

Ref No: SEC/NSE/BSE/2021-22  
August 13, 2021

**The Manager, Capital Market (Listing)**  
**National Stock Exchange of India Ltd.**  
Exchange Plaza, 5<sup>th</sup> Floor,  
Plot No : C/1, G Block,  
Bandra Kurla Complex,  
Bandra (E), Mumbai-400 051

**Stock Code: Equity – Sintex EO**

**The Corporate Relationship Dept.**  
**BSE Limited**  
1<sup>st</sup> Floor, New Trading Ring,  
Rotunda Building, P.J. Towers,  
Dalal Street, Mumbai-400 001  
**Stock Code: Equity 502742**  
**Security Code** 950353  
**of Debt** 951037  
**Instruments:** 952870

Dear Sir,

**Sub.: Approval of Unaudited Financial Results of the Company for the first Quarter ended 30<sup>th</sup> June, 2021.**

Dear Sir/Madam,

Pursuant to Regulation 33 of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find attached herewith the Unaudited Financial Results (Standalone and Consolidated) of the Company for the first quarter ended 30<sup>th</sup> June, 2021 along with Limited Review Report on the said Unaudited Financial Results of the Company.

The meeting commenced at 1.00 p.m. and concluded at 1.55 p.m.

You are requested to take the same on records and oblige.

Yours faithfully,

**For Sintex Industries Limited**

(A Company under Corporate Insolvency Resolution Process by NCLT, Ahmedabad bench order 06.04.2021)

  
**Company Secretary**

ENCL : As Stated



**SINTEX INDUSTRIES LIMITED**

Regd. Office : Kalol-382721, Dist. Gandhinagar, Gujarat, India.  
Ph: +91-2764-253000, Email: share@sintex.co.in  
CIN : L17110GJ1931PLC000454

Investor Relationship Cell:  
7th Floor, Abhijit Building-I, Mithakhali Six Roads,  
Ellisbridge, Ahmedabad-380 006, Gujarat.  
Phone : +91-6358855979  
www.sintex.in

# Sintex Industries Limited

Regd. Office : Kalol - 382 721, India

Phone: (02764) - 253000

E-mail : share@sintex.co.in Website : www.sintex.in

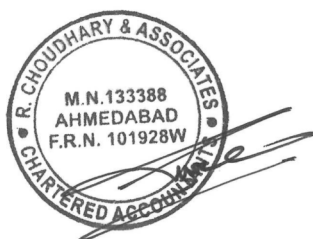
CIN : L17110GJ1931PLC000454



## Statement of Unaudited Consolidated Financial results for the Quarter ended 30th June, 2021

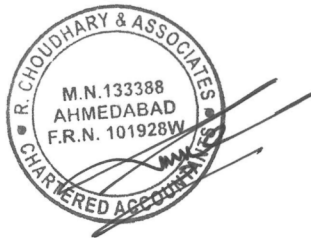
(Rs. in Crores except per share data)

Sr No	Particulars	Unaudited			Audited
		Quarter ended			Year ended
		30-Jun-21	31-Mar-21	30-Jun-20	31-Mar-21
1	Income				
	(a) Revenue from operations	473.68	721.62	141.90	1,695.71
	(b) Other Income	13.81	29.04	3.41	61.06
	<b>Total Income</b>	<b>487.49</b>	<b>750.66</b>	<b>145.31</b>	<b>1,756.77</b>
2	Expenses				
	(a) Cost of materials consumed	255.49	459.47	89.14	1,110.24
	(b) Purchase of stock in trade	-	-	-	-
	(c) Changes in inventories of finished goods, work-in-progress and stock in trade	30.14	1.38	11.53	11.97
	(d) Employee benefits expense	34.91	40.59	28.11	134.57
	(e) Finance Costs	193.74	206.63	190.58	795.32
	(f) Depreciation and amortisation expense	65.41	69.20	70.38	281.77
	(g) Other expenses	77.26	116.79	37.63	302.25
	<b>Total expenses</b>	<b>656.95</b>	<b>894.06</b>	<b>427.37</b>	<b>2,636.12</b>
3	Profit/(Loss) before tax and Exceptional item (1) - (2)	(169.46)	(143.40)	(282.06)	(879.35)
4	Exceptional item	-	-	426.64	426.64
5	Profit/(Loss) before tax (3)-(4)	(169.46)	(143.40)	(708.70)	(1,305.99)
6	Tax expense/(benefit)				
	(a) Current tax (net of MAT credit entitlement)	-	-	-	-
	(b) Deferred tax	(0.11)	0.65	0.01	0.56
	(c) Short/(Excess) provision of tax for earlier years	0.00	-	(0.03)	(0.14)
	<b>Tax expense/(benefit)</b>	<b>(0.11)</b>	<b>0.65</b>	<b>(0.02)</b>	<b>0.42</b>
7	Net Profit after tax (5) - (6)	(169.35)	(144.05)	(708.68)	(1,306.41)
8	Other Comprehensive Income				
	(a) Items that will not be reclassified to profit or loss	-	(0.51)	-	(0.51)
	(b) Income tax effect on above	-	-	-	-
	(c) Items that will be reclassified to profit or loss	-	-	-	-
	(d) Income tax effect on above	-	-	-	-
9	Total Comprehensive Income (7+8)	(169.35)	(144.56)	(708.68)	(1,306.92)
10	Paid-up equity share capital (Face value of Rs. 1 each)	59.92	59.92	59.41	59.92
11	Other Equity				1,820.38
12	Earnings per share				
a	Basic (in Rs.)	(2.83)	(2.40)	(11.93)	(21.96)
b	Diluted (in Rs.)	(2.83)	(2.40)	(11.93)	(21.96)



