

CLC INDUSTRIES LIMITED

(Formerly known as Spentex Industries Limited)



November 20, 2019
Manufacturer of Yarns

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

Sub: Outcome of the Board meeting held on 20th November, 2019 & Un-audited Financial Results for the quarter & half year ended 30th September, 2019

This is to inform to the Exchange that the Board of Directors of the Company at its meeting held today *i.e.* on 20th November, 2019 has, *interalia* transacted the following business:

1. Considered, approved and taken on record Un-audited Standalone and Consolidated Financial Results for the quarter and half year ended 30th September, 2019 and Limited Review report thereon as submitted by the Statutory Auditors.

Please find enclosed herewith:

- a. Un-audited Standalone and Consolidated Financial Results for the quarter & half year ended 30th September, 2019 along with Limited Review Report thereon;
- b. Un-audited Standalone and Consolidated Statement of Assets & Liabilities as on 30th September, 2019;

The meeting of the Board of Directors commenced at 4:00 P.M. and concluded at 6:45 P.M.

Kindly take the above information on records.

Yours truly,

For CLC Industries Limited

(Formerly known as Spentex Industries Limited)


Bharat Kapoor

Company Secretary & Compliance Officer

Encl: As Above

Independent Auditor's Review Report on the quarterly and half year ended Unaudited Standalone Financial Results of the Company pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

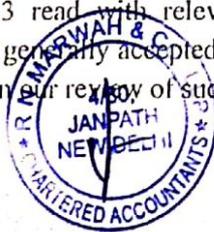
Review Report to
The Board of Directors
CLC Industries Limited (Formerly Known as Spentex Industries Limited)
A-60, Okhla Industrial Area, Phase-II
New Delhi-110020

1. We have reviewed the accompanying statement of unaudited standalone financial results of **CLC Industries Limited (Formerly Known as Spentex Industries Limited)** ("The Company") for the quarter and half year ended September 30, 2019 ("the Statement") pursuant to the requirements of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

Edelweiss Asset Reconstruction Company Ltd. ("Applicant"), Financial Creditor of the Company has filed application before Hon'ble National Company Law Tribunal (NCLT), Principal Bench, New Delhi under Section 7 of Insolvency & Bankruptcy Code, 2016 for initiating Corporate Insolvency Resolution Process (CIRP) against the Company. Order has been reserved vide order no. IB-933(PB)/2019 dated October 09, 2019.

In preparing the financial results, management is responsible for assessing the Company's ability to continue as 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. Under section 20 of the Code, it is incumbent upon Resolution Professional to manage the operations of the Company as a going concern and the financials results have been prepared on going concern basis.

This Statement is the responsibility of the Company's management and approved by the Board of Directors, 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. Our responsibility is to express a conclusion on the Statement based on our review of such financial statements.



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

R.N. MARWAH & CO. LLP
CHARTERED ACCOUNTANTS

2. We conducted our review of the Statement in accordance with the standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain reasonable assurance about whether the financial results are free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. **Material Uncertainty Related to Going Concern**
- a) We draw attention to Note no.5 of the Standalone unaudited financial results, which indicates that the Company's net worth has been eroded as at September 30, 2019. Further Financial Creditor of the Company has filed application before Hon'ble National Company Law Tribunal (NCLT), Principal Bench, New Delhi under Section 7 of Insolvency & Bankruptcy Code, 2016 for initiating Corporate Insolvency Resolution Process (CIRP) against the Company. Order has been reserved vide IB-933(PB)/2019 dated October 09, 2019. This along with matters listed below indicates the existence of multiple uncertainties that are significant to the financial results as a whole, cast significant doubt on the Company's ability to continue as a going concern. In view of the ongoing Corporate Insolvency Resolution Process, the outcome of which cannot be presently ascertained, we are unable to comment whether the Company will be able to continue as a going concern. Consequently, we are unable to comment as to whether the going concern basis for preparation of these financial results taken by the Company is appropriate.
- b) The Company has not charged to Statement of Profit and loss account, an interest expense of Rs.1312.37lakhs for the current quarter and Rs.22,036.45 lakhs upto June 30, 2019, respectively and related penal interest and other charges if any in respect of delay in repayment of borrowings from banks. 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 unaudited financial results for the quarter and half year ended September 30, 2019.

We Further that, without considering the Impact of paragraph (a) above the effect of which, could not be determined and had the observation made by us in paragraph (b) is considered, the loss before tax for the quarter ended September 30, 2019, would have been Rs. 2591.53 Lakhs as against the reported figure of Rs. 1279.16 lakhs.

4. Refer Note No.4 of the Standalone unaudited financial results for the quarter and half year ended September 30, 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.2,044.70lakhs in Amit Spinning Industries Limited (ASIL), Subsidiary of the Company and written off recoverable amounting of Rs. 7557.94 lakhs due from above subsidiary. ASIL moved to National Company Law Tribunal (NCLT) for resolution of its liabilities.



