

Ref No: SEC/SGX/2022-23
May 23, 2022

To,
Market Control Securities
Operations Group
Singapore Exchange Securities Trading Limited
4, Shenton way
19 – 00 SGX Centre 1
Singapore 068804.

Sub: Approval of Annual Audited Financial Results of the Company for the Fourth Quarter and Year ended 31st March, 2022.

Ref: US\$ 110 million, step down convertible bonds due in 2022 (“Bonds”) listed on the Singapore Exchange Securities Trading Limited.

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 Audited Financial Results (Standalone and Consolidated) of the Company for the fourth quarter and year ended 31st March, 2022 along with Audit Report on the Said Audited Financial Results of the Company.

We hereby declare that Pursuant to the SEBI Circular No. CIR/CFD/CMD/56/2016 dated May 27, 2016, there is unmodified opinion with respect to the Annual Audited Financial Results (Standalone and Consolidated) for the Year ended March 31, 2022.

The meeting commenced at 1.00 p.m. and concluded at 2.30 p.m.

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

Yours faithfully,
For Sintex Industries Limited


Company Secretary

ENCL : As Stated

Note : Pursuant to the Order dated 6th April, 2021 of the Hon’ble National Company Law Tribunal, Ahmedabad (“NCLT Order”), Corporate Insolvency Resolution Process (“CIR Process”) has been initiated against the Company in accordance with the provisions of the Insolvency and Bankruptcy Code, 2016, (“Code”) and related rules and regulations issued thereunder with effect from 6th April, 2021 (Corporate Insolvency Resolution Process Commencement Date). Mr. Pinakin Shah has been appointed as Interim Resolution Professional (“IRP”) in terms of the NCLT Order.

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.co.in

Sintex Industries Limited

Regd. Office : Kalol - 382 721, India
Phone: (02764) - 253000 & Fax No. (02764) 222868
E-mail : share@sintex.co.in Website : www.sintex.in
CIN : L17110GJ1931PLC000454



Statement of Audited Standalone Financial results for the Quarter and Year ended 31st March, 2022

(Rs. in Crores except per share data)

Sr No	Particulars	Audited	Unaudited	Audited	Audited	
		Quarter ended		Year ended		
		31-Mar-22	31-Dec-21	31-Mar-21	31-Mar-22	31-Mar-21
1	Income					
	(a) Revenue from operations	1,049.76	967.75	705.60	3,126.50	1,689.15
	(b) Other Income	26.15	22.99	25.19	77.36	55.01
	Total Income	1,075.91	990.74	730.79	3,203.86	1,744.16
2	Expenses					
	(a) Cost of materials consumed	779.75	686.16	459.47	2,191.00	1,110.24
	(b) Changes in inventories of finished goods, work-in-progress and stock in trade	(35.43)	(28.16)	(12.35)	(71.31)	5.21
	(c) Employee benefits expense	44.98	42.10	40.60	163.94	134.40
	(d) Finance Costs	202.47	207.88	206.51	812.04	794.92
	(e) Depreciation and amortisation expense	64.68	66.12	69.19	262.31	281.75
	(f) Other expenses	144.89	112.89	111.04	413.18	292.97
	Total expenses	1,201.34	1,086.99	874.46	3,771.16	2,619.49
3	Profit/(Loss) before tax and Exceptional item (1) - (2)	(125.43)	(96.25)	(143.67)	(567.30)	(875.33)
4	Exceptional item	-	-	-	-	426.64
5	Profit/(Loss) before tax (3)-(4)	(125.43)	(96.25)	(143.67)	(567.30)	(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	(0.01)	(0.00)	(0.15)
	Tax expense/(benefit)	-	0.01	(0.01)	(0.00)	(0.15)
7	Net Profit after tax (5) - (6)	(125.43)	(96.26)	(143.66)	(567.30)	(1,301.82)
8	Other Comprehensive Income					
	(a) Items that will not be reclassified to profit or loss	(2.48)	-	(0.51)	(2.48)	(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)	(127.91)	(96.26)	(144.17)	(569.78)	(1,302.33)
10	Paid-up equity share capital (Face value of Rs.1 each)	59.92	59.92	59.92	59.92	59.92
11	Other Equity	1,244.70	1,372.61	1,814.48	1,244.70	1,814.48
12	Earnings per share (Face value of Rs. 1 each)					
a	Basic (in Rs.)	(2.09)	(1.61)	(2.40)	(9.47)	(21.88)
b	Diluted (in Rs.)	(2.09)	(1.61)	(2.40)	(9.47)	(21.88)
13	Debenture Redemption Reserve	111.03	111.03	111.03	111.03	111.03
14	Net worth	1,304.62	1,432.53	1,874.40	1,304.62	1,874.40
15	Debt Equity Ratio - Total debt / (Paid up Equity Capital + Reserves and Surplus)	6.58	5.85	4.15	6.58	4.15
16	Debt Service Coverage Ratio	0.70	0.85	0.64	0.62	0.25
	Profit after tax before Exceptional Items + Depreciation+Loss/(Gain) on Sale of Fixed Assets/ Interest Expense + Principal Repayments made during the period for long term loans					
17	Interest Service Coverage Ratio	0.70	0.85	0.64	0.62	0.25
	Profit after tax before Exceptional Items + Depreciation+Loss/(Gain) on Sale of Fixed Assets/ Interest Expense					
18	Current Ratio- Current Assets/ Current Liabilities	0.74	0.73	0.73	0.74	0.73
19	Long Term Debt to Working Capital - Long Term Debts/Net Working Capital	*	*	*	*	*
20	Bad Debts to Accounts Receivable- Bad Debts/ Trade Receivable	-	-	-	-	-
21	Current Liability Ratio- Current Liabilities/Total Liabilities	*	*	*	*	*
22	Total Debts to Total Assets- Total Outstanding Debts/ Total Assets	0.84	0.83	0.79	0.84	0.79
23	Debtors Turnover - Revenue from operations/ Trade Receivables	12.49	28.01	22.01	9.30	13.17
24	Inventory Turnover- Cost of Goods Sold/ Inventories of FG and WIP	23.94	28.80	31.74	17.73	21.65
25	Operating Margin (%)	13.50	18.37	18.71	16.22	11.92
26	Net Profit Margin (%) - Net Profit/ Revenue from operation	-11.95	-9.95	-20.36	-18.14	-77.07