**Notes to the unaudited Consolidated Financial Results for the Quarter Ended June 30, 2021**

- 1) The above Un-Audited Financial Results for the First Quarter ended 30th June, 2021 were reviewed and approved by the Interim Resolution Professional on 13th August, 2021. The Statutory Auditors of the Company have reviewed the said Results.
- 2) These financial results have been prepared in accordance with Indian Accounting Standards (Ind- AS) as prescribed under section 133 of Companies Act 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules 2015 and relevant amendment thereafter.
- 3) With respect to USD 110 Million Foreign Currency Convertible Bonds due 2022 (FCCBs) raised by the Company, there are USD 6.5 Million FCCBs outstanding for conversion as on 30th June, 2021. Further, the Company has defaulted in payment of interest amounting to USD 0.46 Million for the period 25th May, 19 to 25th May, 2021.
- 4) The Holding Company is undergoing substantial financial stress and severe liquidity constraints since last Financial Year coupled with changed industrial dynamics, time and cost overrun in completion of its projects, reduction in subsidies and incentive benefits, Covid related disruptions etc. The company has defaulted in debt obligation of debentures aggregating to Rs. 500.00 Crores for the period April, 19 to 6th April, 2021 (date of admission in Corporate Insolvency Resolution Process) apart from other credit facilities. Further, Company's inability to meet its obligation in relation to the payment of certain letters of credit which led to devolvement and consequent over utilization of the cash credit facilities availed by the Company, delay in payment of certain term loan instalments as well as interest thereof. The Company's credit rating is "BWR D" from Brickwork Ratings India Pvt. Ltd. for Non-Convertible Debentures. However, Company has made provision for interest for the period April, 2019 to 30th June, 2021.  
Petition for initiation of Corporate Insolvency Resolution Process under Section 7 of the Insolvency and Bankruptcy Code 2016 filed against the Company by Invesco Asset Management (India) Private Limited (Financial Creditor) for default amount of Rs. 15,00,00,000/- (Principal amount) of NCD has been admitted against the Company vide Honourable National Company Law Tribunal, Ahmedabad Bench order dated 06.04.2021. Mr. Pinakin Shah (having registration no. IBI/PA-002/IP-N00106/2017-18/10248) has been appointed as Interim Resolution Professional by the Honourable National Company Law Tribunal, Ahmedabad Bench under Section 13(1)(c) of the Insolvency and Bankruptcy Code 2016 and moratorium period under Section 14 of the Insolvency and Bankruptcy Code 2016 is declared. The Company is continued as going concern.
- 5) The Holding Company has discontinued the manufacturing operations of structured fabrics (except bleaching facility) at Kalo effective from 1st July, 2019 on account of high cost of operations. Hence, Statutory Auditor of the Company informed the management in the last year to assess any provision needs to be recognised on account of the impairment of assets in respect of property, plant and equipment of its Textile Division as per Ind AS 36. Accordingly the management of the company during the last year has assessed that any provision needs to be recognised on account of the impairment of assets in respect of property, plant and equipment of its Textile Division as per Ind AS 36 through approved valuer. The higher of Textile Division assets fair value (less cost of disposal) and its value in use as per valuation report obtained from approved valuer as on 30th September, 2020 and is found lower than its carrying amount as per books of accounts of the company and hence the Company has recognised impairment loss of Rs. 426.64 crores for the year 2020-21. Therefore, the impairment loss has been shown under "Exceptional item".
- 6) Ind AS 12, "Income Taxes" requires the Holding company to determine probability of sufficient taxable income to utilize the deferred tax assets including MAT credit. Considering the factors described in Note 4 and 5 above, the company is of the view not to recognize deferred tax assets during the period under review.
- 7) Insurance claim of Rs. 23.11 crores of F.Y. 2016-17 is outstanding as on 30th June, 2021. The insurance company has repudiated claim pertaining to FY 2016 - 17. Management of company during the year has filed reply against the same and is hopeful of settling the claims in full. The Company has initiated legal proceedings against the same.
- 8) The Holding Company has outstanding advances of Rs. 531.91 crores receivables from Sintex Prefab & Infra Limited. Petition for initiation of Corporate Insolvency Resolution Process under Section 7 of the Insolvency and Bankruptcy Code 2016 filed against Sintex Prefab & Infra Limited by Bank of Baroda (Financial Creditor) has been admitted vide Honourable National Company Law Tribunal, Ahmedabad Bench order dated 24.02.2021. The Company has submitted claims of Rs. 531.91 crores to Mr. Chandra Prakash Jain (IRP of Sintex Prefab & Infra Limited) on 16.03.2021.
- 9) Rs. 400.95 crores is outstanding as at 30th June, 2021 for subsidies receivables including interest subsidy of Rs. 210.96 crores receivable under Revised Restructured Technology Upgradation Fund Scheme (RR-TUFS) announced by Ministry of Textiles, Government of India for various years from F.Y. 15-16 to F.Y. 19-20 upto May, 2019. This amount of subsidy benefit recognized is reduced from the borrowing costs in the respective years. The management during the year is perusing for recovery of this amount of subsidy.
- 10) The Group operates in Textile business which is the only reportable segment in accordance with the requirements of Ind-AS 108 "Operating Segments".