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no.19(ii).Further Loan taken from Relatives during the year, no agreement/ confirmation/ declaration provided.

8. Appointment/ re-appointment of Directors are subject to necessary compliance's/ approvals. Necessary approvals/procedures from respective authorities/MCA and adjustment of consequential impact if any are still pending.
9. Note no.10 to the standalone financial results for the quarter and half year ended September 30, 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.
10. 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.
11. Note no.11 due to working capital crunch, Baramati plant was shut down since September 2017,Solapur plant was shut down from April 2019 and at the end of current quarter Pitampur and bootiburi were shut down due to non -payment of salary and other dues.
12. The Company needs to strengthen its internal control systems, in particular its IT controls and those relating to existence of work-in-progress; revenue from leases; reconciliation of Consumables and spares consumed with related sales; accounts receivables including periodic reconciliations with customers, age wise analysis and application of receipts from customers; physical verification of inventories; accounts payables including vendor selection process and periodic reconciliations with vendors; classification of costs relating to items of purchase of traded goods including costs incurred towards warranty and certain contract expenses; and disposal of property, plant and equipment. We are unable to determine consequential impact, if any, of these aforesaid weaknesses on these financial results.
13. In view of our observations in paras above, we have not been able to perform complete limited review procedures in accordance with SRE 2410 and have been unable to determine the adjustments, if any, that are necessary in respect of the Company s income and expenses, Assets and Liabilities for the quarter and half year ended September 30, 2019, and related presentation and disclosures in the financial results.



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14. Because of the very substantive nature and significance of the matters described in paragraphs above and because of the limitation on work performed by us, we have not been able to obtain moderate assurance as to whether the accompanying statement of unaudited financial results has been prepared in accordance with the applicable accounting standards i.e. Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other recognized accounting practices and policies or that the unaudited financial results are free of material misstatement or state whether the unaudited financial results are presented in accordance with the requirements of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI Circular dated 5 July 2016.

For R.N. Marwah & Co. LLP
Chartered Accountants
Firm Registration No. 002111N/N500019
NEW DELHI
Partner
Membership No.: 511190

Place: New Delhi
Date: November 20, 2019

UDIN:- 19511190AAAA DH3371

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

(Rs. in Lakhs)

	Particulars	Note No.	As at Sept. 30,2019	As at March 31,2019
	ASSETS			
1	Non-current assets			
	(a) Property, plant and equipment	2	14,802.44	15,271.69
	(b) Capital work-in-progress		15.99	15.99
	(c) Financial Assets		-	-
	(i) Investments	3	0.45	0.49
	(ii) Loans	4	476.34	478.41
	(iii) Others	5	122.84	122.84
	(d) Deferred tax assets (net)		-	-
	(e) Other non-current assets	6	9.12	47.73
	Total Non current assets (A)		15,427.19	15,937.16
2	Current assets			
	(a) Inventories	7	474.08	550.90
	(b) Financial Assets			
	(i) Trade receivables	8	811.71	576.47
	(ii) Cash and cash equivalents	9	63.97	105.76
	(iii) Bank balances other than (ii) above	10	6.92	6.92
	(iv) Loans	11	146.58	136.94
	(v) Others	12	4,819.76	5,629.19
	(c) Current Tax Assets (Net)		151.87	122.99
	(d) Other current assets	13	1,041.03	1,319.38
	Total current assets (B)		7,515.92	8,448.55
	Non-current assets classified as held for sale		2,734,693.00	2,732,116.00
	Total Non-current assets classified as held for sale(C)		27.35	27.32
	Total (A+B+C)		22,970.46	24,413.03
	EQUITY AND LIABILITIES			
1	Equity			
	(a) Equity Share capital	14	8,977.20	8,977.20
	(b) Other Equity	15	(58,690.96)	(55,955.15)
	Total Equity (A)		(49,713.76)	(46,977.95)
2	LIABILITIES			
	Non-current liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	16	-	-
	(ii) Other financial liabilities	17	-	-
	(b) Provisions	18	1,473.66	1,351.23
	Total Non-current liabilities (B)		1,473.66	1,351.23
3	Current liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	19	29,414.06	29,551.84
	(ii) Trade Payables	20	5,186.13	6,006.22
	(iii) Other financial liabilities	21	31,458.71	30,375.44
	(b) Other current liabilities	22	4,174.17	3,241.36
	(c) Provisions	23	977.49	864.88
	Total Current liabilities (C)		71,210.56	70,039.74
	Total Equity and Liabilities (A+B+C)		22,970.46	24,413.03



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

CIN : 174899DL1991PLC138153; Email : secretarial@clcindia.com

Standalone statement of unaudited financial Results for the quarter and half year ended September 30, 2019

(Rs. in Lakhs, except EPS)

