

CLC INDUSTRIES LIMITED

(Formerly known as SPENTEX INDUSTRIES LIMITED)



August 14, 2018

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 14th August, 2018 and Un-audited Financial Results for the quarter ended 30th June, 2018

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we wish to inform your goodself that the Board of Directors of the Company at its meeting held on 14th August, 2018 has, *interalia*, considered and approved the following:

1. Un-audited Financial Results for the quarter ended 30th June, 2018 and taken on record the Limited Review Report as submitted by the Statutory Auditors.
2. Fixed the date of the 26th Annual General Meeting scheduled to be held on 27th September, 2018 and approved the draft notice of ensuing 26th Annual General Meeting.
3. Closure of Register of Members and Share transfer Books of the Company from Saturday, the 22nd day of September, 2018 to Thursday, the 27th day of September, 2018 (both days inclusive) for the purpose of holding the 26th Annual General Meeting.
4. Appointment of Mr. Loveneet Handa, Practicing Company Secretary as Scrutinizer for the purpose of E-voting and poll/ballot voting at the ensuing AGM.

Please find enclosed herewith the Unaudited Standalone Financial results of the Company for the quarter ended 30th June, 2018 alongwith Auditors' Limited Review Report in compliance with Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Please take the above on record.

Thanking you,

Yours truly,

For CLC INDUSTRIES LIMITED

(Formerly known as Spentex Industries Limited)


BHARAT KAPOOR
COMPANY SECRETARY

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Tel: +91-11-46598900, Fax: +91-11-2638518, Email: info@clcindia.com, www.spentexindustries.com
CIN: L74899DL1991PLC138153

Review Report on Quarterly Standalone Financial Results of the Company pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

To
The Board of Directors
CLC Industries Limited (*Formally known as Spentex Industries Limited*)
A-60, Okhla Industrial Area, Phase –II,
New Delhi-110020

1. We have reviewed the accompanying statement of standalone unaudited financial results ("The Statement") of CLC Industries Limited (*Formally known as Spentex Industries Limited*) ("The Company") for the quarter ended June 30, 2018 pursuant to the requirement of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by SEBI circular no. CIRICFD/FAC/62/2016 dated 5th July 2016.

This Statement is the responsibility of the Company's management and approved by the Board of Directors, which has been prepared in accordance with 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 and other recognized accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.

2. We conducted our review in accordance with the Standard on Review Engagement (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 moderate assurance as to whether the financial statements 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(a) Refer note No.5 of the Standalone financial results for the quarter ended June 30, 2018 wherein the company had 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 to 'Rs 7557.94 Lakhs due from above subsidiary keeping in view of ongoing proceedings of ASIL in National Company Law Tribunal under Insolvency and Bankruptcy code. Further we are unable to determine the amount of liability that may arise on account of Corporate Guarantee given on behalf of ASIL



b. Note No.6 of the Standalone financial results for the quarter ended June 30, 2018, which indicates that the Company has accumulated losses and its net worth has been fully eroded. Further, majority of the banks have categorized borrowings of the Company as Non-Performing Assets (NPA) and have sent recall notices u/s 132(2) of Securitization and Reconstruction of Financial Assets and Enforcement of security Interest Act (SARFAESI), 2002 to the Company. These Conditions indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a Going Concern, In case the going concern concept is vitiated, necessary adjustment will be required in the carrying amount of assets and liabilities which are not ascertainable. However, the financial result of the Company has been prepared on the basis of the reasons stated in the said notes.

c. The Company has not charged to statement of Profit and loss interest expense of Rs.1340.49 lakhs for the current quarter and Rs.14975.90 lakhs up to previous years 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 8 to the standalone financial results for the quarter ended June 30, 2018.

We further report that, without considering the impact of paragraphs (a) and (b) above the effect of which, could not be determined and had the observation made by us in paragraphs (c) is considered, the loss before tax for the quarter ended June 30, 2018, would have been Rs.1514.16 lakhs as against the reported figure of Rs, 173.67 lakh.

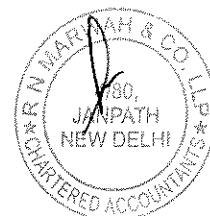
4. Without qualifying our limited review report, we draw attention to:

(a) Note no 7 to the standalone unaudited financial results for the quarter ended June 30, 2018, wherein the Company has not allotted shares against share application amount 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,

(b) Note no 11 to the standalone unaudited financial results for the quarter ended June 30, 2018, regarding balances of parties under the head trade receivable, trade payable and loans & advances which are subject to confirmation, reconciliation and consequential adjustments if any.

(c) The Company is Required to deposit/invest a sum of at least 15% of the amount of its debentures matured during the financial year 2017-18 in one or more of the prescribed methods vide circular no.0412013 dated February 11,2013 issued by Ministry of Corporate Affairs However, the Company has not complied with the requirement of the said circular.

