.04	-
	vi) Interest Received	(22.66)	-
	<b>Total</b>	<b>17,167.55</b>	<b>-</b>
	<b>Operating profit / (loss) before working capital changes</b>	<b>13,739.47</b>	<b>(193.69)</b>
B	i) Trade Receivable	915.37	-
	ii) Other Current & non-current Financial Asset	1,404.87	(19.96)
	iii) Other Current & non-current Asset	1,490.50	-
	iv) Inventories	465.99	-
	v) Other Current Liabilities	(11,994.52)	204.28
	vi) Trade Payable	(6,681.30)	-
	vii) Income tax written off	108.19	-
	<b>Net cash from operating activities (Total a)</b>	<b>(551.43)</b>	<b>(9.37)</b>
B	<b>Net flow from investment activities</b>		
	i) Payment for Purchase of Fixed Assets	(237.04)	-
	ii) Asset sold under slump sale	5,900.97	-
	iii) Loans & advances	75.12	-
iv) Interest Received	22.66	-	
	<b>Net flow from investment activities (Total b)</b>	<b>5,761.72</b>	<b>-</b>
C	<b>Cash flow from financial activities</b>		
	i) Received from Long Term Borrowings	3,492.86	-
	ii) Reduction in Share Capital	(8,925.23)	-
	iii) Issue of Equity share capital	987.49	-
iv) Interest paid / Financial Charges	(370.72)	-	
	<b>Net flow from financial activities (Total c)</b>	<b>(4,815.60)</b>	<b>-</b>
	<b>Closing balance (a+b+c)</b>	<b>394.69</b>	<b>(9.37)</b>
	Cash and Cash equivalent opening balance	189.30	198.67
	Cash and Cash equivalent closing balance	583.99	189.30
		<b>0.00</b>	<b>0.00</b>

**Cash & Cash Equivalent Comprise off**

Cash On Hand	0.98	40.62
Balance in Banks in current account	242.49	137.51
Fixed deposit with Bank Incl accrued interest maturing within 12 months	340.51	11.17
	<u>583.99</u>	<u>189.30</u>

**Note:** The cash flow statement has been prepared as per Indirect Method according to Indian Accounting Standard - 7 "Cash Flow Statement".

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*B S NODD*  
Bhupendra Singh Rajpal  
Chairman & Whole time Director  
DIN: 00311202



# CLC INDUSTRIES LIMITED

(Formerly known as Spentex Industries Limited)



## Statement on Impact of Audit Qualifications

[for audit report for the quarter ended on March 2024 for Audited Financial Results under Regulation 33 of the SEBI (LODR) (Amendment) Regulations, 2016]

Audit Qualification (each audit qualification separately):

S.No.	Details of Audit Qualification	Management Response (Impact of audit qualification)
1	No provision is made in respect of Security Deposit Rs. 124.19 Lakhs, Balance with Government Authorities Rs. 3908.20 Lakhs considered doubtful of recovery in absence of adequate details and liability in respect of gratuity and compensated absences for which liability has not been ascertained.	We are trying to get relevant details from old software through RP office, so we can recover the money. Further there will not be any financial impact, if we will not be in position to recover the same will be adjusted over a period of time out of Capital Reserve
2	The details in respect of Income tax refund receivable of Rs. 113.21 Lakhs, and Balances with Government Authorities of Rs. 5402.98 are not available with the company.	We shall explore to get the money. Further there will not be any financial impact, if we will not be in position to recover the same will be adjusted over a period of time out of Capital Reserve
3	The balances of Trade Receivable, bank balances including fixed deposits, Trade Payable, Unsecured Loans, Employees, current and non-current Loans and Advances, and Liabilities are subject to confirmations and reconciliation.	We don't have address, but still try to get address from Software through RP office, and through Bank in case of Fixed deposit. Further we have reconciliation with them but no written confirmation. Further there will not be any financial impact, if we will not be in position to recover the same will be adjusted over a period of time out of Capital Reserve
4	The corresponding previous quarterly figures (quarter ended on June 2022) as appearing in the attached quarterly statement are extracted by the Company and have not been verified by us	As we got the tally back up from RP office, based on it no's have been written. As such there is no financial impact
5	The company has written off cash balance of Rs. 40.62 Lakhs in the books of account on the plea of the present management that the same is not handed over to the new management.	As we have not received such cash balance at the time of getting hand over, therefore write off. As such there is no financial impact
6	The fixed deposits receipts of Rs. 340.51 Lakhs were not found on record and no confirmation was made available for Rs. 8.68 from the bank.	Fixed deposit receipt lying with RP, as he is responsible for making payment, we shall get copies from them. As such there is no financial impact