S.No.	Particulars	Quarter ended			Half Year Ended		Year ended
		30-Sep-2019	30-Jun-2019	30-Sep-2018	30-Sep-2019	30-Sep-2018	31-Mar-2019
		Unaudited	Audited	Unaudited	Unaudited	Unaudited	Audited
I	Revenue From Operations	1,169.55	1,274.70	6,875.85	2,444.25	16,065.78	24,516.95
II	Other Income	644.08	360.76	134.56	1,004.84	300.22	4,608.13
III	Total Income (I+II)	1,813.63	1,635.46	7,010.41	3,449.09	16,366.00	29,125.08
IV	Expenditure:						
	Cost of materials consumed	98.66	177.46	4,365.85	276.12	10,349.57	13,720.07
	Purchase of Stock in Trade	0.44	-	9.73	0.44	54.75	366.28
	Changes in inventories of finished goods, Stock-in Trade and work in progress	(57.12)	87.58	368.27	30.46	684.58	1,313.80
	Excise Duty on sale	-	-	-	-	-	-
	Employees benefits expenses	1,335.87	1,250.50	1,577.40	2,586.37	3,196.58	6,388.06
	Finance Costs	116.83	171.54	244.07	288.37	457.91	440.86
	Depreciation and amortisation expenses	246.99	246.69	257.27	493.68	508.88	1,001.58
	Other expenses	1,347.47	1,154.67	1,928.30	2,502.14	3,027.88	8,530.16
	Total Expenses (IV)	3,089.14	3,088.14	8,750.89	6,177.58	18,280.15	31,760.82
V	Profit/(Loss) before exceptional Items and Tax (III-IV)	(1,275.51)	(1,452.98)	(1,740.48)	(2,728.49)	(1,914.15)	(2,635.74)
VI	Exceptional Items	-	-	682.10	-	682.10	516.06
VII	Profit/(Loss) before tax (V-VI)	(1,275.51)	(1,452.98)	(1,058.38)	(2,728.49)	(1,232.05)	(2,119.68)
VIII	Tax expense						
	(1) Current Tax	-	-	-	-	-	-
	(2) Mat Credit Entitlement Excess Provision Written Back	-	-	-	-	-	-
	(3) Deferred Tax	-	-	-	-	-	-
	Total Tax Expenses	-	-	-	-	-	-
IX	Profit/(Loss) for the period from continuing operation (VII-)	(1,275.51)	(1,452.98)	(1,058.38)	(2,728.49)	(1,232.05)	(2,119.68)
X	Other Comprehensive Income						
	Items that will be reclassified to profit or loss						
	Items that will not be reclassified to profit or loss						
	Changes in fair value of FVTOCI equity instruments	0.01	0.03	0.01	0.04	0.02	0.02
	Actuarial (gain)/loss on remeasurement of defined benefit plan	3.65	3.64	58.11	7.29	116.22	14.57
	Other comprehensive income for the period (net of tax)	3.66	3.67	58.12	7.33	116.24	14.59
XI	Total comprehensive income for the period (IX+X)	(1,279.16)	(1,456.65)	(1,116.50)	(2,735.81)	(1,348.29)	(2,134.27)
	Paid up Equity Share Capital Face value of Rs. 10 each (No. in Lakhs)	897.72	897.72	897.72	897.72	897.72	897.72
	Earnings per share (of INR 10 each):						
	(a) Basic	(1.42)	(1.62)	(1.18)	(3.04)	(1.37)	(2.36)
	(a) Diluted	(1.42)	(1.62)	(1.18)	(3.04)	(1.37)	(2.36)



CLC Industries Limited (Formerly known as Spentex Industries Limited) Regd. Off: A-80, OKHLA INDUSTRIAL AREA, PHASE - II, NEW DELHI - 110020 CIN : L74399DL1991PLC133153; Email : secretarial@clcindia.com		
Statement of Cash Flow		
Particulars	30-Sep-13	31-Mar-13
(Rs. in Lakhs)		
Cash Flow from Operating activities		
Profit before tax	(2,728.49)	(2,115.68)
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation and impairment of property, plant and equipment	499.74	1,001.58
Unrealised Exchange Fluctuation (net)	(5.84)	2.59
Liabilities no longer required written back	(913.58)	(367.40)
Loss/(Gain) on disposal of property, plant and equipment	3.77	97.09
Finance income (including fair value change in financial instruments)	(7.29)	(14.57)
Finance costs (including fair value change in financial instruments)	288.37	440.86
Rental Income		(0.03)
Dividend Received		
Cash Flow from Operating activities before changes in Working Capital	(2,864.12)	(959.86)
Working capital adjustments:		
Decrease/(Increase) in Inventories	76.82	1,504.54
Decrease/(Increase) in Trade Receivables	(228.61)	379.75
Decrease/(Increase) in Other Financial Current Assets	801.86	(3,545.89)
Decrease in Other Current Assets	316.96	1,244.01
Decrease in Other Non Current Assets	-	(47.73)
Increase in Other financial liabilities	1,046.90	519.96
Increase in Other current liabilities	1,558.01	1,106.66
Increase in Provision	235.04	448.84
Decrease in trade and other payables	(820.08)	(207.29)
Increase/(Decrease) in working Capital	2,966.90	1,690.15
Income tax paid	26.58	45.33
Net Increase/(Decrease) in Cash from Operating activities	93.91	682.25
Cash Flow from Investing activities		
Proceeds from sale of property, plant and equipment	2.08	41.67
Purchase of property, plant and equipment	-	(76.82)
Dividend Received		0.03
Acquisition of a subsidiary, net of cash acquired		
Receipt of government grants		
Net Increase/(Decrease) in Cash from Investing activities	2.08	(35.11)
Cash Flow from Financing activities		
Proceeds from Borrowings	(137.78)	632.59
Repayment of Borrowings	-	(1,291.45)
Interest paid	-	(79.88)
Net cash flows from/(used in) financing activities	(137.78)	(738.74)
Net increase in cash and cash equivalents	(41.79)	(91.60)
Cash and cash equivalents at the beginning of the year	106	197.36
Cash and cash equivalents at year end	63.97	105.76



