

Spentex Industries Limited
 Regd. Off : A-60, OKHLA INDUSTRIAL AREA, PHASE - II, NEW DELHI - 110020.
STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED 30TH SEP, 2015

PART I Statement of Standalone unaudited financial results for the quarter and six months ended 30/09/2015 (Figures in Lacs except EPS)

Particulars	Standalone					
	Quarter ended			6 Months Ended		Year ended
	30.09.2015	30.06.2015	30.09.2014	30.09.2015	30.09.2014	31.03.2015
	Unaudited			Unaudited		Audited
1 a) Net Sales / Income from operations (Net of excise duty)	19,071.05	19,029.21	22,407.87	38,100.26	48,992.51	86,982.23
b) Other Operating Income	239.19	243.78	739.90	482.97	772.60	2,132.15
Total Income (a + b)	19,310.24	19,272.99	23,147.77	38,583.23	49,765.11	89,114.38
2 Expenditure:						
a) Consumption of raw materials (including consumption of stores, spares and packing materials)	12,594.03	14,068.21	16,890.77	26,662.24	35,939.85	59,431.72
b) Purchase of traded goods	195.90	97.11	290.68	293.02	540.00	1,446.49
c) Changes in inventories of finished goods, work in progress and stock in trade	971.66	(688.40)	(696.24)	283.26	(448.26)	4,636.42
d) Employees benefits expenses	2,112.34	2,048.82	2,068.30	4,161.16	4,101.12	8,011.15
e) Depreciation and amortisation expenses	273.61	280.61	239.28	554.21	657.08	1,168.69
f) Power and fuel cost	2,288.69	2,613.50	2,332.78	4,902.19	4,641.11	8,690.67
g) Other expenditure	1,419.88	1,315.65	1,403.78	2,735.53	3,303.61	5,814.21
Total Expenses	19,856.12	19,735.50	22,529.35	39,591.61	48,734.51	89,199.35
3 Profit / (Loss) from Operations before Other Income, Finance Cost, Prior Period & Exceptional Items (1-2)	(545.88)	(462.51)	618.42	(1,008.38)	1,030.60	(84.97)
4 Other Income	392.62	286.55	232.87	679.17	546.35	1,665.77
5 Profit / (Loss) before Finance Cost, Prior Period & Exceptional Items (3+4)	(153.26)	(175.95)	851.29	(329.21)	1,576.95	1,580.80
6 Finance Cost	1,947.87	1,874.13	2,010.06	3,822.00	3,964.93	7,937.07
7 Profit / (Loss) after Finance cost but before Prior Period & Exceptional Items (5-6)	(2,101.11)	(2,050.08)	(1,158.77)	(4,151.20)	(2,387.98)	(6,356.27)
8 Prior Period Items (Net of Income)	-	-	-	-	-	-
9 Profit / (Loss) after Finance Cost & Prior period Items but before Exceptional Items (7-8)	(2,101.11)	(2,050.08)	(1,158.77)	(4,151.20)	(2,387.98)	(6,356.27)
10 Exceptional Items	-	-	-	-	-	-
11 Profit / (Loss) from Ordinary Activities before tax (9-10)	(2,101.11)	(2,050.08)	(1,158.77)	(4,151.20)	(2,387.98)	(6,356.27)
12 Tax expense	-	-	-	-	-	60.18
13 Net Profit / (Loss) from Ordinary Activities after tax (11-12)	(2,101.11)	(2,050.08)	(1,158.77)	(4,151.20)	(2,387.98)	(6,416.45)
14 Extraordinary Items (net of tax expense)	-	-	-	-	137.00	137.18
15 Net Profit / (Loss) for the period (13-14)	(2,101.11)	(2,050.08)	(1,158.77)	(4,151.20)	(2,250.98)	(6,279.27)
16 Paid up Equity Share Capital (Face Value Rs. 10/- each)	8,977.20	8,977.20	8,977.20	8,977.20	8,977.20	8,977.20
17 Reserves excluding Revaluation Reserves as per balance sheet of previous year	-	-	-	-	-	(21,787.65)
18 Earnings Per Share (EPS) (not annualized) (Rs.)						
a) Basic EPS before Extraordinary items for the period and for the previous year	(2.34)	(2.28)	(1.37)	(4.62)	(2.66)	(7.08)
Diluted EPS before Extraordinary items for the period and for the previous year	(2.34)	(2.28)	(1.37)	(4.62)	(2.66)	(7.08)
b) Basic EPS after Extraordinary items for the period and for the previous year	(2.34)	(2.28)	(1.22)	(4.62)	(2.51)	(6.93)
Diluted EPS after Extraordinary items for the period and for the previous year	(2.34)	(2.28)	(1.22)	(4.62)	(2.51)	(6.93)

