

AMIT SPINNING INDUSTRIES LTD.

(Manufacturer of Yarns & Govt. Recognised Trading House)



February 9, 2018

BSE Limited

Stock Code. **521076**

Corporate Relationship Deptt.

1st, Floor, New Trading Ring, Rotunda Bldg.

P.J Towers, Dalal Street

Mumbai 400 001

National Stock Exchange Of India Ltd.

Stock Code: **ASIL**

Exchange Plaza

Bandra Kurla Complex

Bandar (E), Mumbai-400051

Dear Sir/Madam,

Sub: Approval of the Un-audited Financial Results for the quarter ended 31st December, 2017

This is to inform you that pursuant to the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 that Resolution Professional, on 9th February, 2018 has, *interalia*, taken on record and approved the Unaudited Financial Results for the quarter and nine months ended 31st December, 2017.

Please find enclosed herewith the Unaudited Financial results for the quarter and nine months ended 31st December, 2017 alongwith Auditors' Limited Review Report.

Please take the same on records.

Thanking you,

Yours truly,

For **AMIT SPINNING INDUSTRIES LIMITED**

COMPLIANCE OFFICER

Encl: as above.



Independent Auditors' Review Report

To
The Board of Directors
Amit Spinning Industries Limited

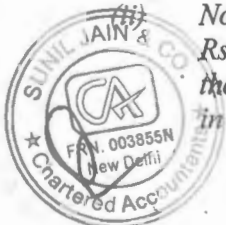
We have reviewed the accompanying statement of unaudited financial results of Amit Spinning Industries Limited ('the Company') for the quarter and nine months ended December 31, 2017 being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. CIR/CFD/FAC/ 62/ 2016 dated July 5, 2016. This statement is the responsibility of the Company's management and has been approved by the Board of Directors. Our responsibility is to issue a report on these financial statements based on our review. Attention is drawn to the fact that the figures for the corresponding quarter ended December 31, 2016 including the reconciliation of net loss for the quarter under Ind AS of the corresponding quarter with net loss for the quarter reported under previous GAAP, as reported in these financial results have been approved by the Company's Board of Directors, but have not been subjected to review.

We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India (ICAI). This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus, provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Basis of Qualifications

- (i) *Note No. 6 which indicates 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. Further, NCLT vide order dated 01.08.2017, has admitted the Company's petition and has appointed Resolution Professional for the Company. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. The company has submitted restructuring proposal proposing various alternative to the banks which is currently under discussion. Further, NCLT has extended the period of resolution process by another 50 day beyond 28.01.2018. These financial statements are prepared on a going concern basis for the reasons stated in the said Note.*

Note No. 7 which indicates that the company has not charged interest amounting to Rs.6,98,32,251 upto March 31, 2017 and has stopped providing interest thereafter. 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.

- (iii) Note No 8, wherein it is stated that the balances of parties under the head trade payables and loans & advances which are subject to confirmation, reconciliation and consequential adjustments, if any.
- (iv) Note No. 3 of the financial results for the quarter ended September 30, 2017, wherein, the management has represented that the financial results of the Company has complied with the Indian Accounting Standards (Ind AS) as referred in section 133 of the Companies Act, 2013 read with relevant rules issued thereunder. However, we have not been provided the relevant information and documents in relation to such compliance. Therefore, we are unable to comment upon the adequacy of impact of Ind AS on the financial results of the Company.

Based on our review conducted as above, subject to ~~subject to the~~ adjustment that may be required to the financial results in view of our remarks stated above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable Ind AS prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting practices and principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Circular No, CIR/CFD/FAC/62/2016 dated July 5, 2016 including the manner in which it is to be disclosed, or that it contains any material misstatement.

Place: New Delhi
Date: February 9, 2018

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



A handwritten signature in black ink, appearing to read "Sanchit Jain".

Sanchit Jain
Partner

Membership No. 511714

AMIT SPINNING INDUSTRIES LIMITED

Regd. Off : A-60, Okhla Industrial Area Phase II, New Delhi-110020
CIN : L17100DL1991PLC171468; PAN AAACA3305M; Email : secretarial@cicindia.com

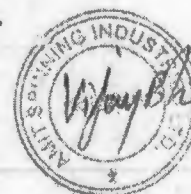
STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31st DECEMBER, 2017

(Rs. in Lakhs except EPS)