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- The above unaudited Standalone Financial Results of the Company for the quarter and six month ended September 30, 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 November 20, 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).
- The format for the quarterly results as prescribed in SEBI's Circular No. CIR/CFD/CMD/15/2015 dated 30th November 2015 has been amended to comply with the requirements of SEBI's Circular No. CIR/CFD/CMD/14/2019 dated 29th March, 2019, Ind AS and Schedule III to the Companies Act, 2013 applicable to the Company that is required to comply with Ind AS.
- 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.

Entity wise disclosure	Domestic	Overseas	Total
Revenue from operations			
Quarter ended on September 30, 2019	1,169.55	-	1,169.55
Quarter ended on September 30, 2018	5,665.56	1,210.29	6,875.85

- 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. 7,557.94 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. 818.79 lakhs for which reconciliation with the parties are pending.

- An application by Edelweiss Asset Reconstruction Company Ltd. ("Applicant"), Financial Creditor has filled application before the Hon'ble National Company Law Tribunal, New Delhi, Principal Bench under section 7 of Insolvency & Bankruptcy Code, 2016 (IBC) and order has been reserved vide order no. IB-933(PB)/2019 dated October 09, 2019. The Section 20 (1) of IBC, 2016 reads as:-
The interim resolution professional shall make every endeavour to protect and preserve the value of the property of the corporate debtor and manage the operations of the corporate debtor as going concern.

Considering the above facts and continuing operations of the Company, the financial results have been prepared on a going concern basis.

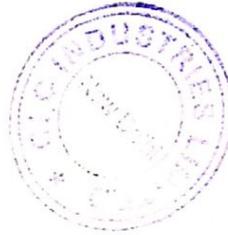
- Amount receivable from Govt. Authorities aggregating to Rs. 468.11 lakhs are pending from more than three years where payments are not forthcoming. Further VAT refundable amount of Rs. 3386.48 lakhs pending which was recognised during the year ended March 31, 2019, the company is making appropriate 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.
- Goods and Service Tax Return of has not filled for the current period due to Liquidity Crunch.
- 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. Board meeting dated February 13, 2019, share application Money treated as Deposit. Necessary approvals/procedures from respective authorities/MCA and adjustment of consequential impact if any are still pending.
- 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. 1312.37 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. 22,036.45 lakhs till June 30, 2019 has not been accounted for.
- 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. 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 and Solapur plant was shut down from April 2019 and Butibori Plant was shut down since September 2019 due to non payment of Salary and other dues. Hence data from the plant was not obtained.
- 12 The Company has adopted Ind AS 116 'Leases' effective from 1st April, 2019 as notified by the Ministry of Corporate Affairs and applied the Standard to its Leases. This has resulted in recognizing right to use assets and corresponding lease liabilities. The impact of adoption of Ind AS 116 on the profit for the Quarter and six month ended September 30, 2019 is insignificant.
- 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 Affairs, which is still awaited.
- 15 The figures for the quarter and six month ended September 30, 2019 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 relevant financial year.
- 16 Previous period figures have been regrouped / rearranged wherever necessary, to make them comparable.

For & on behalf of Board of Directors
SPL Industries Limited
(Formerly Known as SPENEX Industries Limited)

Mukund Choudhary
Managing Director
DIN: 00051529
Place: New Delhi
Dated: November 20, 2019



Independent Auditor's Review Report on the quarterly and half year ended Unaudited consolidated Financial Results of the Company pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

Review Report 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 reviewed the accompanying statement of Unaudited Consolidated financial results 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 quarter and half year ended September 30, 2019 being submitted by the Holding Company pursuant to the requirement of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Regulation") read with SEBI Circular No. CIR/CFD/CMD1/44/2019 ("the Circular").

Edelweiss Asset Reconstruction Company Ltd. ("Applicant"), Financial Creditor of the Company has filed application before Hon'ble National Company Law Tribunal (NCLT), Principal Bench, New Delhi under Section 7 of Insolvency & Bankruptcy Code, 2016 for initiating Corporate Insolvency Resolution Process (CIRP) against the Company. Order has been reserved vide order no. IB-933(PB)/2019 dated October 09, 2019.