11) The key numbers of Standalone Financial Results of the Company for the quarter ended are as under:

Particulars	Quarter ended on June 30, 2021	Quarter ended on March 31, 2021	Quarter ended on June 30, 2020	(Rs. In crores) For the year ended March 31, 2021
	Unaudited	Unaudited	Unaudited	Audited
Total Operating Income	464.60	705.60	150.59	1,689.15
Profit / (Loss) before tax	(171.29)	(143.67)	(707.89)	(1,301.97)
Total Comprehensive / (Loss) Income (after tax)	(171.29)	(144.17)	(707.89)	(1,302.33)

12) The Group operations were impacted in the month of March 2020 due to shutdown of Lunsapur plant following nationwide lockdown by the Government of India in view of COVID-19, a pandemic caused by the novel Coronavirus. The Company is monitoring the situation closely. From 12th April 2020, operations have commenced in a phased manner with enforcement of strict working restrictions. The Company stabilises its operations in spite of COVID-19 challenges and have been working at 90% capacity comprising of more than 6 lakhs spindles during the financial year ended 31.03.2021. However, during first quarter ended 30th June 2021, there is severe damage at our factory plant situated at Taluka Jafarabad, Lunsapur, Amreli, Gujarat due to Cyclone Tauktae on 17th May, 2021 and 18th May, 2021. The loss / damage is covered by the Insurance. Process of claiming insurance is going on. Plant of the Company was not operational due to non availability of electricity at our factory plant due to damage of Cyclone Tauktae. Electricity was restored at our plant on 05th July, 2021 and operations of the Company have commenced in a phased manner and achieved 85% capacity as on date. The Company is hopeful to scale up its operations and will achieve more than 90% capacity comprising of more than 6 lakhs spindles by end of August, 2021.

13) The expenses incurred of Rs 34.53 crore by the Holding Company for restoration of plant which was damaged due to Cyclone Tauktae on 17th May, 2021 and 18th May, 2021, has been classified under the head "Other Current Assets - Advances recoverables in cash or kind" and not debited to Statement of Profit & Loss account, considering loss / damage is covered by the Insurance. Process of claiming insurance is going on.

14) Till the First Quarter ended 30th June, 2021, the Holding Company has not granted any options under the "Sintex ESOP 2018" to Eligible Employees of the Company. Looking to the present financial position of the Company, the Company has decided to terminate the ESOP scheme with immediate effect.

15) Figures of the previous quarter / year to date have been regrouped, wherever necessary to make it comparable.