Sr. No.	Particulars	Quarter ended			Nine Months ended		Year ended
		31.12.2017	30.09.2017	31.12.2016	31.12.2017	31.12.2016	31.03.2017
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
I	Revenue from operations	-	-	-	-	-	15.85
II	Other income	0.02	-	-	0.02	-	0.78
III	Total Revenue (I+II)	0.02	-	-	0.02	-	16.61
IV	Expenses	-	-	-	-	-	-
	Cost of materials consumed	-	-	-	-	-	-
	Purchases of stock-in-trade	-	-	-	-	-	14.72
	Changes in inventories of finished goods, work-in-progress and stock-in-trade	-	-	-	-	-	-
	Employee benefits expense	2.00	4.01	97.80	80.73	286.92	401.22
	Finance costs	-	-	55.85	-	192.91	1.88
	Depreciation and amortisation expense	86.67	64.33	86.65	204.38	250.95	296.82
	Other Expenses	16.09	(170.30)	13.38	196.39	46.44	193.00
	Total Expenses (IV)	84.77	(101.95)	263.68	481.49	788.22	907.82
V	Profit/(loss) before exceptional items and tax (III-IV)	(84.75)	101.95	(263.68)	(481.47)	(788.22)	(891.02)
VI	Exceptional items	-	-	-	2,895.44	-	-
VII	Profit/(loss) before extraordinary items and tax (V-VI)	(84.75)	101.95	(263.68)	(3,366.92)	(788.22)	(891.02)
VIII	Extraordinary items	-	-	-	-	-	(440.54)
IX	Profit before tax (VII- VIII)	(84.75)	101.95	(263.68)	(3,366.92)	(788.22)	(1,322.43)
X	Tax expense:	-	-	-	-	-	-
	(1) Current tax	-	-	-	-	-	-
	(2) Deferred tax	-	-	-	-	-	-
	Total Tax Expenses	-	-	-	-	-	-
	Prior Period Items	-	-	-	-	871.95	871.95
XI	Profit (Loss) for the period from continuing operations (IX-X)	(84.75)	101.95	(263.68)	(3,366.92)	(1,660.17)	(1,322.43)
XII	Profit/(loss) from discontinuing operations	-	-	-	-	-	-
XIII	Tax expense of discontinuing operations	-	-	-	-	-	-
XIV	Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)	-	-	-	-	-	-
XV	Profit (Loss) for the period (XI + XIV)	(84.75)	101.95	(263.68)	(3,366.92)	(1,660.17)	(1,322.43)
XVI	Other comprehensive income	-	-	-	-	-	-
A	Items that will be reclassified to profit or loss	-	-	-	-	-	-
	Actuarial (loss)/ gain on remeasurement of defined benefit plan	-	-	(4.02)	-	(12.06)	-
B	Items that will not be reclassified to profit or loss	-	-	(4.02)	-	(12.06)	-
	Other comprehensive income for the period (net of tax)	-	-	(4.02)	-	(12.06)	-
XVII	Total comprehensive income for the period (XV+XVI)	(84.75)	101.95	(267.70)	(3,366.92)	(1,672.23)	(1,322.43)
XVIII	Earnings per share (of INR 5 each):	-	-	-	-	-	-
	(a) Basic	(0.21)	0.25	(0.85)	(8.18)	(4.06)	(3.21)
	(a) Diluted	-	-	-	-	-	-

Notes:

- The above financial results have been reviewed and approved by Resolution Professional (RP) in the meeting held on 9th February, 2018.
- The Statutory Auditors have carried out limited review of the Financial Results of the Company for the quarter ended 31st December, 2017.
- The Company has adopted Indian Accounting Standards ('Ind AS') notified by the Ministry of Corporate Affairs with effect from 1st April, 2017. Accordingly, the financial results for the quarter ended 31st December, 2017 are in compliance with Ind AS and the results for the comparative quarters ended 31st December, 2016 have been restated to comply with Ind-AS to make them comparable.
- The re-measurement cost of net defined benefit liability arising primarily due to change in actuarial assumptions has been recognized in Other Comprehensive Income (OCI) under Ind AS instead of Statement of Profit and Loss under previous GAAP.
- The figures of previous comparative quarter ended 31st December, 2016 have been re grouped/reasted/rearranged wherever considered necessary to make them comparable with those of the current quarter.
- 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 OAI 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 262 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. Further, NCLT vide order dated 01.08.2017, has admitted the Company's petition and has appointed Resolution Professional for the Company. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. The company has submitted restructuring proposal proposing various alternative to the banks which is currently under discussion. Further NCLT has extended the period of resolution process by another 50 day beyond 28.01.2018. These financial statements are prepared on a going concern basis.
- The company has not charged interest amounting to Rs.6,98,32,251 upto March 31, 2017 and has stopped providing interest thereafter. 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). These matters will be dealt in due course.
- The balances of parties under the head trade payables and loans & advances which are subject to confirmation, reconciliation and consequential adjustments, if any.



- 9 The Company has during the quarter ending June 30, 2017 has made provision for Inter Corporate Deposits, Capital Advances and Advances recoverable from Government Authorities amounting to Rs.28,85,44,185 since the same are not being recovered from a long time and shown this expense as "Exceptional Item".

Reconciliation of profit after tax for the quarter ended 30th September 2016 between Ind AS compliant results as reported above with results reported in previous year as per Indian GAAP are given below:-

	Quarter Ended			Nine Months Ended	
	31.12.2017	30.09.2017	31.12.2016	31.12.2017	31.12.2016
Profit/(Loss) after tax as reported in previous year as per Indian GAAP	(84.75)	101.95	(267.70)	(3,367)	(1,672.23)
1. Employee Benefit Expense					
Actuarial (gain)/ loss on defined benefit plan transferred to other comprehensive income			4.02	*	12.08
Profit/(Loss) after Tax reported as per Ind-AS	(84.75)	101.95	(263.68)	(3,368.92)	(1,660.17)
2. Other Comprehensive Income			(4.02)	*	(12.08)
Total Comprehensive Income as per Ind AS	(84.75)	101.95	(267.70)	(3,368.92)	(1,672.23)

For & on behalf of the Board of Directors
Amit Spinning Industries Limited

VIJAY BHAN SINGH
DIRECTOR

Signed under authority of Mr. Parveen Bansal, Resolution Professional
Reg. No. IBB/I/PA-001/IP- P00175/ 2017-18/10344

Place : New Delhi
Date : 08th February, 2018