In preparing the financial results, management is responsible for assessing the Company's ability to continue as 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. Under section 20 of the Code, it is incumbent upon the Professional to manage the operations of the Company as a going concern and the financial results have been prepared on going concern basis.



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

This statement is the responsibility of the Parent's management and approved by the Parent's Board of Directors, has 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. Our responsibility is to express a conclusion on the Statement based on our review of such financial statements.

2. We conducted our review of the Statement in accordance with the standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain reasonable assurance about whether the financial results are free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion. .
3. The group has not considered the financial statements of a step down subsidiary Schoeller Lotvinok.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 unaudited financial result for the quarter ended September 30, 2019.

4. Material Uncertainty Related to Going Concern

- a) We draw attention to Note no.6 of the consolidated unaudited financial results, which indicates that the Holding Company's net worth has been eroded as at September 30, 2019. Further Financial Creditor of the Company has filed application before Hon'ble National Company Law Tribunal (NCLT), Principal Bench, New Delhi under Section 7 of Insolvency & Bankruptcy Code, 2016 for initiating Corporate Insolvency Resolution Process (CIRP) against the Company. Order has been reserved vide IB-933(PB)/2019 dated October 09, 2019. This along with matters listed below indicates the existence of multiple uncertainties that are significant to the financial results as a whole, cast significant doubt on the Company's ability to continue as a going concern. In view of the ongoing Corporate Insolvency Resolution Process, the outcome of which cannot be presently ascertained, we are unable to comment whether the Company will be able to continue as a going concern. Consequently, we are unable to comment as to whether the going concern basis for preparation of these financial results taken by the Company is appropriate.



- b) The Group has not charged to Statement of Profit and loss account, an interest expense of Rs.1736.17lakhs for the current quarter and Rs.22,036.45 lakhs upto June 30, 2019 respectively and related penal interest and other charges if any in respect of delay in repayment of borrowings from banks. 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 Consolidate unaudited financial results for the quarter and half year ended September 30, 2019.

We Further that, without considering the Impact of paragraph (a) above the effect of which, could not be determined and had the observation made by us in paragraph (b) is considered, the loss before tax for the quarter ended September 30, 2019, would have been Rs. 3022.83 Lakhs as against the reported figure of Rs. 1286.66 lakhs.

5. Refer Note No.5 of the consolidated unaudited financial results for the quarter and half year ended September 30, 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. 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. 818.79lakhs for which reconciliation with the parties are pending as on September 30, 2019.

6. Note no. 6A to the Consolidated unaudited financial results for the quarter and half year ended September 30, 2019, Amount Receivable from Government Authorities of Holding Company aggregating to Rs.468.11 lakhs are pending from more than 3 years where payments are not forthcoming. Further VAT refundable of Holding company amount of Rs. 3386.48 lakhs pending out of amount recognized during the year ended March 31, 2019. 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. We are unable to comment on these financial results in relation to the following items, in view of non-availability of necessary information / documentation/satisfactory explanations relevant to the current period review-
- Lack of reconciliation/ Data of consumables, spares consumed and Inventory;
 - Lack of availability of data related to sales, purchase, payroll and other manufacturing expenses and other expense for the quarter ended September 30, 2019.
 - Lack of Physical verification of Cash in Hand and Bank Balance certificates/ Confirmations as on September 30, 2019.
 - Original documents / agreements were not made available in most cases, as explained to us by the management, all the plant were shut -down due to non -payment of salary and other dues, hence data from the plants could not be obtained.
8. Note no. 7 to the consolidated unaudited financial results, Goods and Service Tax Return for the current period not filed due to Liquidity Crunch.
9. Note no.8 to the consolidated unaudited financial results for the quarter and half year ended September 30, 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.1109.50lakhs 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).Further Loan taken from Relatives during the year, no agreement/ confirmation/ declaration provided.
10. Appointment/ re-appointment of Directors are subject to necessary compliance's/ approvals. Necessary approvals/procedures from respective authorities/MCA and adjustment of consequential impact if any are still pending.
11. Note no.10 to the consolidated financial results for the quarter and half year ended September 30, 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.
12. Note No. 14 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 Company has not complied with the requirement of the said circular.