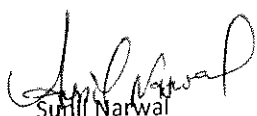
(d) Refer note no. 9 to the standalone financial results, during the Quarter ended June 30, 2018 Company has booked refund of Wheeling charges and wheeling Loss for the FY 2015-16 and 2016-17 amounting to Rs. 311.40 Lakhs and power factor incentive of Rs. 761.27 Lakhs based on petition filed before MERC (Maharashtra Electricity Regulatory Commission) U/S 142 of the electricity Act, 2003 as well as U/S 86 (1) (a), 86 (1) (i) read with section 42(2) and section 23 of Electricity Act, 2003 and other relevant Rules and Regulations.



R.N.MARWAH & CO LLP
CHARTERED ACCOUNTANTS

5. Based on our review conducted as above subject to the adjustments that may be required to the financial results in view of our remarks stated in paragraph 4 above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited Standalone Financial Results, prepared in accordance with the applicable Accounting Standards and other recognized accounting practices and policies, has not disclosed the information required to be disclosed in terms of Regulations 33 of SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015 as modified by Circular No CIR/CFD/FAC/62/2016 dated July 5, 2016, including the manner in which it is to be disclosed or that it contains any material misstatement.

For R N Marwah & Co LLP
(Chartered Accountants)
Reg No. 001211N/N50019


Sunil Narwal

(Partner)

Membership No. 511190



Date: August 14, 2018
Place: New Delhi

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

Statement of Standalone Financial Results for the quarter ended June 30, 2018

(Rs. in Lakhs, except EPS)

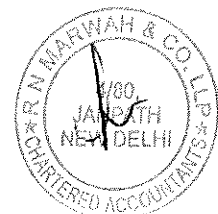
Particulars	Quarter ended			Year ended
	June 30, 2018 Unaudited	March 31, 2018 Audited	June 30, 2017 Unaudited	March 31, 2018 Audited
I Revenue From Operations	9,189.93	(Ref. Note No.15) 10,630.05	14,123.02	48,053.43
II Other Income	165.61	1,111.23	86.79	1,217.44
III Total Income (I+II)	9,355.54	11,741.28	14,209.81	49,270.87
IV Expenditure:				
Cost of materials consumed	5,983.71	7,355.22	9,073.00	32,030.73
Purchase of Stock in Trade	45.02	8.70	2.08	26.45
Changes in inventories of finished goods, Stock- in Trade and work in progress	316.32	363.46	916.39	2,246.97
Excise Duty on sale	-	-	23.93	23.93
Employees benefits expenses	1,619.18	1,556.22	2,053.49	7,324.42
Finance Costs	213.84	236.03	200.57	874.17
Depreciation and amortisation expenses	251.61	267.99	262.48	1,055.46
Other expenses	1,099.53	2,151.74	3,115.90	10,293.62
Total Expenses (IV)	9,529.21	11,939.36	15,647.83	53,875.75
V Profit/(Loss) before exceptional Items and Tax (III-IV)	(173.67)	(198.07)	(1,438.02)	(4,604.88)
VI Exceptional Items	-	2,601.18	-	12,203.82
VII Profit/(Loss) before tax (V-VI)	(173.67)	(2,799.25)	(1,438.02)	(16,808.70)
VIII Tax expense				
(1) Current Tax	-	-	-	-
(2) Mat Credit Entitlement Excess Provision Written Back	-	(44.13)	-	(44.13)
(3) Deferred Tax	-	-	-	-
Total Tax Expenses	-	(44.13)	-	(44.13)
IX Profit/(Loss) for the period from continuing operation (VII-VIII)	(173.67)	(2,755.12)	(1,438.02)	(16,764.57)
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	(0.02)	(0.02)	(0.11)
Actuarial (gain)/loss on remeasurement of defined benefit plan	58.11	145.26	30.92	238.02
Other comprehensive income for the period (net of tax)	58.12	145.24	30.91	237.91
XI Total comprehensive income for the period (IX+X)	(231.79)	(2,900.37)	(1,468.92)	(17,002.48)
Paid up Equity Share Capital Face value of Rs. 10 each (No. in Lakhs)	897.72	897.72	897.72	897.72
Earnings per share (of INR 10 each):				
(a) Basic	(0.19)	(3.07)	(1.60)	(18.67)
(a) Diluted	(0.19)	(3.07)	(1.60)	(18.67)

Notes:

- 1 The above Standalone Financial Results of the Company for the the quarter ended June 30, 2018. have been reviewed and recommended by the Audit Committee and approved by the Board of Directors of the Company at its meeting held on August 14, 2018. 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).