For Sintex Industries Limited

*Pinakin Shah*

Mr. Pinakin Shah

Interim Resolution Professional  
IBBI/IPA-002/IP-N00106/2017-18/10248

Place: Ahmedabad  
Date: 13th August, 2021





**R. CHOUDHARY & ASSOCIATES**

**Chartered Accountants**

**Independent Auditor's Review Report on the Quarterly Unaudited Consolidated Financial Result of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.**

**REVIEW REPORT TO**

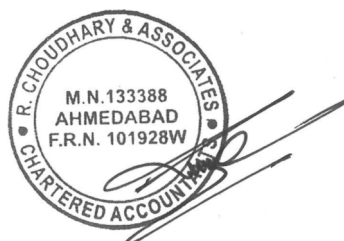
**THE INTERIM RESOLUTION PROFESSIONAL OF**

**SINTEX INDUSTRIES LIMITED**

**(A Company under Corporate Insolvency Resolution Professional Process vide NCLT Order)**

**IP registration no. IBBI/IPA-002/IP-N00106/2017-18/10248**

1. We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results of **SINTEX INDUSTRIES LIMITED** ("the Parent") and its subsidiary (the Parent and its subsidiary together referred to as "the Group"), for the Quarter ended June 30, 2021 ("the Statement") attached herewith, being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulation").
2. This Statement, which is the responsibility of the Parent's Management and approved by the Parent's Interim Resolution Professional, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. 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. A review of interim financial and accounting matters, and applying analytical and other review procedures, A review is substantially less in scope than an audit conducted in accordance with standards on auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



We also performed procedures in accordance with the Circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2019 issued by the SEBI under regulation 33(8) of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 as amended to the extent applicable

4. The statement includes the results of the following entities;

**Holding:** - Sintex Industries Limited

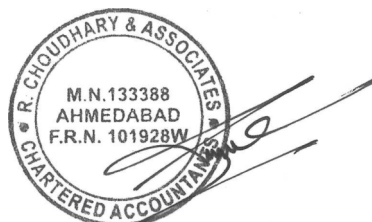
**Subsidiary:** - BVM Overseas Limited

5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the information given by management referred to in paragraph 6 below, nothing has come to our attention that causes us to believe that the accompanying statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard ("Ind As") specified under section 133 of the Companies Act, 2013, as amended, read with rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. The accompanying statement of unaudited consolidated financial results include unaudited interim financial information of 1 subsidiary whose quarterly results reflect total revenues of **Rs. 128.80 Crores** and net Profit/(Loss) after tax of **Rs. (0.33) Crores** and total comprehensive income/(loss) of **Rs.(0.33) Crores** for the quarter ended June 30, 2021 which are certified by the management. According to information and explanations given to us by the management, these interim financial results and other financial information are not material to the Group.

Our conclusion on statement is not modified in respect of the above matter.

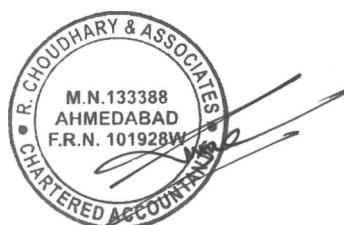
**7. Emphasis of Matter:**

- i. We draw attention to Note 4 of the statement, As described in said Note, Petition for initiation of Corporate Insolvency Resolution Process under Section 7 of the Insolvency and Bankruptcy Code 2016 filed against the Company by Invesco Asset Management (India) Private Limited (Financial Creditor) for default amount of Rs. 15,00,00,000/- (Principal amount) has been admitted against the Company vide Honourable National Company Law Tribunal, Ahmedabad Bench order dated 06.04.2021. Mr. Pinakin Shah (having registration no. IBBI/IPA-002/IP-N00106/2017-18/10248) has been appointed as Interim Resolution Professional by the Honourable National Company Law



Tribunal, Ahmedabad Bench under Section 13(1)(c) of the Insolvency and Bankruptcy Code 2016 and moratorium period under Section 14 of the Insolvency and Bankruptcy Code 2016 is declared. The Company is continued as going concern.

- ii. We draw attention to Note 5 to the statement with respect to impairment of assets. As describe in the said note, The Parent company has discontinued the manufacturing operations of structured fabrics (except bleaching facility) at Kalol effective from 1st July, 2019 on account of high cost of operations. Accordingly, the management of the company during the last year has assessed that any provision needs to be recognised on account of the impairment of assets in respect of property, plant and equipment of its Textile Division as per Ind AS 36 through approved valuer. The higher of Textile Division assets fair value (less cost of disposal) and its value in use as per valuation report obtained from approved valuer as on 30th September,2020 and is found lower than its carrying amount as per books of accounts of the company and hence the Company has recognised impairment loss of Rs. 426.64 crores for the year 2020-21. Therefore, the impairment loss has been shown under "Exceptional Item".
- iii. We draw attention to Note 7 to the statement with respect to insurance claim. The insurance claim receivable includes insurance claim of Rs. 23.11 crores of F.Y. 2016-17 is outstanding as on 30<sup>th</sup> June, 2021. The insurance company has repudiated claim pertaining to FY 2016 - 17. Management of company has filed reply against the same and is hopeful of settling the claims in full. The Company has initiated legal proceedings against the same
- iv. We draw attention to Note 8 to the statement, wherein it is mentioned that the Company has outstanding advances of Rs. 531.91 crores receivables from Sintex Prefab & Infra Limited. Petition for initiation of Corporate Insolvency Resolution Process under Section 7 of the Insolvency and Bankruptcy Code 2016 filed against Sintex Prefab & Infra Limited by Bank of Baroda (Financial Creditor) has been admitted vide Honourable National Company Law Tribunal, Ahmedabad Bench order dated 24.02.2021. The Company has submitted claims of Rs. 531.91 crores to Mr. Chandra Prakash Jain (IRP of Sintex Prefab & Infra Limited) on 16.03.2021.
- v. We draw attention to Note 9 to the statement with respect to realization of subsidies aggregating to Rs 210.96 Crores. As per the information and explanations furnished to us, the management is