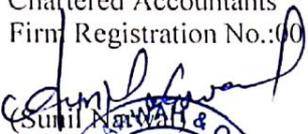


13. Note no.11 Due to working capital crunch, Baramati plant was shut down since September 2017, Solapur plant was shut down from April 2019 and at the end of current quarter Pitampur and Butibori were shut down due to non-payment of salary and other dues.
14. The Holding Company needs to strengthen its internal control systems, in particular its IT controls and those relating to existence of work-in-progress; revenue from leases; reconciliation of Consumables and spares consumed with related sales; accounts receivables including periodic reconciliations with customers, age wise analysis and application of receipts from customers; physical verification of inventories; accounts payables including vendor selection process and periodic reconciliations with vendors; classification of costs relating to items of purchase of traded goods including costs incurred towards warranty and certain contract expenses; and disposal of property, plant and equipment. We are unable to determine consequential impact, if any, of these aforesaid weaknesses on these financial results.
15. The consolidated financial results includes the unaudited financial results of subsidiary, whose financial results reflect total revenue of Rs. Nil lakhs, total net profit/(loss) after tax of Rs.7.50 lakhs and total comprehensive income/ loss of Rs.7.50 lakhs for the quarter ended September 30, 2019, and loss of Rs. 141.86 for the half year ended September 30, 2019 as considered in the consolidated financial results. These financial results are unaudited and have been furnished to us by the Management and our opinion on the Statement, in so far as it relates to the amounts and disclosures included in respect of the subsidiary, is based solely on such unaudited financial results.
Our Conclusion on the Statement is not modified in respect of our reliance on the interim financial information certified by the Management.
16. The Statement includes the results of Subsidiary:-Spentex Netherlands B.V.
17. In view of our observations in par as above, we have not been able to perform complete limited review procedures in accordance with SRE 2410 and have been unable to determine the adjustments, if any, that are necessary in respect of the Company's income and expenses, Assets and Liabilities for the quarter and half year ended September 30, 2019, and related presentation and disclosures in the financial results.



18. Because of the very substantive nature and significance of the matters described in paragraphs above and because of the limitation on work performed by us, we have not been able to obtain moderate assurance as to whether the accompanying statement of unaudited financial results has been prepared in accordance with the applicable accounting standards i.e. Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other recognized accounting practices and policies or that the unaudited financial results are free of material misstatement or state whether the unaudited financial results are presented in accordance with the requirements of Regulation 33 of the Securities and E change Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI Circular dated 5 July 2016.

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


(Sunil Narwah & Co. LLP)
Partner
Membership No.: 311190
Place: New Delhi
Date: November 20, 2019

UDIN:- 195111190 ANAADG3637

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 Assets and Liabilities

(Rs. in Lakhs)

	Particulars	Note No.	As at Sept. 30,2019	As at March 31,2019
	ASSETS			
1	Non-current assets			
	(a) Property, plant and equipment	2	14,802.44	15,271.69
	(b) Capital work-in-progress		15.99	15.99
	(c) Financial Assets		-	-
	(i) Investments	3	0.45	0.49
	(ii) Loans	4	476.34	478.41
	(iii) Others	5	122.84	122.84
	(d) Deferred tax assets (net)		-	-
	(e) Other non-current assets	6	9.12	47.73
	Total Non current assets (A)		15,427.19	15,937.16
2	Current assets			
	(a) Inventories	7	474.08	550.90
	(b) Financial Assets		-	-
	(i) Trade receivables	8	811.71	576.47
	(ii) Cash and cash equivalents	9	63.97	105.76
	(iii) Bank balances other than (ii) above	10	6.92	6.92
	(iv) Loans	11	146.58	136.94
	(v) Others	12	4,819.76	5,629.19
	(c) Current Tax Assets (Net)		151.87	122.99
	(d) Other current assets	13	1,041.03	1,319.38
	Total current assets (B)		7,515.92	8,448.55
	Non-current assets classified as held for sale		27.35	27.32
	Total Non-current assets classified as held for sale(C)		27.35	27.32
	Total (A+B+C)		22,970.46	24,413.03
	EQUITY AND LIABILITIES			
1	Equity			
	(a) Equity Share capital	14	8,977.20	8,977.20
	(b) Other Equity	15	(98,748.37)	(94,428.61)
	Total Equity (A)		(89,771.16)	(85,451.41)
2	LIABILITIES			
	Non-current liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	16	-	-
	(ii) Other financial liabilities	17	-	-
	(b) Provisions	18	1,473.66	1,351.23
	Total Non-current liabilities (B)		1,473.66	1,351.23
3	Current liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	19	31,389.94	31,284.39
	(ii) Trade Payables	20	5,201.03	6,020.76
	(iii) Other financial liabilities	21	69,525.33	67,101.81
	(b) Other current liabilities	22	4,174.17	3,241.36
	(c) Provisions	23	977.49	864.88
	Total Current liabilities (C)		1,11,267.96	1,08,513.21
	Total Equity and Liabilities (A+B+C)		22,970.46	24,413.03

CLC Industries Limited

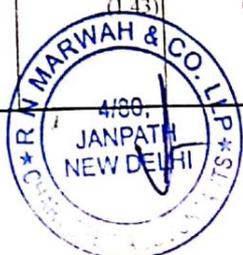
(Formerly Known as Spentex Industries Limited)

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

CIN : L24899DL1991PLC138153; Email : secretarial@clcindia.com

Consolidated statement of unaudited financial Results for the quarter and half year ended September 30, 2019 (Rs. in Lakhs, except EPS)