* Refer note 12 of Results



Notes to the audited Financial Results for the Quarter and Year Ended March 31, 2022

- 1) The above Audited Financial Results for the Year ended 31st March, 2022, were reviewed and approved by the Interim Resolution Professional on May 23, 2022. The Statutory Auditors of the Company have expressed unmodified opinion on the aforesaid 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) The figures for quarter ended March 31, 2022 and March 31, 2021 are balancing figures between the audited figures of the full financial year and the reviewed year to date figure upto the third quarter of the relevant financial year.
- 4) 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 31st March, 2022. Further, the Company has defaulted in payment of Interest amounting to USD 0.64 Million for the period 25th May, 19 to 31st March, 2022.
- 5) 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 31st March, 2022.

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. 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.
- 6) 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" during last year 2020-21.
- 7) 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 5 above, the company is of the view not to recognize deferred tax assets during the period under review.
- 8) Insurance claim of Rs. 23.11 crores of F.Y. 2016-17 is outstanding as on 31st March, 2022. 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. The Company has also initiated legal proceedings against the same.
- 9) 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. However admission of claim yet to be confirmed by IRP of Sintex Prefab & Infra Limited.
- 10) Rs. 469.34 crores is outstanding as at 31st March, 2022 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. The IRP also filed application in NCLT Ahmedabad for recovery of power and GST subsidies.
- 11) The Company operates in Textile business which is the only reportable segment in accordance with the requirements of Ind-AS 108 "Operating Segments".



- 12) In view of the continuing default in payment of dues and Company under CIRP, most of the lenders have sent notices / letters recalling their loans given and called upon the Company to pay entire dues and other liabilities. Further, the Committee of Creditors has approved the Resolution Plan submitted by Reliance Industries Limited jointly with Assets Care & Reconstruction Enterprise Limited under CIRP on 19.03.2022. The IRP has submitted Resolution Plan before Hon'ble NCLT Ahmedabad for its approval. As on date approval of Resolution Plan is pending before Hon'ble NCLT Ahmedabad. Hence in view of the said facts & considering the matter of prudence, whole of the longterm borrowing outstanding as on 31st March, 2022 has been classified as current borrowings.
- 13) The Company continuously monitoring the Covid situation & accordingly managing the operations of the Company. The Company plant was operational for whole year including period of 2nd & 3rd wave of Covid 19 by taking precautionary steps. Further, 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 95% capacity as on date.
- 14) As disclosed by the Company to the stock exchange on 28.08.2021, expected quantum of loss is approximately Rs.115 crores on account of Cyclone Tauktae. Till 31.03.2022 the Company has incurred expenses of Rs 83.11 crore (including loss of inventory of Rs.21.02 crores and advance of Rs.5.07 Cr) for restoration of plant which was damaged due to Cyclone Tauktae on 17th May, 2021 and 18th May, 2021. As on 31.03.2022 the Company has recovered Rs. 16.64 crores by realization of salvage value of damaged materials and Rs. 1 crore as advance against insurance claim on 17.03.2022 from Insurance Company. Accordingly, as on 31.03.2022 net amount of Rs. 65.47 crores shown under the head "Other Current Assets - Advances recoverable 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. Further, out of 65.47 crores receivable from Insurance Company on account of Insurance claim of Cyclone Taukate, the Company has received Rs. 24.98 crores as on 25.04.2022 and Rs.1 crores as on 27.04.2022 as an advance against insurance claim.
- 15) We confirm that we are not a Large Corporate Company as per applicability criteria given under SEBI circular no. SEBI/HO/DDHS/CIR/P/2018/144 dated November 26, 2018.
- 16) As disclosed in Note No. 51 of Financial Statements for the Financial Year ended 31.03.2021, the Company has reported contingent liability amounting to Rs. 496.37 crores for duty free imported machineries under EPCG Scheme for which duty saved. Out of Rs. 496.37 crores, the Company has received Export obligation discharge certificate from DGFT of Rs.309.35 crores as on 31.03.2022. Accordingly, balance contingent liability for duty free imported machineries under EPCG Scheme for which duty saved is Rs.187.02 crores.
- 17) Overall there has been inflationary pressure in the country, which can be seen in dramatic increase in prices of various raw materials, fuels and transportation cost. In our case, cotton which is our main raw material, price has gone up substantially even after arrival of fresh crop in the market. Cotton price have doubled in last six months and yarn prices have not increased in line with cotton prices. Accordingly, in current time margins are under pressure.
- 18) Previous year figures are regrouped / reclassified wherever required in order to make it comparable in line with the amendments in Schedule III, Division II to the Companies Act, 2013 effective from 1st April, 2021.

