

AMIT SPINNING INDUSTRIES LTD.

(Manufacturer of Yarns & Govt. Recognised Trading House)



May 27, 2017

Bombay Stock Exchange Ltd.
Corporate Relationship Deptt.
1st Floor, New Trading Ring, Rotunda Bldg.
P J Towers, Dalal Street
Mumbai 400 001

Stock Code: **521076**

National Stock Exchange Of India Ltd.
Exchange Plaza
Bandra Kurla Complex
Bandar (E), Mumbai-400051

Stock Code: **ASIL**

Dear Sir/Madam,

Sub: Outcome of the Board Meeting held on 27th May, 2017

This is to inform you that the Board of Directors of the Company at their meeting held on 27th May, 2017 has, *interalia*, approved the Audited Financial Results for the quarter & year ended 31st March, 2017.

Please find enclosed herewith the following:

1. Audited Financial Results for the quarter & year ended 31st March, 2017.
2. Auditors' Report and Statement on Impact of Audit Qualifications on financial results.
3. Statement of Assets & Liabilities as on 31st March, 2017.

We hope that you will find the above in order and request to take the same on record.

Thanking you,

Yours truly,
For **AMIT SPINNING INDUSTRIES LIMITED**

DIRECTOR

Encl: as above.

Regd. & Corporate Office : A-60, Okhla Industrial Area, Phase-II, New Delhi 110 020 (INDIA)

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Factory Address : Gate No. 47 & 48, Sangawade Village, Kolhapur-Hupari Road, Taluka-Karveer, Distt. Kolhapur-416 202 (INDIA)

Tel. : +91-231-2676108, 2676106, Fax : +91-231-2676164, CIN : L17100DL1991PLC171468



Auditor's Report On Quarterly Financial Results and Year to Date Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To
The Board of Directors
Amit Spinning Industries Limited

We have audited the accompanying financial results of *Amit Spinning Industries Limited* ('the Company') for the quarter and year ended March 31, 2017, being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. These financial results which are the responsibility of the Company's management and approved by the Board of Directors have been prepared on the basis of the interim financial statements. Our responsibility is to express an opinion on these financial results based on our audit of such interim financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard specified under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder; or by the Institute of Chartered Accountants of India, as applicable and other accounting principles generally accepted in India.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

Basis for Qualified Opinion

Attention is invited that the company has not charged interest amounting to Rs.698.32 Lakhs. Further, the company has also not charged penal interest and other charges, if any, in respect of delay in repayment of borrowings from banks to the statement of profit and loss account from the date of declaration of accounts as non performing assets (NPA). Therefore, we are unable to comment on the adequacy of interest and other charges provided for in the statement of profit & loss.

We report that had the Company has not charged interest mentioned as above, if company has charge the interest the quarterly and annual losses for the period under audit would have amounted to Rs.348.52 Lakhs and Rs. 2020.76 Lakhs respectively with a consequential impact on the assets and liabilities of the Company.

Emphasis of Matters

- (a) *It is informed that the Company has accumulated losses and its net worth has been fully eroded, the Company has incurred a net cash loss during the current and previous*



year(s) and, the Company's current liabilities exceeded its current assets as at the balance sheet date. Further majority of the banks have categorized borrowing of the company as Non performing Assets (NPA) and have sent recall notices u/s 13(2) of Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act (SARFAESI), 2002 to the company. Pending approval of DRS by OA/ BIFR, SICA has been repealed w.e.f 1/12/2016, and 6 months window has been provided to the Company to approach to National Company Law Tribunal (NCLT), as per section 4(b) of the SICA repeal act read with Section 252 of the Insolvency and Bankruptcy Code, 2016 to initiate Corporate Resolution Process under the code. Company is in the process of moving NCLT for resolution of its liabilities. In the meanwhile, Axis Bank has initiated recovery proceedings before DRT against the Company, however the same is being contested by the company. These conditions, along with other matters set forth in Note 30, indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. However, the financial statements of the Company have been prepared on a going concern basis for the reasons stated in the said Note.

- (a) The financial statements regarding balances of parties under the head trade payables and loans & advances which are subject to confirmation, reconciliation and consequential adjustments, if any.
- (b) The financial statements regarding an amount of Rs.2777.24 Lakhs under the head "Long Term Loans and Advances" which has been considered good by the management in view of the reasons stated therein. We have relied upon the assertions given by the management as to the recoverability of the said amounts

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion paragraph above, these quarterly financial results as well as the year to date results:

- (i) are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in this regard; and
- (ii) give a true and fair view of the net loss and other financial information for the quarter ended March 31, 2017 as well as the year to date results for the period from April 1, 2016 to March 31, 2017.