S.No.	Particulars	Quarter ended			Half Year Ended		Year ended
		30-Sep-2019	30-Jun-2019	30-Sep-2018	30-Sep-2019	30-Sep-2018	31-Mar-2019
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
I	Revenue From Operations	1,169.55	1,274.70	6,875.85	2,444.25	16,065.78	24,516.95
II	Other Income	644.08	360.76	134.56	1,004.84	300.22	4,608.13
III	Total Income (I+II)	1,813.63	1,635.46	7,010.41	3,449.09	16,366.00	29,125.08
IV	Expenditure:						
	Cost of materials consumed	98.66	177.46	4,365.85	276.12	10,349.57	13,720.07
	Purchase of Stock in Trade	0.44	-	9.73	0.44	54.75	366.28
	Changes in inventories of finished goods, Stock-in Trade and work in progress	(57.12)	87.58	368.27	30.46	684.58	1,313.80
	Excise Duty on sale	-	-	-	-	-	-
	Employees benefits expenses	1,335.87	1,250.50	1,577.40	2,586.37	3,196.58	6,388.06
	Finance Costs	127.99	575.25	623.47	703.24	1,216.73	1,958.49
	Depreciation and amortisation expenses	246.99	246.69	257.27	493.68	508.88	1,001.58
	Other expenses	1,347.47	1,154.67	1,928.30	2,502.14	3,027.88	8,530.16
	Total Expenses (IV)	3,100.29	3,492.15	9,130.29	6,592.44	19,038.97	33,278.46
V	Profit/(Loss) before exceptional Items and Tax (III-IV)	(1,286.66)	(1,856.69)	(2,119.88)	(3,143.35)	(2,672.97)	(4,153.38)
VI	Income of Exceptional item	-	-	682.10	-	682.10	516.06
VII	Profit/(Loss) before tax (V-VI)	(1,286.66)	(1,856.69)	(1,437.78)	(3,143.35)	(1,990.87)	(3,637.31)
VIII	Tax expense						
	(1) Current Tax	-	-	-	-	-	-
	(2) Mat Credit Entitlement Excess Provision Written Back	-	-	-	-	-	-
	(3) Deferred Tax	-	-	-	-	-	-
	Total Tax Expenses	-	-	-	-	-	-
IX	Profit/(Loss) for the period from continuing operation (VII)	(1,286.66)	(1,856.69)	(1,437.78)	(3,143.35)	(1,990.87)	(3,637.31)
X	Other Comprehensive Income						
	Items that will be reclassified to profit or loss						
	Items that will not be reclassified to profit or loss						
	Changes in fair value of FVTOCI equity instruments	0.01	0.03	0.01	0.04	0.02	0.02
	Actuarial (gain)loss on remeasurement of defined benefit plan	3.65	3.64	58.11	7.29	116.22	14.57
	Other comprehensive income for the period (net of tax)	3.66	3.67	58.12	7.33	116.24	14.59
XI	Total comprehensive income for the period (IX+X)	(1,290.32)	(1,860.36)	(1,495.90)	(3,150.68)	(2,107.11)	(3,651.91)
	Paid up Equity Share Capital Face value of Rs. 10 each (No. in Lakhs)	897.72	897.72	897.72	897.72	897.72	897.72
	Earnings per share (of INR 10 each):						
	(a) Basic	(1.43)	(2.07)	(1.60)	(3.50)	(2.22)	(4.05)
	(a) Diluted	(1.43)	(2.07)	(1.60)	(3.50)	(2.22)	(4.05)



CLC Industries Limited (Formerly known as Spentex Industries Limited) Regd. Off : A-60, OKHLA INDUSTRIAL AREA, PHASE - II, NEW DELHI - 110029. CIN : L74899DL1991PLC138153; Email : secretarial@clcindia.com		
Consolidated Statement of Cash Flow for the year ended		
	(Rs. in Lakhs)	
Particulars	30-Sep-19	31-Mar-19
Cash Flow from Operating activities		
Profit before tax	(3,143.35)	(3,637.31)
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation and impairment of property, plant and equipment	499.74	1,001.58
Unrealised Exchange Fluctuation (net)	(421.87)	2.59
Investment Written Off	-	-
Balances With Subsidiary W/off	-	-
Liabilities no longer required written back	-	(387.40)
Loss/(Gain) on disposal of property, plant and equipment	3.77	97.09
Fair value adjustment of a contingent consideration	-	-
Finance income (including fair value change in financial instruments)	(7.29)	(14.57)
Finance costs (including fair value change in financial instruments)	703.24	1,958.49
Dividend Received	-	(0.03)
Cash Flow from Operating activities before changes in Working Capital	(2,365.76)	(959.56)
Working capital adjustments:		
Decrease/(Increase) in Inventories	76.82	1,804.54
Decrease/(Increase) in Trade Receivables	(228.61)	379.78
Decrease/(Increase) in Other Financial Current Assets	801.86	(3,545.86)
Decrease in Other Current Assets	316.96	1,244.01
Decrease in Other Non Current Assets	-	(47.73)
Increase in Other financial liabilities	1,461.77	519.96
Increase in Other current liabilities	644.43	1,106.86
Increase in Provision	235.04	448.84
Decrease in trade and other payables	(819.73)	(220.28)
Increase/(Decrease) in working Capital	2,488.55	1,690.15
Income tax paid	28.88	48.33
Net Increase/(Decrease) in Cash from Operating activities	93.91	682.25
Cash Flow from Investing activities		
Proceeds from sale of property, plant and equipment	2.08	41.67
Purchase of property, plant and equipment	-	(76.82)
Dividend Received	-	0.03
Net Increase/(Decrease) in Cash from Investing activities	2.08	(35.11)
Cash Flow from Financing activities		
Proceeds from Borrowings	(137.78)	632.59
Repayment of Borrowings	-	(1,291.45)
Interest paid	-	(79.88)
Net cash flows from/(used in) financing activities	(137.78)	(738.74)
Net increase in cash and cash equivalents	(41.79)	(91.60)
Cash and cash equivalents at the beginning of the year	105.76	197.36
Cash and cash equivalents at year end	63.97	105.76