Yours Truly,

For M/s. CLC Industries Limited

(Formerly known as M/s. Spentex Industries Limited)

Bhupendra Singh Rajpal

Chairman & Whole-time Director

(DIN:00311202)



01 30-05-2024

Registered Office: A-60, Okhla INDL Area Phase II, New Delhi, India, 110020

Phone: +91-240 6608663/2473363 | Fax: +91-240 2473563 |

Email Id: [companysecretary@clcindustries.com](mailto:companysecretary@clcindustries.com)

Website: [www.clcindia.com](http://www.clcindia.com) | CIN: L74899DL1991PLC138153

**ASHOK R. MAJETHIA**

B.Com. F.C.A  
CHARTERED ACCOUNTANT

Ashok R. Majethia & Co.  
Chartered Accountants  
Utsav Complex,  
Office No. 7, Bazar Peth,  
Dist. Raigad, Khopoli – 410 203  
Tel :- (02192) 269908  
Mobile :- 9404711539 / 9372169952  
Email :- ashokmajethia@redifmail.com

**Independent Auditors' Report**

To,  
The Members of  
CLC Industries Limited  
(CIN: L74899DL1991PLC138153)  
New Delhi.

**Report on the Audit of the Standalone Financial Statements**

**Qualified Opinion**

1. We have audited the accompanying standalone financial statements of **CLC Industries Limited** having CIN: L74899DL1991PLC138153 ("the Company"), which comprise the Standalone Balance Sheet as at 31<sup>st</sup> March 2024, the Standalone Statement of Profit and Loss (including other comprehensive income), Standalone Statement of Cash Flows and Standalone Statement of Changes in Equity for the year then ended, and notes to the Standalone financial statements, including a summary of material accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and the other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2024 and its loss (financial performance including other comprehensive income), the changes in equity and its cash flows for the year ended on that date.

**Basis for Qualified Opinion**

3. We conducted our audit in accordance with Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements 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 Standalone financial statements under the provisions of the Act and the rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

**Qualification**

4. Our report is qualified in respect of the following matters: -
  - a. No provision is made in respect of Security Deposit Rs. 124.19 Lakhs, Balance with Government Authorities Rs. 3908.20 Lakhs considered doubtful of recovery in absence of adequate details and liability in respect of gratuity and compensated absences for which liability has not been ascertained.

- b. The details in respect of Income tax refund receivable of Rs. 113.21 Lakhs, and Balances with Government Authorities of Rs. 5402.98 are not available with the company.
- c. The company has written off cash balance of Rs. 40.62 Lakhs in the books of account on the plea of the present management that the same is not handed over to the new management.
- d. The fixed deposits receipts of Rs. 340.51 Lakhs were not found on record and no confirmation was made available for Rs. 8.68 from the bank.
- e. The balances of Trade Receivable, bank balances including fixed deposits, Trade Payable, Unsecured Loans, Employees, current and non-current Loans and Advances, and Liabilities are subject to confirmations and reconciliation.

#### **Key Audit Matters**

5. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current year. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matters	Audit Procedures
<b>Implementation of resolution plan</b>	
The company has implemented the resolution plan as approved by National Company Law Tribunal, New Delhi (NCLT) w.r.t. various financial and operational liabilities extinguished and reduction & re-classification of equity share capital, slump sale of Butibori, Solapur and Pithampur units and various other matters as are required to be implemented in terms of order issued by NCLT.	<p>We have performed the following principal audit procedures in relation to implementation of NCLT order:-</p> <ul style="list-style-type: none"> <li>- Evaluation and understanding of NCLT order and Resolution plan as approved by NCLT.</li> <li>- Verification and evaluation of the documents pertaining to slump sale.</li> <li>- Verification of Board resolution for issue of equity shares.</li> <li>- Verification of payment made to secured financial creditors.</li> <li>- Evaluating the appropriateness of the adequate disclosures in accordance with the applicable accounting standards.</li> </ul>

#### **Information other than the Standalone Financial Statements and Auditor's Report thereon**

6. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the annual report but does not include the financial statements and our auditor's report thereon.
7. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
8. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.