For Sintex Industries Limited

Pinakin Shah

Mr. Pinakin Shah

Interim Resolution Professional

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

Place: Ahmedabad
Date: 23rd May, 2022



SINTEX INDUSTRIES LIMITED

Standalone Balance Sheet as at March 31, 2022

(₹ in crores)

	Particulars	Note	As at March 31, 2022	As at March 31, 2021
I	ASSETS			
	Non-current assets			
	(a) Property, plant and equipment	4	7,042.47	7,303.51
	(b) Capital work-in-progress	5	1,066.00	1,066.25
	(c) Intangible assets	6	0.83	1.60
	(d) Financial assets			
	(i) Investments	8	38.38	40.16
	(e) Other non-current assets	9	392.56	387.30
	(f) Non-current tax assets (net)	10	4.11	2.03
	Total non-current assets		8,544.35	8,800.85
	Current assets			
	(a) Inventories	11	308.65	146.19
	(b) Financial assets			
	(i) Investments		-	-
	(ii) Trade receivables	12	336.24	128.24
	(iii) Cash and cash equivalents	13	26.61	20.05
	(iv) Bank balances other than (iii) above	14	-	-
	(v) Loans	15	73.50	67.53
	(c) Other current assets	16	880.96	697.18
	Total current assets		1,625.96	1,059.19
	TOTAL ASSETS		10,170.31	9,860.04
II.	EQUITY AND LIABILITIES			
	Equity			
	(a) Equity share capital	17	59.92	59.92
	(b) Other equity	18	1,244.70	1,814.48
	Total equity		1,304.62	1,874.40
	Liabilities			
	Non-current liabilities			
	(a) Financial liabilities			
	(i) Borrowings	19	-	-
	(b) Provisions	20	3.25	4.37
	(c) Deferred tax liabilities (Net)	21	0.00	0.00
	Total non-current liabilities		3.25	4.37
	Current liabilities			
	(a) Financial liabilities			
	(i) Borrowings	22	6,670.47	6,532.61
	(ii) Trade payables			
	(a) Total outstanding dues of Micro and Small Enterprise	23	6.53	3.47
	(b) Total outstanding dues of creditors other than micro and small enterprise	23	171.43	107.37
	(iii) Other financial liabilities	24	2,006.71	1,329.68
	(b) Other current liabilities	25	5.09	2.85
	(c) Provisions	26	2.21	5.29
	Total current liabilities		8,862.44	7,981.27
	Total liabilities		8,865.69	7,985.64
	TOTAL EQUITY AND LIABILITIES		10,170.31	9,860.04

SINTEX INDUSTRIES LIMITED

Standalone Statement of cash flows for the period ended March 31,2022

(₹ in crores)

Particulars	For the Period ended March 31,2022	For the year ended March 31,2021
A. Cash flow from operating activities		
Net profit before tax and Exceptional Item	(567.30)	(875.33)
Adjustments for:		
Unrealised Forex (Gain)/Loss	(1.03)	0.75
Provision for advances and Subsidy and Bad Debts written off	-	21.04
Interest income	(4.24)	(8.50)
Depreciation and amortisation expenses	262.31	281.75
Finance cost	812.04	794.92
Operating profit before working capital changes	501.78	214.64
Adjustments for increase/decrease in Operating Assets/ Liabilities:		
Trade receivables, loans and other assets	(396.69)	(77.71)
Inventories	(162.46)	(27.10)
Trade payables, other liabilities and provisions	67.57	(60.31)
Cash generated from operations	10.20	49.52
Direct taxes (paid)/Refund	(2.07)	45.02
Net cash generated from operations (A)	8.13	94.54
B. Cash flow from investing activities		
Purchase of property, plant and equipment/addition to capital-work-in progress(net)	(0.26)	(0.63)
Interest received	4.24	8.59
Net cash used in investing activities (B)	3.98	7.96
C. Cash flow from financing activities		
Repayments of long term borrowings	-	(8.39)
Interest Paid	(5.39)	(85.25)
Dividend paid	(0.16)	(0.19)
Net cash generated from financing activities (C)	(5.55)	(93.83)
Net increase/(decrease) in cash and cash equivalents (A+B+C)	6.56	8.67
Cash and cash equivalents at the beginning of the year	20.05	11.38
Cash and cash equivalents at the end of the period	26.61	20.05





R. CHOUDHARY & ASSOCIATES

Chartered Accountants

Independent Auditor's Report on the Quarterly and Year to Date Audited Standalone Financial Results of the company Pursuant to the Regulations 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

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

Opinion

We have audited the accompanying statement of standalone financial results of **Sintex Industries Limited** ("the Company"), for the three months and year ended March 31, 2022 ("the Statement"), being submitted by the company pursuant to the requirements of regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations").

The NCLT, vide its order dated April 06, 2021 ("insolvency Commencement Date") initiated the Corporate Insolvency Resolution Process ("CIRP") of the Company under the Code. The said NCLT Order also records the appointment of Mr. Pinakin Shah as the Interim Resolution Professional ("IRP") in accordance with Section 16 of the Code. In view of the on-going CIRP and suspension of powers of Board of Directors and as explained to us, the powers of adoption of the Statement vests with IRP. These audited financial results of the relevant period are prepared by the Management of the Company and Certified by Mr. Hitesh Dihiye, Chief Financial Officer and approved by IRP.