CLC Industries Limited (Formerly known as Spentex Industries Limited)

Regd. Off : A-60, OKHILA INDUSTRIAL AREA, PHASE - II, NEW DELHI - 110020.
CIN : L74899DL1991PLC138153; Email : secretarial@clcindia.com

- The above unaudited consolidated Financial Results of the Company for the quarter and six month ended September 30, 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 November 20, 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).
- The Subsidiary i.e Schoeller Litnivo K.S. was under the control of secured creditors and its financials are not available, therefore consolidation is not possible.
Amit Spinning Industries Limited which was a Subsidiary of CLC Industries limited is not consolidated due to loss of Control of Holding Company over the entity.
- The format for the quarterly results as prescribed in SEBI's Circular No. CIR/CFD/CMD/15/2015 dated 30th November 2015 has been amended to comply with the requirements of SEBI's Circular No. CIR/CFD/CMD1/44/2019 dated 29th March, 2019, Ind AS and Schedule III to the Companies Act, 2013 applicable to the Company that is required to comply with Ind-AS.
- 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 consolidated financials, the Company is in the business of Manufacture of Yarn and there is only single segment

(Rs.in Lakhs)

Entity wise disclosure	Domestic	Overseas	Total
Revenue from operations			
Quarter ended on September 30, 2019	1,169.55	-	1,169.55
Quarter ended on September 30, 2018	5,665.56	1,210.29	6,875.85

- 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. 7,557.94 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. 818.79 lakhs for which reconciliation with the parties are pending.

- An application by Edelweiss Asset Reconstruction Company Ltd. ("Applicant"), Financial Creditor has filed application before the Hon'ble National Company Law Tribunal, New Delhi, Principal Bench under section 7 of Insolvency & Bankruptcy Code, 2016 (IBC) and order has been reserved vide order no. IB-933(PB)/2019 dated October 09, 2019.
The Section 20 (1) of IBC, 2016 reads as:-
The interim resolution professional shall make every endeavour to protect and preserve the value of the property of the corporate debtor and manage the operations of the corporate debtor as going concern.

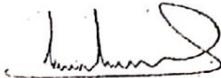
Considering the above facts and continuing operations of the Company, the financial results have been prepared on a going concern basis.

- Amount receivable from Govt. Authorities aggregating to Rs. 468.11 lakhs are pending from more than three years where payments are not forthcoming. Further VAT refundable amount of Rs. 3386.48 lakhs pending which was recognised during the year ended March 31, 2019, 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.
- Goods and Service Tax Return of has not filled for the current period due to Liquidity Crunch.
- The Holding 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 has not refunded to the subscriber the same shall be treated as deposit. Board meeting dated February 13, 2019, share application Money treated as Deposit. Necessary approvals/procedures from respective authorities/MCA and adjustment of consequential impact if any are still pending.



- 9 The Group'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 Group has not charged to statement of profit and loss account interest expenses of Rs. 1736.17 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. 22,036.45 lakhs till June 30, 2019 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. 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 and solapur plant was shut down from April 2019 and Butibori Plant was shut down since September 2019 due to non payment of Salary and other dues. Hence data from the plant was not obtained.
- 12 The Group has adopted Ind AS 116 'Leases' effective from 1st April, 2019 as notified by the Ministry of Corporate Affairs and applied the Standard to its Leases. This has resulted in recognizing right to use assets and corresponding lease liabilities. The impact of adoption of Ind AS 116 on the profit for the Quarter and six month ended September 30, 2019 is insignificant.
- 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 Holding 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 Affairs, which is still awaited.
- 15 The figures for the quarter and six month ended September 30, 2019 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 relevant Financial Year.
- 16 Previous period figures have been regrouped / rearranged wherever necessary, to make them comparable.

For & on behalf of Board of Directors
CLC Industries Limited
 (Formerly Known as SPENTEX Industries Limited)


 Mukund Choudhary
 Managing Director
 DIN: 00051529
 Place : New Delhi
 Dated: November 20, 2019