### **Management's Responsibility for the Standalone Financial Statements**

9. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act. 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.
10. In preparing the financial statements, management is 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
11. The Board of Directors is also responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Standalone Financial Statements**

12. Our objectives are to obtain reasonable assurance about whether the financial statements 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 Standards on Auditing 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 statements.
13. As part of an audit in accordance with Standard on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
  - a. Identify and assess the risks of material misstatement of the standalone financial statements, 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.
  - b. Obtain an understanding of internal financial controls 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 and its subsidiary companies which are companies incorporated in India, has adequate internal financial controls system in place and the operating effectiveness of such controls.
  - c. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
  - d. Conclude on the appropriateness of management's 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 ability of the Company 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 standalone financial statements 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.



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

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone 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 standalone financial statements

14. 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.
15. 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.
16. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication

#### **Report on Other Legal and Regulatory Requirements**

17. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable. As required by Section 143(3) of the Act, we report that:
  - (a) Subject to what is stated in qualified opinion paragraph, we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) Subject to what is stated in qualified opinion paragraph, and also paragraph (h) (vi) below, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Profit and Loss, and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with the Companies (Accounting Standard) Rules, 2015 as amended.
  - (e) On the basis of the written representations received from the directors as on 31st March, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
  - (g) To the best of our information and according to the explanations given to us, the company has not paid any remuneration to its directors during the year within the provisions of section 197 of the Act.

- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 28 to the financial statements;
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv. (a) the Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;  
  
(b) the Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and.  
  
(c) Based on audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material mis-statement.
  - v. The company has not declared a dividend including interim dividend -
  - vi. As per the information and explanations given to us and based on our examination, which included test checks, the accounting software of the company in which books of accounts are maintained during the year does not have feature of recording audit trail (edit log) facility.

For Ashok R Majethia  
Chartered Accountants  
FRN: 127769W

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Ashok Majethia  
Proprietor  
M No: 124781

UDIN: 24124781BKFTUH2719

Place: Khopoli Dist Raigad  
Dated: 30-05-2024



## ANNEXURE "A" TO THE INDEPENDENT AUDITORS' REPORT

The Annexure referred to in Independent Auditors' Report to the members of the CLC Industries Limited on the Ind AS standalone financial statements for the year ended 31st March 2024, we report that:

1. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment. The Company has maintained proper records showing full particulars of intangible asset.
  - (b) The company has regular program of physical verification of its Property, Plant and Equipment by which Property, Plant and Equipment are verified in a phased manner over a period of three years. In accordance with this program, certain Property, Plant and Equipment were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the company and nature of its business.
  - (c) According to the information and explanations given to us, and on the basis of our examination of the record of the company, the title deeds of the immovable properties are held in the name of the company.
  - (d) According to the information and explanations given to us, and on the basis of our examination of the record of the company, the company has not revalued any Property, Plant & Equipment (including Right of Use assets) or intangible assets during the year.
  - (e) According to the information and explanations given to us, and on the basis of our examination of the record of the company, no proceedings have been initiated or are pending against the company for holding any Benami property under the "Benami Transactions (Prohibition) Act, 1988 and Rules made thereunder.
2. (a) The company does not have any inventory, hence clause (ii) of the Order is not applicable
  - (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been sanctioned any working capital limits in excess of five crore rupees in aggregate from banks and financial institutions on the basis of security of current assets at any point of time of the year. Accordingly, clause 3(ii)(b) of the Order is not applicable to the Company
3. No Information and explanation were provided to us whether the Company has not made any investments, provided guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year. Accordingly, reporting under (iii) of the Order is not applicable.
  4. The company has not granted loan, provided security and guarantee and made investment in any party covered under section 185 and 186 of the Act during the year.
  5. The Company has not accepted deposits within the meaning of sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under.
  6. No maintenance cost records have been specified by the Central Government under section 148(1) of the Act for the products of the company.
  7. (a) The company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities except Income Tax (TDS) of Rs. 5.40 Lakhs and Goods & Services Tax (RCM) of Rs. 10.49 Lakhs which has not been deposited and is outstanding for a period of more than six months from the date it became payable at the close of the year.