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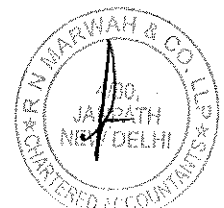
2. The format for the unaudited quarterly results as prescribed in SEBI's Circular No. CIR/CFD/CMD/15/2015 dated 30th November 2015 has been modified to comply with the requirements of SEBI's Circular No. CIR/CFD/FAC/62/2016 dated 5th July, 2016, Ind AS and Schedule III to the Companies Act, 2013 applicable to the Company that is required to comply with Ind-AS.
3. The Statutory Auditors have carried out limited review of the Standalone Financial Results of the Company for the quarter ended June 30, 2018.
4. 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 (Rs. In Lakhs)	Overseas (Rs. In Lakhs)
Revenue from operations		
Quarter ended on June 30, 2018	7,262.81	1,927.12
Quarter ended on June 30, 2017	9,156.08	4,966.94

5. Expenses of exceptional nature comprise of provision for diminution in the value of investment in the subsidiary Amit Spinning Industries Limited (ASIL) Rs. 2044.70 lacs and write off of Rs. 7557.94 lakhs recoverable from the subsidiary ASIL. During the Financial Year 2017-18 ASIL moved to National Company Law Tribunal (NCLT) for resolution of its liabilities. Further, NCLT vide order dated 01.08.2017, has admitted the Company's petition and has appointed Resolution Professional for the Company. The same has been so accounted for keeping in view the ongoing proceedings of Amit Spinning Industries Limited (ASIL) in National Company Law Tribunal (NCLT) under the Insolvency and Bankruptcy Code (IBC), 2016. The company ASIL has filed its petition before NCLT and Resolution professional has been appointed as per IBC, 2016. Keeping in view of above as per Ind AS 109 no adjustment was made for Corporate guarantee given by Spentex Industries Limited to ASIL.
6. As on June 30, 2018, the accumulated losses of the Company had exceeded its net worth. The Quarterly and year ended results of the company has been prepared on going concern basis as the management believe that the accumulated losses would be wiped off and the profitability improved and the networth will turn positive once financial restructuring is carried out by the lenders and requisite working capital is raised. Company is in advanced stages of this financial resolution and is quite hopeful that within the current financial year, the same will be carried out.
7. 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 installments 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.
8. The Company's accounts had become Non performing assets (NPA) with majority of the banks and due to this reason, the majority of lenders stopped charging interest from the company on their outstanding debts amount from the dates on which their accounts become NPA. In view of the above, the company has not charged to statement of profit and loss account interest expenses of Rs. 1,340.49 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. 14,975.90 lakhs till March 31, 2018 has not been accounted for.
9. During the quarter ended June 30, 2018 company has booked refund of Wheeling charges and wheeling Loss for the FY 2015-16 and 2016-17 amounting to Rs. 311.40 Lacs and power factor incentive of Rs. 761.27 Lacs based on petition filed before MERC (Maharashtra Electricity Regulatory Commission) u/s 142 of the Electricity Act, 2003 as well as u/s 86(1)(a), 86(1)(i) read with Section 42(2) and Section 23 of Electricity Act, 2003 and other relevant Rules and Regulations. Management is confident for recovery of the same.
10. Ind AS 115 Revenue from Contracts with Customers, mandatory for reporting periods beginning on or after April 1, 2018, replaces existing revenue recognition requirements. Under the modified retrospective approach there were no significant adjustments required to the retained earnings at April 1, 2018. Also, the application of Ind AS 115 did not have any significant impact on recognition and measurement of revenue and related items in the financial results.
11. The outstanding balance as on June 30, 2018 in respect of 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.
12. Due to working capital crunch, Baramati plant was shut down during the FY 2017-18. Management of the company is confident of restarting the unit within current financial year once financial restructuring is carried out by lenders and additional working capital is raised. This shut down is temporary in nature, hence no Impairment testing was done.
13. Revenue from operations for periods up to June 30, 2017 includes excise duty, which is discontinued effective from July 01, 2017 upon implementation of Goods and Service Tax (GST) in India. In accordance with 'Ind-AS 18, Revenue' GST is not included in revenue from operations. In view of the aforesaid restructuring of indirect taxes, revenue from operations for the quarter/year ended on March 31, 2018 are not comparable to the extent with the previous periods."



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Annex 15

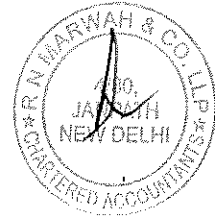
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- 14 The company has applied to Securities & Exchange Board of India (SEBI) seeking exemption for maintaining at least 15% of the amount of its debenture maturing during the financial year 2017-18 vide circular no 04/2013 dated 11-Feb-2013 issued by Ministry of Corporate Affairs, which is still awaited.
- 15 The figures of the preceding quarter ended 31st March 2018 are the balancing figures between audited figures in respect of the full previous financial year and the published year to date figures up to the 31st December 2017.
- 16 Previous period figures have been regrouped / rearranged wherever necessary, to make them comparable.

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

Mukund Choudhary
Managing Director
Place : New Delhi
Date : August 14, 2018

(DIN - 00051529)



Non
Kor
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