PART II Select Information for the quarter and six months ended 30/09/2015

A. PARTICULARS OF SHAREHOLDING

	30.09.2015	30.06.2015	30.09.2014	30.09.2015	30.09.2014	31.03.2015
1 Public Shareholding						
Number of Shares	51,974,809	51,974,809	39,441,475	51,974,809	39,441,475	39,441,475
Percentage of Shareholding	57.90%	57.90%	43.94%	57.90%	43.94%	43.94%
2 Promoters and promoter group Shareholding						
a) Pledged / Encumbered						
- Number of Shares	37,797,226	32,689,724	45,223,058	37,797,226	45,223,058	45,223,058
- Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	100.00%	86.49%	89.85%	100.00%	89.85%	89.85%
- Percentage of Shares (as a % of the total share capital of the Company)	42.10%	36.41%	50.38%	42.10%	50.38%	50.38%
b) Non - Encumbered						
- Number of Shares	0	5,107,502	5,107,502	0	5,107,502	5,107,502
- Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	0.00%	13.51%	10.15%	0.00%	10.15%	10.15%
- Percentage of Shares (as a % of the total share capital of the Company)	0.00%	5.69%	5.68%	0.00%	5.68%	5.68%



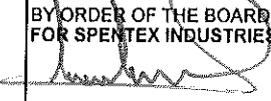
B. INVESTOR COMPLAINTS

Pending at the beginning of the quarter	Nil
Received during the quarter	Nil
Disposed of during the quarter	Nil
Remaining unresolved at the end of the quarter	Nil

Note:

- 1 The above financial results have been reviewed by the Audit Committee and were approved by the Board of Directors in their meeting held on 07th November, 2015.
- 2 The Statutory Auditors have carried out limited review of the Unaudited Standalone Financial Results of the Company for the quarter and six months ended 30th September, 2015.
- 3 In accordance with Accounting Standard 17 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 rule 7 of Companies (Accounts) Rules, 2014, for standalone financials, the Company has identified two Business Segments viz., Textile Manufacturing and Textile Trading, accordingly segment disclosure has been done.
- 4 The Auditors, in their limited review report have mentioned regarding diminution in the value of company's long term investment of ₹ 2,044.70 lacs and recoverability of ₹ 7,182.68 lacs (Previous quarter ₹ 6,777.44 lacs) in Amit Spinning Industries Limited (ASIL), subsidiary of the Company. Due to economic slow down, ASIL had registered losses during the quarter as well as earlier financial years and eroded its net worth. The Company believes that the diminution in value of said investment is temporary in nature and considering improvement in the global textile market, ASIL will be able to make good its losses in a foreseeable period of time which will also place this subsidiary in a position to repay the liabilities in due course and hence no adjustment is required in the books of accounts.
- 5 The Company has an investment of ₹ 5,610.11 lacs and ₹ 93.24 lacs in its subsidiary Spentex Netherlands B. V. (SNBV) and its step down subsidiary Spentex Tashkent Toytepa LLC (STTL) respectively. Further it has ₹ 700.12 lacs as export receivable from STTL and advances recoverable of ₹ 950.71 lacs in SNBV as on September 30th, 2015. During the period of investment, Government of Uzbekistan (GOU) changed certain laws and policies breaching the investment agreement and rendered operation of STTL not only unviable, but also expropriated its investment. SNBV, which had made around 99% investment in the equity of STTL, has initiated Arbitration Proceedings against GOU for its claim through its lawyer before International Center for Settlement Investment Dispute (ICSID). The matter is in progress. Based on the claim lodged with ICSID, Board of Directors have decided not to make any provision for the aforesaid amounts. In addition to above claim, the company has sent notice to the GOU for indemnifying the losses caused to company directly or indirectly on account of its investment made in Uzbekistan.
- 6 Trade receivables and advance balances amount aggregating to ₹ 38.43 lacs and ₹ 248.01 lacs respectively due from certain parties where payments are not forthcoming. Against the above, the Company has filed a suit for recovery. In addition to above for ₹ 128.30 lacs dues from Government Authorities, company had filed an application for release with concerned authorities. The Company is making effort to recover the same and expects to reduce the outstanding dues significantly. Based on outcome of the legal suit coupled with further negotiations with these parties, the management is of the opinion that ultimately there would be no losses against these old balances and hence no provision is considered necessary at the stage.
- 7 The Company has not allotted shares against amount of ₹ 1,109.50 lacs which was brought in by the promoters in more than one installments under restructuring scheme approved by the bankers of the company. Due to pending necessary approvals for allotment of shares, the Company has not complied with the provisions of Section 42 of the Companies Act, 2013.
- 8 The outstanding balance as on 30th September, 2015 in respect of certain trade receivables, trade payables and loans & advances are subject to confirmation/reconciliation at the financial year end and consequential adjustment if any, from the respective parties. The management, however, does not expect any material variations.
- 9 Previous period figures have been regrouped / recasted / rearranged wherever necessary, to conform to the current period presentation.