For Sunil Jain & Co.
Chartered Accountants
(Registration No. 003855N)



Sanchit Jain
Sanchit Jain
Partner

Membership No. 511714

Place: New Delhi
Date: May 27, 2017

AMIT SPINNING INDUSTRIES LIMITED

Regd. Off : A-60, Okhla Industrial Area Phase II, New Delhi-110020

Email, secretarial@clcindia.com; CIN:L17100DL1991PLC171468

STATEMENT OF AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31st MARCH, 2017

Sr. No.	Part I Particulars	Quarter ended			Year ended	
		31.03.2017 Audited	31.03.2016 Audited	31.12.2016 Reviewed	31.03.2017 Audited	31.03.2016 Audited
1	Income from operations					
	(a) Net Sales / Income from Operations (net of excise duty)	15.85	13.28	-	15.85	36.23
	(b) Other Operating Income	-	2.75	-	-	2.75
	Total income from operations (net)	15.85	16.02	-	16.05	38.98
2	Expenses					
	(a) Cost of materials consumed	-	14.20	-	-	14.20
	(b) Purchases of stock-in-trade	14.72	-	-	14.72	-
	(c) Changes in inventories of finished goods, work-in-	-	-	-	-	31.71
	(d) Employee benefits expense	102.24	144.28	97.80	401.22	569.72
	(e) Depreciation and amortisation expense	36.87	88.67	86.65	296.82	346.61
	(f) Power & Fuel Cost	0.37	(16.92)	0.84	1.90	3.88
	(g) Other Expenses	144.19	203.15	12.54	191.11	268.28
	Total Expenses	298.39	433.38	197.83	905.76	1,234.40
3	Profit/ (loss) from Operations before Other Income, finance costs and Exceptional Items (1-2)	(282.54)	(417.35)	(197.83)	(889.91)	(1,195.42)
4	Other Income	0.76	(0.71)	-	0.76	1.63
5	Profit / (Loss) from ordinary activities before finance costs and exceptional items (3+4)	(281.78)	(418.06)	(197.83)	(889.15)	(1,193.79)
6	Finance costs	(191.04)	122.11	127.52	1.86	309.38
7	Profit/ (loss) from ordinary activities after finance costs but before Exceptional Items (5-6)	(90.74)	(540.17)	(325.35)	(891.02)	(1,503.17)
8	Exceptional Items	-	-	-	-	-
9	Profit / (Loss) from Ordinary Activities before tax (7+8)	(90.74)	(540.17)	(325.35)	(891.02)	(1,503.17)
10	Tax Expenses					
	Current Tax	-	-	-	-	-
	Deferred Tax	-	-	-	-	-
	Total Tax Expenses	-	-	-	-	-
	Prior Period Items	-	-	-	871.95	-
11	Net Profit/(+) Loss(-) from ordinary activities after tax (9-10)	(90.74)	(540.17)	(325.35)	(1,762.97)	(1,603.17)
12	Extraordinary items (net of Tax expenses of Rs..)	(440.54)	-	-	(440.54)	-
13	Net profit (+)/ Loss (-) for the Period (11-12)	349.80	(540.17)	(326.35)	(1,322.43)	(1,603.17)
14	Paid up Equity Share Capital (Face Value Rs. 5/- each)	2,058.48	2,058.48	2,058.48	2,058.48	2,058.48
15	Reserves excluding Revaluation Reserves as per Balance sheet of previous accounting year	-	-	-	(10,570.51)	(9,248.08)
16	(a) Basic and diluted EPS before Extraordinary items	(0.22)	(1.31)	(0.79)	(4.28)	(3.65)
	(b) Basic and diluted EPS after Extraordinary items for the period, for the year to date and for the previous year (not to be annualized)	0.85	(1.31)	(0.79)	(3.21)	(3.65)

Notes :

- The above Financial Results have been reviewed by the Audit Committee and were approved by the Board of Directors at their meeting held on 27th May, 2017.
- The accumulated losses at end of period under review are more than net worth of the Company and the Company has filed a reference with Board for Industrial and Financial Restructuring (BIFR) under section 15(1) and 15(2) of Sick Industrial Companies (Special Provisions) Act, 1985. BIFR has declared the Company as Sick under Section 3(1) (o) of SICA 1985 and appointed Operating Agency under Section 17(3) of SICA 1985. SICA has been repealed w.e.f 1/12/2016 and 6 months window has been provided to the Company to approach to National Company Law Tribunal (NCLT) as per The Insolvency and Bankruptcy Code, 2016 to initiate Corporate Resolution Process under the code. The company is in the process of moving NCLT for resolution of its liabilities. However, on the strength of management's plan of revival including reorganization of business, these financial statements have been prepared on a going concern basis.
- The auditors have stated in its report that the company has not charged interest of Rs.6,98,32,251. Further the company has also not charged penal interest and other charges, if any, in respect of delay in repayment of borrowings from banks to the statement of profit and loss account from the date of declaration of accounts as non performing assets (NPA). Since the lenders have categorised their outstanding debts from the Company as non performing assets and stopped charging interest on their debts, the management has decided not to provide interest on such loans for the current year and also reversed interest provided in the earlier years from the date of NPA.
- The Company's business activity falls within a single business segment in terms of Accounting Standard 17 on Segment Reporting issued by ICAI.
- The previous year/ previous period figures have been regrouped /recasted wherever necessary to make them comparable.