- b) According to the information and explanations given to us, no Income tax, Sales tax, Service tax, Customs Duty, Excise Duty and Value Added Tax which have not been deposited as on 31st March, 2024 on account of disputes. The opening liabilities under various statutes of Rs. 2797.39 Lakhs have been settled/ paid/ written back during the yeas as per the Resolution plan.
8. According to the information and explanations given to us, there are no transactions recorded in the books of account as have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
9. In our opinion and according to the information and explanations given to us:-
- (a) the Company has not defaulted in payment of dues to financial institution or bank or debenture holders.
- (b) the company is not declared willful defaulter by any bank or financial institution or other lender.
- (c) term loan was applied for the purpose for which the loans were obtained.
- (d) no funds raised on short term basis have been utilised for long term purposes.
- (e) The Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures; hence the clause (ix) (e) of the Order is not applicable.
- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies; hence the clause (ix) (f) of the Order is not applicable.
10. The company has not raised any moneys by way of initial public offer, further public offer (including debt instruments), preferential allotment or private placement of shares during the year. The company has issued and allotted the equity shares to the promoters as per resolution plan.
11. (a) According to the information and explanations given to us, no fraud by the company or any fraud on the Company has been noticed or reported during the year.
- (b) No report under sub-Section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules 2014 with the Central Government.
- (c) We have not considered whistle-blower complaints, since, there is no compliant received during the year by the Company.
12. The company is not a Nidhi Company as such provisions of the clause (xii) of the Order are not applicable to the company.
13. All transactions with the related parties are in compliance with section 177 and 188 of the Act, where applicable, and the details have been disclosed in the Ind AS standalone financial statements etc., as required by the applicable accounting standards.
14. (a) In our opinion, the internal audit system is commensurate with the size of the company and nature of its business.
- (b) In framing our Independent Audit Reports, we have not been provided Internal Auditor's Report for the year under audit.
15. The company has not entered into any non-cash transactions with directors or persons connected with him.



16. (a) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.  
  
(b) In Our opinion, the Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act 1934.  
  
(c) The Company is not a Core Investment Company (CIC) as defined under the Regulations by the Reserve Bank of India.
17. The Company has incurred cash losses in the financial year and also in the immediately preceding financial year.
18. The previous auditors M/s R. N. Marwah & Co. LLP has resigned from the office of the auditors of the Company, in view of this, in the annual general meeting held M/s Ashok R Majethia have been appointed as auditors of the Company for a term of 5 years from the financial year 2023-24.
19. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, we are of the opinion that no material uncertainty exists as on the date of the audit report which infers that the company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.
20. The provisions related to Corporate Social Responsibility are not applicable in the preceding financial year, hence, clause (xx) of the Order is not applicable.
21. The company does not have associate, joint venture and subsidiary; hence consolidation of financial statement is not required to be given.

For Ashok R Majethia  
Chartered Accountants  
FRN: 127769W

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Ashok Majethia  
Proprietor  
M No: 124781

UDIN: 24124781BKFTUH2719

Place: Khopoli Dist Raigad  
Dated: 30-05-2024

## **ANNEXURE “B” TO THE INDEPENDENT AUDITORS’ REPORT**

### **Report on the Internal Financial Controls over financial reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

1. We have audited the internal financial controls over financial reporting of **CLC Industries Limited** (“the Company”) as of 31<sup>st</sup> March, 2024 in conjunction with our audit of the Ind AS standalone financial statements of the Company for the year ended on that date.

#### **Management’s Responsibility for Internal Financial Controls**

2. The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### **Auditors Responsibility**

3. Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the ICAI and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error.
5. We believe that the audit evidence, we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting of the company.

#### **Meaning of Internal Financial Controls Over Financial Reporting**

6. A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Ind AS standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company’s assets that could have a material effect on the Ind AS financial statements.



### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

7. Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

8. In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2024, subject to strengthening of internal audit system based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For Ashok R Majethia  
Chartered Accountants  
FRN: 127769W

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Ashok Majethia  
Proprietor  
M No: 124781

UDIN: 24124781BKFTUH2719

Place: Khopoli Dist Raigad  
Dated: 30-05-2024

# CLC INDUSTRIES LIMITED

(Formerly known as Spentex Industries Limited)



29<sup>th</sup> May, 2024

To,  
The Audit Committee and The Board of Directors  
CLC Industries Limited,  
Aurangabad

**Subject: - Compliance Certificate as required under Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

Dear Sirs,

We, the undersigned, do hereby certify that:

- a. We have reviewed financial statement and the cash flow statement of CLC Industries Limited ("the Company") for the year ended as on 31<sup>st</sup> March, 2024 and that to the best of our knowledge and belief:
  - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
  - ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- c. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluate the effectiveness of internal control system of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps taken or proposed to be taken to rectify these deficiencies.
- d. We have indicated to the auditors and the Audit Committee
  - i. significant changes in internal control over financial reporting during the year;
  - ii. significant changes in accounting policies during the year and the same have been disclosed in the notes to the financial statements; and
  - iii. instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting

With regards

Yours truly,

For CLC Industries Limited

(Shrutisheel Jhanwar)  
Chief Financial Officer