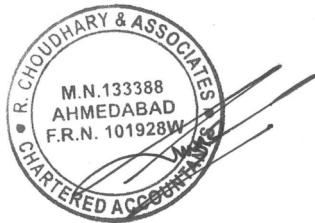
taking necessary actions for realization of these subsidies and as stated in the said Note, the management is hopeful of receipt of this amount in full.

- vi. We draw attention to Note no. 12 to the consolidated financial statement, with respect to assessment of the recoverability of certain assets, the management has considered internal and external information upto the date of this report in respect of the current and estimated future global including Indian economic indicators consequent to the global health pandemic of Covid 19. The actual impact of the pandemic may be different from that considered in assessing the recoverability of these assets.
- vii. We draw attention to Note 13 to the statement, expenses incurred by the Parent Company for restoration of plant which was damaged due to Cyclone Tauktae on 17th May, 2021 and 18th May, 2021, has been classified under the head "Other Current Assets - Advances recoverables in cash or kind" and not debited to Statement of Profit & Loss account, considering loss / damage is covered by the Insurance. Process of insurance claim is going on.

Our conclusion is not modified in respect of above matters.

**For, R Choudhary & Associates**  
**Chartered Accountants**  
**Firm Regn. No: 101928W**

\_\_\_\_\_  
**K M Chaudhary**  
**(Partner)**  
**M. No.: 133388**



**Place: Ahmedabad**  
**Date: 13<sup>th</sup> August, 2021**  
**UDIN: - 21133388AAAAOQ8858**



# Sintex Industries Limited

Regd. Office : Kalol - 382 721, India

Phone: (02764) - 253000

E-mail : share@sintex.co.in Website : www.sintex.in

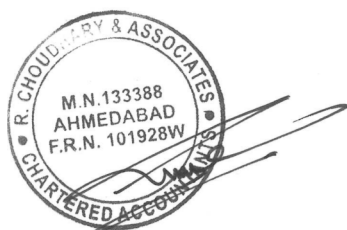
CIN : L17110GJ1931PLC000454



## Statement of unaudited Standalone Financial results for the Quarter ended 30th June, 2021

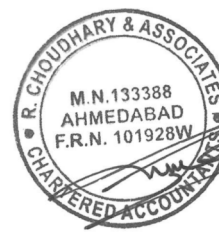
(Rs. in Crores except per share data)

Sr No	Particulars	Unaudited			Audited
		Quarter ended			Year ended
		30-Jun-21	31-Mar-21	30-Jun-20	31-Mar-21
1	Income				
	(a) Revenue from operations	464.60	705.60	150.59	1,689.15
	(b) Other Income	12.12	25.19	2.01	55.01
	Total Income	476.72	730.79	152.60	1,744.16
2	Expenses				
	(a) Cost of materials consumed	255.49	459.47	89.14	1,110.24
	(b) Changes in inventories of finished goods, work-in-progress and stock in trade	24.79	(12.35)	19.44	5.21
	(c) Employee benefits expense	34.85	40.60	28.11	134.40
	(d) Finance Costs	193.49	206.51	190.49	794.92
	(e) Depreciation and amortisation expense	65.40	69.19	70.38	281.75
	(f) Other expenses	73.99	111.04	36.32	292.97
	Total expenses	648.01	874.46	433.88	2,619.49
3	Profit/(Loss) before tax and Exceptional item (1) - (2)	(171.29)	(143.67)	(281.28)	(875.33)
4	Exceptional item	-	-	426.64	426.64
5	Profit/(Loss) before tax (3)-(4)	(171.29)	(143.67)	(707.92)	(1,301.97)
6	Tax expense/(benefit)				
	(a) Current tax (net of MAT credit entitlement)	-	-	-	-
	(b) Deferred tax	-	-	-	-
	(c) Short/(Excess) provision of tax for earlier years	-	(0.01)	(0.03)	(0.15)
	Tax expense/(benefit)	-	(0.01)	(0.03)	(0.15)
7	Net Profit after tax (5) - (6)	(171.29)	(143.66)	(707.89)	(1,301.82)
8	Other Comprehensive Income				
	(a) Items that will not be reclassified to profit or loss	-	(0.51)	-	(0.51)
	(b) Income tax effect on above	-	-	-	-
	(c) Items that will be reclassified to profit or loss	-	-	-	-
	(d) Income tax effect on above	-	-	-	-
9	Total Comprehensive Income (7+8)	(171.29)	(144.17)	(707.89)	(1,302.33)
10	Paid-up equity share capital (Face value of Rs.1 each)	59.92	59.92	59.41	59.92
11	Other Equity				1,814.48
12	Earnings per share (Face value of Rs. 1 each)				
a	Basic (in Rs.)	(2.86)	(2.40)	(11.92)	(21.88)
b	Diluted (in Rs.)	(2.86)	(2.40)	(11.92)	(21.88)