In Our Opinion and to the best of our Information and according to the explanations given to us, the Statement:

- a. is presented in accordance with requirements of regulation 33 of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, as amended; and



- b. gives a true and fair view in conformity with the applicable accounting standards and other accounting principles generally accepted in India, of the net profit, other comprehensive income and other financial information of the company for the quarter and year ended March 31,2022.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the standalone financial results section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the standalone financial results under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial results.

Emphasis of Matter

- i. We draw attention to Note 4 of the standalone financial result, 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 31st March, 2022. Further, the Company has defaulted in payment of Interest amounting to USD 0.64 Million for the period 25th May,19 to 31st March,2022.
- ii. We draw attention to Note 5 of the standalone financial result, which states that the company's credit rating has been downgraded (Company's credit rating is "BWR D" from Brickwork Ratings India Pvt. Ltd. for Non-Convertible Debentures), which may substantially impair its ability to raise or generate funds to repay its obligations. As mentioned in the same note, 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. However, Company has made provision for interest for the period



April,2019to March,2022. 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. Further, as described in said Note, although the Company submitted various Resolution Plans to lenders on various dates, the Punjab National Bank filed petition before the National Company Law Tribunal (NCLT), Ahmedabad under Section 7 of Insolvency and Bankruptcy Code, 2016 for initiating Corporate Insolvency Resolution Process (CIRP) against the company in December,2019. 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.

- iii. We draw attention to Note 6 to the standalone financial result with respect to impairment of assets. with respect to impairment of assets. As described 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. The management of the company 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. 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. Therefore, the impairment loss has been shown under "Exceptional Item".



- iv. We draw attention to Note 7 to the standalone financial result with respect to recognition of deferred tax assets. As stated in the said Note, deferred tax asset has not been recognized in view of losses during the year.
- v. We draw attention to Note 8 to the standalone financial result 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 31st March, 2022. 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 also initiated legal proceedings against the same.
- vi. We draw attention to Note 9 to the standalone financial result, 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. However admission of claim yet to be confirmed by IRP of Sintex Prefab & Infra Limited.
- vii. We draw attention to Note 10 to the standalone financial result 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.
- viii. We draw attention to Note 12 to the standalone financial result with respect to continuing default in payment of dues and Company under CIRP, most of the lenders have sent notices / letters recalling their loans given and called upon the Company to pay entire dues and other liabilities. Further, the Committee of Creditors has approved the Resolution Plan submitted by Reliance Industries Limited jointly with Assets Care & Reconstruction Enterprise Limited under



CIRP on 19.03.2022. The IRP has submitted Resolution Plan before Hon'ble NCLT Ahmedabad for its approval. As on date approval of Resolution Plan is pending before Hon'ble NCLT Ahmedabad. Hence in view of the said facts & considering the matter of prudence, whole of the long term borrowing outstanding as on 31st March,2022 has been classified as current borrowings.

- ix. We draw attention to Note 13 to the standalone financial result wherein it is mentioned that the Company continuously monitoring the Covid situation & accordingly managing the operations of the Company. The Company plant was operational for whole year including period of 2nd & 3rd wave of Covid 19 by taking precautionary steps. Further, 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 95% capacity as on date.
- x. We draw attention to Note 14 to the standalone financial result with respect to expected quantum of loss is approximately Rs. 115.00 crores on account of Cyclone Tauktae. Till 31.03.2022 the Company has incurred expenses of Rs 83.11 crore (including loss of inventory of Rs.21.02 crores and advance of Rs.5.07 Cr) for restoration of plant which was damaged due to Cyclone Tauktae on 17th May, 2021 and 18th May, 2021. As on 31.03.2022 the Company has recovered Rs. 16.64 crores by realization of salvage value of damaged materials and Rs. 1 crore as advance against insurance claim on 17.03.2022 from Insurance Company. Accordingly, as on 31.03.2022 net amount of Rs. 65.47 crores shown under the head "Other Current Assets - Advances recoverable 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. Further, out of 65.47 crores receivable from Insurance Company on account of Insurance



claim of Cyclone Taukate, the Company has received Rs. 24.98 crores as on 25.04.2022 and Rs.1 crores as on 27.04.2022 as advance against insurance claim.

Our conclusion is not modified in respect of above matters.

Management's and Interim Resolution Professional's Responsibility for the Standalone Financial Results

The Company's Board of Directors and Interim Resolution professional are responsible for the matters stated in section 134(5) of the Act, with respect to the preparation of these standalone financial results that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial results, management and Interim Resolution professional are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the standalone Financial Results

Our objectives are to obtain reasonable assurance about whether the standalone financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a



guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial Results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.



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

Materiality is the magnitude of misstatements in the standalone financial results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial results may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial results.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

Other Matters

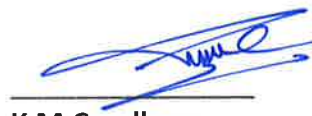
- a. The Standalone financial results include the results for the quarter ended March 31, 2022 and March 31, 2021 being the balancing figure between the audited figure in respect of the full



financial Year and the published unaudited year to date figures up to the third quarter of the current financial year which subject to limited review by us.

Our report on the statement is not modified in respect of this matter.