BY ORDER OF THE BOARD OF DIRECTORS,
FOR SPENTEX INDUSTRIES LIMITED


MUKUND CHOUDHARY
MANAGING DIRECTOR
Place: New Delhi
Date: 07th November, 2015



REPORTING OF SEGMENT - WISE REVENUE, RESULTS AND CAPITAL EMPLOYED						
Particulars	Quarter ended			6 months ended		(₹ in Lacs)
	30.09.2015	30.06.2015	30.09.2014	30.09.2015	30.09.2014	Year ended 31.03.2015
1. Segment Revenue	Unaudited			Unaudited		Audited
a) Textile- Manufacturing	19,181.67	19,102.04	21,573.46	38,283.71	47,555.61	87,091.18
b) Textile Trading	692.53	403.53	4,013.45	1,096.06	5,788.46	6,795.71
Total	19,874.20	19,505.57	25,586.91	39,379.77	53,344.07	93,886.89
Less : Inter segment revenue	563.96	232.58	2,439.14	796.54	3,578.96	4,772.51
Total Income	19,310.24	19,272.99	23,147.77	38,583.23	49,765.11	89,114.38
2. Segment Results						
Profit (+) / Loss (-) before tax and interest from each Segment						
a) Textile- Manufacturing	375.60	523.40	500.35	899.00	1,044.74	2,474.60
b) Textile Trading	34.84	39.40	649.38	74.24	1,260.02	220.99
TOTAL	410.44	562.80	1,149.73	973.24	2,304.76	2,695.59
Less :						
i) Interest	1,947.87	1,874.13	2,010.04	3,822.00	3,964.93	7,937.07
ii) Other unallocable expenditure net off	781.85	805.50	597.31	1,587.35	1,204.95	1,204.16
iii) Other unallocable income	218.19	66.76	298.86	284.93	477.14	89.37
Profit/ (Loss) before tax (before extraordinary items)	(2,101.11)	(2,050.08)	(1,158.77)	(4,151.20)	(2,387.98)	(6,356.27)
Extraordinary items (Net of tax expenses)	-	-	-	-	137.00	137.18
Profit/ (Loss) before tax (after extraordinary items)	(2,101.11)	(2,050.08)	(1,158.77)	(4,151.20)	(2,250.98)	(6,219.09)
3. Capital Employed						
(Segment Assets - Segment Liabilities)						
a) Textile- Manufacturing	(19,619.71)	(18,441.58)	(14,608.23)	(19,619.71)	(14,608.23)	(17,428.83)
b) Textile Trading	2,039.76	1,935.28	1,634.18	2,039.76	1,634.18	1,924.41
Unallocated	1,727.84	2,755.29	4,313.73	1,727.84	4,313.73	3,803.45
TOTAL	(15,852.12)	(13,751.01)	(8,660.33)	(15,852.12)	(8,660.33)	(11,700.95)



SPENDEX INDUSTRIES LIMITED

STATEMENT OF ASSETS AND LIABILITIES AS AT 30.09.2015

(Figure in ₹)

Particulars	As at 30th Sep. 2015	As at 31st March. 2015
EQUITY AND LIABILITIES		
(1) Shareholder's funds		
a) Share capital	897,720,350	897,720,350
b) Reserves & surplus	(2,593,886,331)	(2,178,765,458)
c) Money received against share application	110,950,000	110,950,000
	(1,585,215,981)	(1,170,095,108)
(2) Non-current liabilities		
a) Long-term borrowings	1,457,709,379	1,709,472,016
b) Other long term liabilities	1,953,656	1,821,806
c) Long-term provisions	81,816,906	76,990,959
	1,541,479,941	1,788,284,781
(3) Current liabilities		
a) Short-term borrowings	2,654,778,535	1,679,948,727
b) Trade payables	1,004,332,471	1,506,775,710
c) Other current liabilities	1,875,362,714	1,600,353,058
d) Short-term provisions	20,656,469	16,395,903
	5,555,130,190	4,803,473,397
Total	5,511,394,149	5,421,663,070
ASSETS		
(1) Non-current assets		
a) Fixed assets		
(i) Tangible assets	1,888,584,575	1,928,174,597
(ii) Intangible assets	-	-
(iii) Capital work in progress	938,207	1,746,594
b) Non-current investment	774,893,379	774,893,379
c) Long-term loans and advances	784,237,443	842,220,279
d) Other non-current assets	191,588,068	213,301,572
	3,640,241,672	3,760,336,421
(2) Current Assets		
a) Inventories	507,660,297	627,334,095
b) Trade receivables	608,560,414	322,515,240
c) Cash and bank balances	39,937,363	30,534,312
d) Short-term loans and advances	543,050,017	453,276,265
e) Other current assets	171,944,386	227,666,738
	1,871,152,477	1,661,326,650
Total	5,511,394,149	5,421,663,070