**Notes to the unaudited Financial Results for the Quarter Ended June 30, 2021**

- 1) The above Un-Audited Financial Results for the First Quarter ended 30th June, 2021 were reviewed and approved by the Interim Resolution Professional on 13 th August, 2021. The Statutory Auditors of the Company have reviewed the said Results.
- 2) These financial results have been prepared in accordance with Indian Accounting Standards (Ind- AS) as prescribed under section 133 of Companies Act 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules 2015 and relevant amendment thereafter.
- 3) With respect to USD 110 Million Foreign Currency Convertible Bonds due 2022 (FCCBs) raised by the Company, there are USD 6.5 Million FCCBs outstanding for conversion as on 30th June, 2021. Further, the Company has defaulted in payment of interest amounting to USD 0.46 Million for the period 25th May, 19 to 25th May, 2021.
- 4) The Company is undergoing substantial financial stress and severe liquidity constraints since last Financial Year coupled with changed industrial dynamics, time and cost overrun in completion of its projects, reduction in subsidies and incentive benefits, Covid related disruptions etc. The company has defaulted in debt obligation of debentures aggregating to Rs. 500.00 Crores for the period April, 19 to 6th April, 2021 (date of admission in Corporate Insolvency Resolution Process) apart from other credit facilities. Further, Company's inability to meet its obligation in relation to the payment of certain letters of credit which led to devolvement and consequent over utilization of the cash credit facilities availed by the Company, delay in payment of certain term loan instalments as well as interest thereof. The Company's credit rating is "BWR D" from Brickwork Ratings India Pvt. Ltd. for Non-Convertible Debentures. However, Company has made provision for interest for the period April, 2019 to 30th June, 2021.  
  
Petition for initiation of Corporate Insolvency Resolution Process under Section 7 of the Insolvency and Bankruptcy Code 2016 filed against the Company by Invesco Asset Management (India) Private Limited (Financial Creditor) for default amount of Rs. 15,00,00,000/- (Principal amount) of NCD has been admitted against the Company vide Honourable National Company Law Tribunal, Ahmedabad Bench order dated 06.04.2021. Mr. Pinakin Shah (having registration no. IBB/I/PA-002/IP-N00106/2017-18/10248) has been appointed as Interim Resolution Professional by the Honourable National Company Law Tribunal, Ahmedabad Bench under Section 13(1)(c) of the Insolvency and Bankruptcy Code 2016 and moratorium period under Section 14 of the Insolvency and Bankruptcy Code 2016 is declared. The Company is continued as going concern.
- 5) The company has discontinued the manufacturing operations of structured fabrics ( except bleaching facility) at Kalol effective from 1st July, 2019 on account of high cost of operations. Hence, Statutory Auditor of the Company informed the management in the last year to assess any provision needs to be recognised on account of the impairment of assets in respect of property, plant and equipment of its Textile Division as per Ind AS 36. Accordingly the management of the company during the last year has assessed that any provision needs to be recognised on account of the impairment of assets in respect of property, plant and equipment of its Textile Division as per Ind AS 36 through approved valuer. The higher of Textile Division assets fair value (less cost of disposal) and its value in use as per valuation report obtained from approved valuer as on 30th September, 2020 and is found lower than its carrying amount as per books of accounts of the company and hence the Company has recognised impairment loss of Rs. 426.64 crores for the year 2020-21. Therefore, the impairment loss has been shown under "Exceptional Item"
- 6) Ind AS 12, "Income Taxes" requires the company to determine probability of sufficient taxable income to utilize the deferred tax assets including MAT credit. Considering the factors described in Note 4 and 5 above, the company is of the view not to recognize deferred tax assets during the period under
- 7) Insurance claim of Rs. 23.11 crores of F.Y. 2016-17 is outstanding as on 30th June, 2021. The insurance company has repudiated claim pertaining to FY 2016 - 17. Management of company during the year 2020-21 had filed reply against the same and is hopeful of settling the claims in full. The Company has initiated legal proceedings against the same.
- 8) The Company has outstanding advances of Rs. 531.91 crores receivables from Sintex Prefab & Infra Limited. Petition for initiation of Corporate Insolvency Resolution Process under Section 7 of the Insolvency and Bankruptcy Code 2016 filed against Sintex Prefab & Infra Limited by Bank of Baroda (Financial Creditor) has been admitted vide Honourable National Company Law Tribunal, Ahmedabad Bench order dated 24.02.2021. The Company has submitted claims of Rs. 531.91 crores to Mr. Chandra Prakash Jain (IRP of Sintex Prefab & Infra Limited) on 16.03.2021.
- 9) Rs. 400.59 crores is outstanding as at 30th June, 2021 for subsidies receivables including interest subsidy of Rs. 210.96 crores receivable under Revised Restructured Technology Upgradation Fund Scheme (RR-TUFS) announced by Ministry of Textiles, Government of India for various years from F.Y. 15-16 to F.Y. 19-20 upto May, 2019. This amount of subsidy benefit recognized is reduced from the borrowing costs in the respective years. The management and IRP is perusing for recovery of this amount of subsidy.
- 10) The Company operates in Textile business which is the only reportable segment in accordance with the requirements of Ind-AS 108 "Operating Segments".