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



K M Caudhary
(Partner)
M. No.: 133388



Place: Ahmedabad
Date: 23/05/2022

UDIN: - 22133388AJKVJK2276

Sintex Industries Limited

Regd. Office : Kalol - 382 721, India
Phone: (02764) - 253000 & Fax No. (02764) 222868
E-mail : share@sintex.co.in Website : www.sintex.in
CIN : L17110GJ1931PLC000454



Statement of Audited Consolidated Financial results for the Quarter and Year ended 31st March, 2022

		(Rs. in Crores except per share data)				
Sr No	Particulars	Audited	Unaudited	Audited	Audited	
		Quarter ended		Year ended		
		31-Mar-22	31-Dec-21	31-Mar-21	31-Mar-22	31-Mar-21
1	Income					
	(a) Revenue from operations	1,028.49	942.66	721.62	3,059.70	1,695.71
	(b) Other Income	42.10	34.97	29.04	109.35	61.06
	Total Income	1,070.59	977.63	750.66	3,169.05	1,756.77
2	Expenses					
	(a) Cost of materials consumed	779.75	686.16	459.47	2,191.00	1,110.24
	(b) Purchase of stock in trade	-	-	-	-	-
	(c) Changes in inventories of finished goods, work-in-progress and stock in trade	(62.41)	(44.40)	1.38	(132.35)	11.97
	(d) Employee benefits expense	44.98	42.19	40.59	164.14	134.57
	(e) Finance Costs	202.92	208.10	206.63	813.11	795.32
	(f) Depreciation and amortisation expense	64.69	66.12	69.20	262.33	281.77
	(g) Other expenses	159.48	121.99	116.79	444.25	302.25
	Total expenses	1,189.41	1,080.16	894.06	3,742.48	2,636.12
3	Profit/(Loss) before tax and Exceptional item (1) - (2)	(118.82)	(102.53)	(143.40)	(573.43)	(879.35)
4	Exceptional item	-	-	-	-	426.64
5	Profit/(Loss) before tax (3)-(4)	(118.82)	(102.53)	(143.40)	(573.43)	(1,305.99)
6	Tax expense/(benefit)					
	(a) Current tax (net of MAT credit entitlement)	-	-	-	-	-
	(b) Deferred tax	0.48	0.72	0.65	0.39	0.56
	(c) Short/(Excess) provision of tax for earlier years	0.00	-	(0.00)	(0.00)	(0.14)
	Tax expense/(benefit)	0.48	0.72	0.65	0.39	0.42
7	Net Profit after tax (5) - (6)	(119.30)	(103.25)	(144.05)	(573.82)	(1,306.41)
8	Other Comprehensive Income					
	(a) Items that will not be reclassified to profit or loss	(2.48)	-	(0.51)	(2.48)	(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)	(121.78)	(103.25)	(144.56)	(576.30)	(1,306.92)
10	Paid-up equity share capital (Face value of Rs. 1 each)	59.92	59.92	59.92	59.92	59.92
11	Other Equity	1,244.08	1,365.86	1,820.38	1,244.08	1,820.38
12	Earnings per share					
a	Basic (in Rs.)	(1.99)	(1.72)	(2.40)	(9.58)	(21.96)
b	Diluted (in Rs.)	(1.99)	(1.72)	(2.40)	(9.58)	(21.96)
13	Debture Redemption Reserve	111.03	111.03	111.03	111.03	111.03
14	Net Worth	1,304.00	1,425.78	1,880.30	1,304.00	1,880.30
15	Debt Equity Ratio - Total debt / (Paid up Equity Capital + Reserves and Surplus)	6.59	5.87	4.13	6.59	4.13
16	Debt Service Coverage Ratio	0.73	0.82	0.64	0.62	0.25
	Profit After Tax before Exceptional Items + Interest + Depreciation+Loss(Gain) on Sale of FA / Interest Expense + Principal Repayments made during the period for long term loans					
17	Interest Service Coverage Ratio	0.73	0.82	0.64	0.62	0.25
	Profit After Tax before Exceptional Items + Interest + Depreciation+Loss(Gain) on Sale of FA / Interest Expense					
18	Current Ratio- Current Assets/ Current Liabilities	0.75	0.73	0.74	0.75	0.74
19	Long Term Debt to Working Capital - Long Term Debts/Net Working Capital	*	*	*	*	*
20	Bad Debts to Accounts Receivable- Bad Debts/ Trade Receivable	0.00	0.00	0.00	0.00	0.00
21	Current Liability Ratio- Current Liabilities/Total Liabilities	*	*	*	*	*
22	Total Debts to Total Assets- Total Outstanding Debts/ Total Assets	0.84	0.83	0.79	0.84	0.79
23	Debtors Turnover - Revenue from operations/ Trade Receivables	15.82	51.03	26.38	11.77	15.50
24	Inventory Turnover- Cost of Goods Sold/ Inventories of FG, WIP & Stock in Trade	15.19	19.51	27.22	11.34	18.51
25	Operating Margin (%)	14.47	18.21	18.35	16.41	11.66
	Earnings before Interest, Depreciation,Tax and Exceptional Items / Revenue from operation					
26	Net Profit Margin (%) - Net Profit/ Revenue from operation	-11.60	-10.95	-19.96	-18.75	-77.04

* Refer note 13 of Results



Notes to the Audited Consolidated Financial Results for the Quarter and Year Ended March 31, 2022

- 1) The above Audited Consolidated Financial Results for the Year ended 31st March, 2022, were reviewed and approved by the Interim Resolution Professional on May 23, 2022. The Statutory Auditors of the Company have expressed unmodified opinion on the aforesaid 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) The figures for quarter ended March 31, 2022 and March 31, 2021 are balancing figures between the audited figures of the full financial year and the reviewed year to date figure upto the third quarter of the relevant financial year.
- 4) 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 31st March, 2022. Further, the Company has defaulted in payment of interest amounting to USD 0.64 Million for the period 25th May, 19 to 31st March, 2022.
- 5) 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 31st March, 2022.