By order of the Board
For Amit Spinning Industries Limited

S.P. Setia
Chairman

Place : New Delhi
Date : May 27, 2017

AMIT SPINNING INDUSTRIES LIMITED

STATEMENT OF ASSETS AND LIABILITIES AS AT MARCH 31, 2017

(Rs. In Lakh)

Particulars		AS AT March 31, 2017	AS AT March 31, 2016
I.	<u>EQUITY AND LIABILITIES</u>		
1	Shareholders' funds		
	(a) Share capital	2,058.48	2,058.48
	(b) Reserves and surplus	-10,570.51	-9,248.08
	(c) Money received against share warrants		
		-8,512.03	-7,189.59
2	Share application money pending allotment		
3	Non-current liabilities		
	(a) Long-term borrowings	3,201.28	3,592.18
	(b) Deferred tax liabilities (Net)	-	-
	(c) Other Long term liabilities	1,319.37	1,319.37
	(d) Long-term provisions	122.27	118.55
		4,642.92	5,030.10
4	Current liabilities		
	(a) Short-term borrowings	1,623.71	1,639.64
	(b) Trade payables	6,514.59	5,625.02
	(c) Other current liabilities	2,165.26	1,964.39
	(d) Short-term provisions	54.01	34.51
		10,357.58	9,263.56
	TOTAL	6,488.47	7,104.07
II.	<u>ASSETS</u>		
	Non-current assets		
1	(a) Fixed assets		
	(i) Tangible assets	3,528.83	3,825.65
	(b) Non-current investments	0.23	0.23
	(c) Deferred tax assets (net)	-	-
	(d) Long-term loans and advances	2,867.76	728.47
	(e) Other non-current assets	21.62	72.95
		6,418.44	4,627.31
2	Current assets		
	(a) Current investments		
	(b) Inventories	28.87	28.28
	(c) Trade receivables	0.00	83.14
	(d) Cash and cash equivalents	4.55	21.75
	(e) Short-term loans and advances	36.60	2,248.56
	(f) Other current assets	-	95.02
		70.03	2,476.76
	TOTAL	6,488.47	7,104.07

For Amit Spinning Industries Limited

Vijay Bhan Singh
Director

**Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted
along-with Annual Audited Standalone Financial Results**

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2017 [See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]				
I.	Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications) (Rs. In Lacs)	Adjusted figures (audited figures after adjusting for qualifications) (Rs. In Lacs)
	1.	Total income (Incl. Other Income and Net of excise duty)	16.61	16.61
	2.	Total Expenditure(including finance cost & Prior Period items)	1,779.58	2,477.90
	3.	Net Profit/(Loss)	(1,322.43)	(2,020.75)
	4.	Earning Per Share	(3.21)	(4.91)
	5.	Total Assets	6,488.47	6,488.47
	6.	Total Liabilities	15,000.50	15,698.82
	7.	Net Worth	(8,512.03)	(9,210.35)
	8.	Any other financial item(s) (as felt appropriate by the management)	-	-
II.	Audit Qualification (each audit qualification separately):			
	a. Details of Audit Qualification:			
	The company has not charged interest amounting to Rs.6,98,32,251. Further, the company has also not charged penal interest and other charges, if any, in respect of delay in repayment of borrowings from banks to the statement of profit and loss account from the date of declaration of accounts as non performing assets (NPA). Therefore, we are unable to comment on the adequacy of interest and other charges provided for in the statement of profit & loss.			
	b. Type of Audit Qualification: Qualified Opinion/Disclaimer of Opinion/Adverse Opinion			
	Qualified Opinion			
	c. Frequency of qualification: Whether appeared first time/repetitive/since how long continuing			
	Appeared first time			
	d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:			
	Since the lenders have categorized their outstanding debts from the Company as non performing assets and stopped charging interest on their debts, the management has decided not to provide interest on such loans for the current year and also reversed interest provided in the earlier years from the date of NPA.			



	e. For Audit Qualification(s), where the impact is not quantified by the auditor, : (i) Management's estimation on the Impact of audit qualification: Not Applicable (ii) If Management is unable to estimate the Impact, reason for the same: Not Applicable (i) Auditor's Comments on (i) and (ii) above: Not Applicable	
III.	Signatories: • Vijay Bhan Singh, Director • Malpeddi Nagnath S, CFO • S P Setia, Audit Committee Chairman • M/s. Sunil Jain & Co., Statutory Auditors	<i>Vijay Bhan Singh</i> <i>Malpeddi Nagnath S</i> <i>S P Setia</i> <i>S.P. Setia</i> 
Place: New Delhi Date: 27th May, 2017		