- 11) The Company's operations were impacted in the month of March 2020 due to shutdown of Lunsapur plant following nationwide lockdown by the Government of India in view of COVID-19, a pandemic caused by the novel Coronavirus. The Company is monitoring the situation closely. From 12th April 2020, operations have commenced in a phased manner with enforcement of strict working restrictions. The Company stabilises its operations in spite of COVID-19 challenges and have been working at 90% capacity comprising of more than 6 lakhs spindles during the financial year ended 31.03.2021. However, during first quarter ended 30th June 2021, there is severe damage at our factory plant situated at Taluka Jafarabad, Lunsapur, Amreli, Gujarat due to Cyclone Tauktae on 17th May, 2021 and 18th May, 2021. The loss / damage is covered by the Insurance. Process of claiming insurance is going on. Plant of the Company was not operational due to non availability of electricity at our factory plant due to damage of Cyclone Tauktae. Electricity was restored at our plant on 05th July, 2021 and operations of the Company have commenced in a phased manner and achieved 85% capacity as on date. The Company is hopeful to scale up its operations and will achieve more than 90% capacity comprising of more than 6 lakhs spindles by end of August, 2021.
- 12) The expenses incurred of Rs 34.53 crore by the Company for restoration of plant which was damaged due to Cyclone Tauktae on 17th May, 2021 and 18th May, 2021, has been classified under the head "Other Current Assets - Advances recoverables in cash or kind" and not debited to Statement of Profit & Loss account, considering loss / damage is covered by the Insurance. Process of claiming insurance is going on.
- 13) Till the First Quarter ended 30th June, 2021, the Company has not granted any options under the "Sintex ESOP 2018" to Eligible Employees of the Company. Looking to the present financial position of the Company, the Company has decided to terminate the ESOP scheme with immediate effect.
- 14) Figures of the previous quarter/ year to date have been regrouped, wherever necessary to make it comparable.

For Sintex Industries Limited

*Pinakin Shah*

Mr. Pinakin Shah

Interim Resolution Professional

IBBI/IPA-002/IP-N00106/2017-18/10248

Place: Ahmedabad

Date: 13th August, 2021





**R. CHOUDHARY & ASSOCIATES**

**Chartered Accountants**

**Independent Auditor's Review Report on the Quarterly 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**

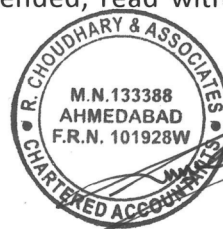
**THE INTERIM RESOLUTION PROFESSIONAL OF**

**SINTEX INDUSTRIES LIMITED**

**(A Company under Corporate Insolvency Resolution Professional Process vide NCLT Order)**

**IP registration no. IBBI/IPA-002/IP-N00106/2017-18/10248**

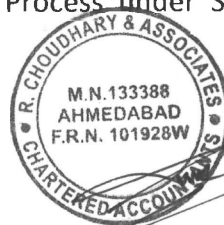
1. We have reviewed the accompanying statement of unaudited standalone financial results of **SINTEX INDUSTRIES LIMITED** (the "Company") for the Quarter ended June 30, 2021 (the "Statement") attached herewith, being submitted by the company pursuant to the requirements of regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended (the "Listing Regulation").
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Interim Resolution Professional, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under section 133 of the Companies Act, 2013, as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. 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 moderate assurance as to whether the statement is free of material misstatement. A Review of interim financial information consists of making inquiries, primarily of person responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standards ('Ind AS') specified under section 133 of the Companies Act, 2013 as amended, read with relevant rules



issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

#### 5. Emphasis of Matter Paragraph:

- i. We draw attention to Note 4 of the statement, As described in said Note, Petition for initiation of Corporate Insolvency Resolution Process under Section 7 of the Insolvency and Bankruptcy Code 2016 filed against the Company by Invesco Asset Management (India) Private Limited (Financial Creditor) for default amount of Rs. 15,00,00,000/- (Principal amount) has been admitted against the Company vide Honourable National Company Law Tribunal, Ahmedabad Bench order dated 06.04.2021. Mr. Pinakin Shah (having registration no. IBBI/IPA-002/IP-N00106/2017-18/10248) has been appointed as Interim Resolution Professional by the Honourable National Company Law Tribunal, Ahmedabad Bench under Section 13(1)(c) of the Insolvency and Bankruptcy Code 2016 and moratorium period under Section 14 of the Insolvency and Bankruptcy Code 2016 is declared. The Company is continued as going concern.
- ii. We draw attention to Note 5 to the statement with respect to impairment of assets. As describe in the said note, The company has discontinued the manufacturing operations of structured fabrics (except bleaching facility) at Kalol effective from 1st July, 2019 on account of high cost of operations. Accordingly the management of the company during the last year has assessed that any provision needs to be recognised on account of the impairment of assets in respect of property , plant and equipment of its Textile Division as per Ind AS 36 through approved valuer. The higher of Textile Division assets fair value (less cost of disposal) and its value in use as per valuation report obtained from approved valuer as on 30th September,2020 and is found lower than its carrying amount as per books of accounts of the company and hence the Company has recognised impairment loss of Rs. 426.64 crores for the year 2020-21. Therefore, the impairment loss has been shown under "Exceptional Item".
- iii. We draw attention to Note 7 to the statement with respect to insurance claim. The insurance claim receivable includes insurance claim of Rs. 23.11 crores of F.Y. 2016-17 is outstanding as on 30<sup>th</sup> June, 2021. The insurance company has repudiated claim pertaining to FY 2016 - 17. Management of company has filed reply against the same and is hopeful of settling the claims in full. The Company has initiated legal proceedings against the same.
- iv. We draw attention to Note 8 to the statement, wherein it is mentioned that the Company has outstanding advances of Rs. 531.91 crores receivables from Sintex Prefab & Infra Limited. Petition for initiation of Corporate Insolvency Resolution Process under Section 7 of the



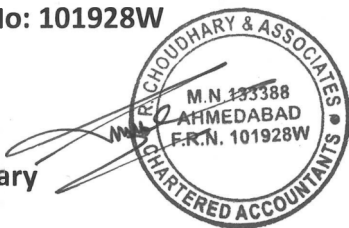
Insolvency and Bankruptcy Code 2016 filed against Sintex Prefab & Infra Limited by Bank of Baroda (Financial Creditor) has been admitted vide Honourable National Company Law Tribunal, Ahmedabad Bench order dated 24.02.2021. The Company has submitted claims of Rs. 531.91 crores to Mr. Chandra Prakash Jain (IRP of Sintex Prefab & Infra Limited) on 16.03.2021.

- v. We draw attention to Note 9 to the statement with respect to realization of subsidies aggregating to Rs 210.96 Crores. As per the information and explanations furnished to us, the management is taking necessary actions for realization of these subsidies and as stated in the said Note, management is perusing for recovery of this amount of subsidy.
- vi. We draw attention to Note 11 to the statement with respect to assessment of the recoverability of certain assets, the management has considered internal and external information upto the date of this report in respect of the current and estimated future global including Indian economic indicators consequent to the global health pandemic of Covid 19. The actual impact of the pandemic may be different from that considered in assessing the recoverability of these assets.
- vii. We draw attention to Note 12 to the statement, expenses incurred by the Company for restoration of plant which was damaged due to Cyclone Tauktae on 17th May, 2021 and 18th May, 2021, has been classified under the head "Other Current Assets - Advances recoverables in cash or kind" and not debited to Statement of Profit & Loss account, considering loss / damage is covered by the Insurance. Process of insurance claiming is going on.

Our conclusion is not modified in respect of above matters.

**For, R Choudhary & Associates**  
**Chartered Accountants**  
**Firm Regn. No: 101928W**

**K M Chaudhary**  
**(Partner)**  
**M. No.: 133388**



**Place: Ahmedabad**  
**Date: 13<sup>th</sup> August, 2021**  
**UDIN: - 21133388AAAAOP8074**