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. 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.

- 6) The Holding 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" during last year 2020-21.
- 7) 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 5 above, the company is of the view not to recognize deferred tax assets during the period under review.
- 8) Insurance claim of Rs. 23.11 crores of F.Y. 2016-17 is outstanding as on 31st March, 2022. 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. The Company has also initiated legal proceedings against the same.
- 9) 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. However admission of claim yet to be confirmed by IRP of Sintex Prefab & Infra Limited.
- 10) Rs. 469.34 crores is outstanding as at 31st December, 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.
- 11) The Group operates in Textile business which is the only reportable segment in accordance with the requirements of Ind-AS 108 "Operating Segments".



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

(Rs. In crores)

Particulars	Quarter ended on March 31, 2022	Quarter ended on December 31, 2021	Quarter ended on March 31, 2021	For the Year ended March 31, 2022	For the year ended March 31, 2021
	Audited	Unaudited	Audited	Audited	Audited
Total Operating Income	1,049.76	967.75	705.60	3,126.50	1,689.15
Profit / (Loss) before tax	(125.43)	(96.25)	(143.67)	(567.30)	(1,301.97)
Total Comprehensive / (Loss) Income (after tax)	(127.91)	(96.26)	(144.17)	(569.78)	(1,302.33)

- 13) In view of the continuing default in payment of dues and Company under CIRP, most of the lenders have sent notices / letters recalling their loans given and called upon the Company to pay entire dues and other liabilities. Further, the Committee of Creditors has approved the Resolution Plan submitted by Reliance Industries Limited jointly with Assets Care & Reconstruction Enterprise Limited under CIRP on 19.03.2022. The IRP has submitted Resolution Plan before Hon'ble NCLT Ahmedabad for its approval. As on date approval of Resolution Plan is pending before Hon'ble NCLT Ahmedabad. Hence in view of the said facts & considering the matter of prudence, whole of the longterm borrowing outstanding as on 31st March, 2022 has been classified as current borrowings.
- 14) The Group continuously monitoring the Covid situation & accordingly managing the operations of the Company. The Company plant was operational for whole year including period of 2nd & 3rd wave of Covid 19 by taking precautionary steps. Further, 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 95% capacity as on date.
- 15) As disclosed by the Company to the stock exchange on 28.08.2021, expected quantum of loss is approximately Rs.115 crores on account of Cyclone Tauktae. Till 31.03.2022 the Company has incurred expenses of Rs 83.11 crore (including loss of inventory of Rs.21.02 crores and advance of Rs.5.07 Cr) for restoration of plant which was damaged due to Cyclone Tauktae on 17th May, 2021 and 18th May, 2021. As on 31.03.2022 the Company has recovered Rs. 16.64 crores by realization of salvage value of damaged materials and Rs. 1 crore as advance against insurance claim on 17.03.2022 from Insurance Company. Accordingly, as on 31.03.2022 net amount of Rs. 65.47 crores shown under the head "Other Current Assets - Advances recoverable 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. Further, out of 65.47 crores receivable from Insurance Company on account of Insurance claim of Cyclone Taukate, the Company has received Rs. 24.98 crores as on 25.04.2022 and Rs.1 crores as on 27.04.2022 as an advance against insurance claim.
- 16) We confirm that we are not a Large Corporate Company as per applicability criteria given under SEBI circular no. SEBI/HO/ DDHS/CIR/P/2018/144 dated November 26, 2018.
- 17) As disclosed in Note No. 51 of Financial Statements for the Financial Year ended 31.03.2021, the Company has reported contingent liability amounting to Rs. 496.37 crores for duty free imported machineries under EPCG Scheme for which duty saved. Out of Rs. 496.37 crores, the Company has received Export obligation discharge certificate from DGFT of Rs.309.35 crores as on 31.03.2022. Accordingly, balance contingent liability for duty free imported machineries under EPCG Scheme for which duty saved is Rs.187.02 crores.
- 18) Overall there has been inflationary pressure in the country, which can be seen in dramatic increase in prices of various raw materials, fuels and transportation cost. In our case, cotton which is our main raw material, price has gone up substantially even after arrival of fresh crop in the market. Cotton price have doubled in last six months and yarn prices have not increased in line with cotton prices. Accordingly, in current time margins are under pressure.
- 19) Previous year figures are regrouped / reclassified wherever required in order to make it comparable in line with the amendments in Schedule III, Division II to the Companies Act, 2013 effective from 1st April, 2021.

For Sintex Industries Limited

Pinakin Shah

Mr. Pinakin Shah

Interim Resolution Professional

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

Place: Ahmedabad
Date: 23rd May, 2022



SINTEX INDUSTRIES LIMITED
Consolidated Balance Sheet as at March 31, 2022
(₹ in crores)

Particulars		As at March 31, 2022	As at March 31, 2021
I	ASSETS		
	Non-current assets		
	(a) Property, plant and equipment	7,042.52	7,303.57
	(b) Capital work-in-progress	1,066.00	1,066.25
	(c) Other Intangible assets	0.83	1.60
	(d) Financial Assets		
	(i) Investments	33.88	35.66
	(e) Deferred tax assets	0.35	0.74
	(f) Other non-current assets	392.67	387.41
	(g) Non-current tax assets (net)	4.52	2.25
	Total non-current assets	8,540.77	8,797.48
	Current assets		
	(a) Inventories	381.58	158.06
	(b) Financial assets		
	(i) Investments	-	-
	(ii) Trade receivables	260.01	109.41
	(iii) Cash and cash equivalents	39.33	28.10
	(iv) Bank balances other than (iii) above	-	-
	(v) Loans	73.50	67.53
	(c) Other current assets	914.06	712.41
	Total current assets	1,668.48	1,075.51
	TOTAL ASSETS	10,209.25	9,872.99
II.	EQUITY AND LIABILITIES		
	Equity		
	Equity attributable to owners of the parent		
	(a) Equity share capital	59.92	59.92
	(b) Other equity	1,244.08	1,820.38
	Total equity	1,304.00	1,880.30
	Liabilities		
	Non-current liabilities		
	(a) Financial liabilities		
	(i) Borrowings	-	0.00
	(b) Provisions	3.25	4.37
	(c) Deferred tax liabilities (net)	0.00	0.00
	Total non-current liabilities	3.25	4.37
	Current liabilities		
	(a) Financial liabilities		
	(i) Borrowings	6,670.47	6,532.61
	(ii) Trade payables		
	(a) Total outstanding dues of Micro and Small Enterprise	6.82	3.59
	(b) Total outstanding dues of creditors other than micro and small enterprise	180.34	110.56
	(iii) Other financial liabilities	2,006.77	1,329.89
	(b) Other current liabilities	35.39	6.38
	(c) Provisions	2.21	5.29
	Total current liabilities	8,902.00	7,988.32
	Total liabilities	8,905.25	7,992.69
	TOTAL EQUITY AND LIABILITIES	10,209.25	9,872.99



SINTEX INDUSTRIES LIMITED
Consolidated Statement of cash flows for the Year ended March 31, 2022

(₹ in crores)

Particulars	For the Year ended March 31, 2022	For the year ended March 31, 2021
A. Cash flow from operating activities		
Net profit before tax and Exceptional Item	(573.43)	(879.35)
Adjustments for:		
Unrealised Foreign Loss	(1.04)	0.75
Bad Debts written off	0.04	21.28
Interest income	(4.47)	(8.50)
Depreciation and amortisation expenses	262.33	281.77
Finance cost	813.11	795.32
Operating profit before working capital changes	496.54	211.27
Adjustments for increase/decrease in Operating Assets/ Liabilities:		
Trade receivables, loans and other assets	(356.50)	(109.24)
Inventories	(223.52)	(20.35)
Trade payables, other liabilities and provisions	99.39	(30.35)
Cash generated from operations	15.91	51.33
Direct taxes paid (Net)	(2.27)	44.88
Net cash generated from operations activities (A)	13.64	96.21
B. Cash flow from investing activities		
Purchase of property, plant and equipment/addition to capital-work-in progress	(0.27)	(0.63)
Interest received	4.48	8.58
Net cash used in investing activities (B)	4.21	7.95
C. Cash flow from financing activities		
Repayments from long term borrowings	-	(8.39)
Interest Paid	(6.46)	(85.87)
Dividend paid	(0.16)	(0.19)
Net cash generated from financing activities (C)	(6.62)	(94.45)
Net increase/(decrease) in cash and cash equivalents (A+B+C)	11.23	9.71
Cash and cash equivalents at the beginning of the year	28.10	18.39
Cash and cash equivalents at the end of the year	39.33	28.10





R. CHOUDHARY & ASSOCIATES

Chartered Accountants

Independent Auditor's Report on the Quarterly and Year to Date Audited Consolidated Financial Results of the company Pursuant to the Regulations 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

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**

Opinion

We have audited the accompanying statement of consolidated financial results of **Sintex Industries Limited** ("the Company"), for the three months and year ended March 31, 2022 ("the Statement"), being submitted by the company pursuant to the requirements of regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations").

The NCLT, vide its order dated April 06, 2021 ("insolvency Commencement Date") initiated the Corporate Insolvency Resolution Process ("CIRP") of the Company under the Code. The said NCLT Order also records the appointment of Mr. Pinakin Shah as the Interim Resolution Professional ("IRP") in accordance with Section 16 of the Code. In view of the on-going CIRP and suspension of powers of Board of Directors and as explained to us, the powers of adoption of the Statement vests with IRP. These audited financial results of the relevant period are prepared by the Management of the Company and Certified by Mr. Hitesh Dihiye, Chief Financial Officer and approved by IRP.

In Our Opinion and to the best of our Information and according to the explanations given to us, the Statement:

- a. is presented in accordance with requirements of regulation 33 of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, as amended; and



- b. gives a true and fair view in conformity with the applicable accounting standards and other accounting principles generally accepted in India, of the net profit, other comprehensive income and other financial information of the company for the quarter and year ended March 31,2022.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the consolidated financial results section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the consolidated financial results under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial results.

Emphasis of Matter

- i. The statement includes the results of the following entities;

Holding: - Sintex Industries Limited

Subsidiary: - BVM Overseas Limited

- ii. We draw attention to Note 4 of the consolidated financial result, 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 31st March, 2022. Further, the Company has defaulted in payment of Interest amounting to USD 0.64 Million for the period 25th May,19 to 31st March,2022.
- iii. We draw attention to Note 5 to the consolidated financial result which states that the company's credit rating has been downgraded (Company's credit rating is "BWR D" from Brickwork Ratings India Pvt. Ltd. for Non-Convertible Debentures), which may substantially



impair its ability to raise or generate funds to repay its obligations. As mentioned in the same note, 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. However, Company has made provision for interest for the period April,2019to March,2022. 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. Further, as described in said Note, although the Company submitted various Resolution Plans to lenders on various dates, the Punjab National Bank filed petition before the National Company Law Tribunal (NCLT), Ahmedabad under Section 7 of Insolvency and Bankruptcy Code, 2016 for initiating Corporate Insolvency Resolution Process (CIRP) against the company in December,2019. 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.

- iv. We draw attention to Note 6 of the consolidated financial result, with respect to impairment of assets. with respect to impairment of assets. As described 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. The management of the company 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. 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. Therefore, the impairment loss has been shown under "Exceptional Item".

- v. We draw attention to Note 7 to the consolidated financial result with respect to recognition of deferred tax assets. As stated in the said Note, deferred tax asset has not been recognized in view of losses during the year.
- vi. We draw attention to Note 8 to the consolidated financial result 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 31st March, 2022. 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 also initiated legal proceedings against the same.
- vii. We draw attention to Note 9 to the consolidated financial result 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. However admission of claim is yet to be confirmed by IRP of Sintex Prefab & Infra Limited.
- viii. We draw attention to Note 10 to the consolidated financial result, 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.



- ix. We draw attention to Note 13 to the consolidated financial result with respect to continuing default in payment of dues and Company under CIRP, most of the lenders have sent notices / letters recalling their loans given and called upon the Company to pay entire dues and other liabilities. Further, the Committee of Creditors has approved the Resolution Plan submitted by Reliance Industries Limited jointly with Assets Care & Reconstruction Enterprise Limited under CIRP on 19.03.2022. The IRP has submitted Resolution Plan before Hon'ble NCLT Ahmedabad for its approval. As on date approval of Resolution Plan is pending before Hon'ble NCLT Ahmedabad. Hence in view of the said facts & considering the matter of prudence, whole of the long term borrowing outstanding as on 31st March,2022 has been classified as current borrowings.
- x. We draw attention to Note 14 to the consolidated financial result wherein it is mentioned that- the Group continuously monitoring the Covid situation & accordingly managing the operations of the Company. The Company plant was operational for whole year including period of 2nd & 3rd wave of Covid 19 by taking precautionary steps. Further, during first quarter ended 30th June 2021, there is severe damage at our factory plant situated at Taluka Jafarabad, Lunsapur, 8Amreli, 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 95% capacity as on date.
- xi. We draw attention to Note 15 to the consolidated financial result wherein it is mentioned that As disclosed by the Company to the stock exchange on 28.08.2021, expected quantum of loss is approximately Rs.115 crores on account of Cyclone Tauktae. Till 31.03.2022 the Company has incurred expenses of Rs 83.11 crore (including loss of inventory of Rs.21.02 crores and advance of Rs.5.07 Cr) for restoration of plant which was damaged due to Cyclone Tauktae on 17th May, 2021 and 18th May, 2021. As on 31.03.2022 the Company has recovered Rs. 16.64 crores by



realization of salvage value of damaged materials and Rs. 1 crore as advance against insurance claim on 17.03.2022 from Insurance Company. Accordingly, as on 31.03.2022 net amount of Rs. 65.47 crores shown under the head "Other Current Assets - Advances recoverable 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. Further, out of 65.47 crores receivable from Insurance Company on account of Insurance claim of Cyclone Taukate, the Company has received Rs. 24.98 crores as on 25.04.2022 and Rs.1 crores as on 27.04.2022 as an advance against insurance claim.

Our Opinion is not modified in respect of this matter.

Management's and Interim Resolution Professional's Responsibility for the Consolidated Financial Results

The Company's Board of Directors and Interim Resolution Professional are responsible for the matters stated in section 134(5) of the Act, with respect to the preparation of these consolidated financial results that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial results, management and Interim Resolution Professional are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management



either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the consolidated Financial Results

Our objectives are to obtain reasonable assurance about whether the consolidated financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial Results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial results, including the disclosures, and whether the consolidated financial results represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the consolidated financial results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial results may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial results.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial results of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances,



we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

- a. We did not audit the financial statement / financial information of 1 subsidiary included in the consolidated financial results, whose financial statement / financial information reflects total assets of Rs. 244.75 Crores as at 31 March, 2022, total revenue of Rs. 299.37 Crores and Rs. 681.46 Crores, total Net profit after tax of Rs. 1.42 Crores and Rs. 1.15 Crores and total Comprehensive income of Rs. 1.42 Crores and Rs. 1.15 Crores for the quarter and year ended 31 March, 2022 respectively and net cash inflow of Rs. 4.67 Crores for the year ended on 31st March, 2022 as considered in the statement. These financial statements have been audited by other auditor whose reports have been furnished to us by the other auditor and our opinion and conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiary is based solely on the report of the other auditor and the procedures performed by us as stated under Auditor's Responsibilities section above.

Our report on the Statement is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditors.



- b. The consolidated financial results include the results for the quarter ended March 31, 2022 and March 31, 2021 being the balancing figure between the audited figure in respect of the full financial Year and the published unaudited year to date figures up to the third quarter of the current financial year which subject to limited review by us.

Our report on the statement is not modified in respect of this matter.

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



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



Place: Ahmedabad
Date: 23/05/2022

UDIN: - 22133388AJKVQX6980