

Statement of Standalone Audited Financial Results for the Quarter & Year Ended March 31, 2017

(Rs. in Lakh)

Sr. No.	Particulars	Audited Quarter Ended 31/03/2017	Unaudited Quarter Ended 31/12/2016	Audited Quarter Ended 31/03/2016	Audited Year ended 31/03/2017	Audited Year ended 31/03/2016
1	Income from operations					
	a) Revenue from operations	52,421.65	35,924.63	46,910.62	171,061.80	194,773.46
	b) Other income	1,186.33	2,735.31	1,860.26	9,201.25	11,043.52
	Total income from operations	53,607.98	38,659.94	48,770.88	180,263.05	205,816.98
2	Expenses					
	a) Cost of material consumed	47,253.51	28,163.21	25,289.89	131,514.42	111,485.40
	b) Purchase of stock-in-trade	3,354.04	-	2,031.48	3,354.20	7,017.11
	c) Changes in inventories of finished goods, work in progress and stock in trade	14,876.06	5,413.85	2,024.16	40,939.36	4,326.72
	d) Employee benefits expenses	2,933.40	2,547.96	2,548.76	10,746.20	10,864.26
	e) Finance cost	2,222.60	1,169.49	9,190.26	12,256.12	34,240.03
	f) Depreciation and amortisation expenses	2,769.20	2,898.67	7,023.83	11,408.91	28,450.25
	g) Other expenses	11,412.84	6,309.28	7,303.07	32,831.44	35,172.09
	Total expenses	84,821.65	46,502.46	55,411.45	243,050.65	231,555.86
	Profit(+)/(Loss)(-) from operations before exceptional items & tax (1-2)	(31,213.67)	(7,842.52)	(6,640.57)	(62,787.60)	(25,738.88)
3	Exceptional Items	8,545.04	(15,207.86)	30,060.93	22,650.68	30,060.93
4	Profit (+) / (Loss) (-) before tax (3+4)	(39,758.71)	7,365.34	(36,701.50)	(85,438.28)	(55,799.81)
5	Tax Expense	(33,318.60)	5,343.55	(15,604.21)	(29,682.89)	(15,604.35)
6	Net Profit (+) / (Loss) (-) for the period from Continuing Operations tax (5-6)	(6,440.11)	2,021.79	(21,097.29)	(55,755.39)	(40,195.46)
7	Net Profit (+) / (Loss) (-) from Discontinuing Operations	-	-	-	-	-
8	Tax Expense of Discontinuing Operations	-	-	-	-	-
9	Net Profit (+) / (Loss) (-) from Discontinuing Operations after Tax (8-9)	-	-	-	-	-
10	Net Profit (+) / (Loss) (-) for the period	(6,440.11)	2,021.79	(21,097.29)	(55,755.39)	(40,195.46)
11	Other Comprehensive Income					
	a (i) Items that will not be reclassified to Profit or Loss	32.80	-	-	32.80	-
	b (i) Items that will be reclassified to Profit or Loss	(2.01)	(3.66)	9,482.86	(10.57)	(9,954.53)
12	Total Comprehensive Income/(Loss) for the Period (11+12)	(6,409.32)	2,018.13	(11,614.43)	(55,733.16)	(50,149.99)
13	Paid-up equity share capital of Rs. 10/- each	33,134.70	33,134.70	33,134.70	33,134.70	33,134.70
14	i. Earning per share (EPS) (for Continuing Operations)					
	(in Rs.) (not annualised)					
	a) Basic	B- (1.94)	B- (0.61)	B- (6.37)	B- (16.83)	B- (12.13)
	b) Diluted	D- (1.94)	D- (0.61)	D- (6.37)	D- (16.83)	D- (12.13)
	ii. Earning per share (EPS) (for Discontinued Operations)					
	(in Rs.) (not annualised)					
	a) Basic	-	-	-	-	-
	b) Diluted	-	-	-	-	-
	iii. Earning per Share (EPS) (for Discontinued & Continuing Operations)					
	(in Rs.) (not annualised)					
	a) Basic	B- (1.94)	B- (0.61)	B- (6.37)	B- (16.83)	B- (12.13)
	b) Diluted	D- (1.94)	D- (0.61)	D- (6.37)	D- (16.83)	D- (12.13)



Notes:

- 1 The audited financial statements for the quarter and year ended March 31, 2017 have been taken on record by the Board of Directors at its meeting held on May 30, 2017. The information presented above is extracted from the audited standalone financial statements. The financial statements are prepared in accordance with the Indian Accounting Standards (Ind-AS) as prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.
- 2 The Company has adopted the Indian Accounting Standard (Ind-AS) on April 1, 2016 with the transition date as April 1, 2015, and the adoption was carried out in accordance with Ind-AS 101-First time adoption of Indian Accounting Standards. The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP.
- 3 The Company had opted for CDR of its Debt in November, 2013. The CDR package was approved by the competent authority in June, 2014 and implemented by lenders in September, 2014. The credit facilities envisaged & sanctioned under CDR package were not fully released by the lenders which resulted in sub-optimum utilization of manufacturing facilities and the company could not complete one of its spinning project where substantial amount was already incurred. All this has led to adverse financial performance and erosion in net worth of the Company. Also the company is facing cash flow mismatch and is not servicing debt obligations as per the terms of CDR package sanctioned earlier. However, despite all this, the manufacturing capacities are operational and running. The Company has not defaulted in any of its statutory dues and has been able to retain all its management functionaries. Keeping in view the above, the financial statements of the company are prepared on going concern basis and the company considers that sufficient taxable income will be available in the specified period against which deferred tax asset and MAT credit would be adjusted.
- 4 Exceptional items consists of provision for diminution in value of investments in subsidiaries and in quarter ended December, 2016 also includes reversal of interest amounting to Rs.11,097 lakhs.
- 5 The Company has only one Reportable Segment i.e. Textiles, hence Segment Reporting is not applicable.
- 6 The majority of lenders have stopped charging interest on debts, since the dues from the Company have been categorized as Non Performing Asset. The Company is in active discussion/negotiation with its lenders to restructure its debts at a sustainable level including waiver of unpaid interest. In view of the above, pending finalization of their restructuring plan, the Company has not provided interest amounting to Rs. 35,901 lakhs on majority of NPA classified accounts for the year in its books of account. Due to this the interest expense, net loss and financial liabilities for the year ended March 31, 2017 are reduced by Rs. 35,901 lakhs and correspondingly the equity is increased by the same amount.
- 7 The company has revised the useful life of the machinery installed in Spinning/Terry Towel units based on technical reports effective from April 1, 2016. Due to this the depreciation as well as net loss for the year ended March 31, 2017 is reduced by Rs. 15,106 lakhs and correspondingly the "Property, Plant & Equipments" (Non Current Assets) and other equity are increased by the same amounts.
- 8 Reconciliation of Net Profit as previously reported on account of transition from the previous Indian GAAP to Ind AS for the quarter and year ended March 31, 2016.

Particulars	(Rs. In Lacs)	
	Quarter Ended March	Year Ended March 2016
Net Profit/(Loss) for the period under previous Indian GAAP	(21,097)	(40,195)
<u>Add: Ind AS Adjustments</u>		
Impact of measuring investments at fair value through profit & loss	10,164	(8,710)
Tax Impact	(681)	(1,245)
Net Profit/(Loss) as per Ind AS	(11,614)	(50,150)

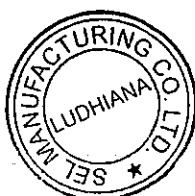
- 9 Reconciliation of Equity as previously reported on account of transition from the previous Indian GAAP to Ind AS for the quarter and year ended March 31, 2016.

Particulars	(Rs. In Lacs)
	Year Ended March 2016
Equity as per Indian Gaap	68,597
Adjustments:	
Fair value accounting of investments	5
Others	3,575
Equity as per Ind AS	72,177

- 10 The figures of quarter ended March 31, 2017 are the balancing figures in respect of the full financial year ended March 31, 2017 and the unaudited published year to date figures upto December 31, 2016 which were subjected to limited review.
- 11 Figures relating to the previous period have been regrouped/rearranged, wherever necessary to make them comparable with those of the current period.

For and on behalf of Board of Directors


Neeraj Saluja
Managing Director

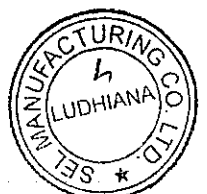


Date: 30.05.2017
Place: Ludhiana

STATEMENT OF ASSETS & LIABILITES (STANDALONE)

(Rs. In Lakhs)

PARTICULARS	AS AT	AS AT
	31.03.2017	31.03.2016
	Audited	Audited
ASSETS		
(1) Non Current Assets		
(a) Property, Plant and Equipment	175,599.61	183,764.30
(b) Capital Work in Progress	16,312.42	18,529.86
(c) Investment Property	-	-
(d) Goodwill	-	-
(e) Other Intangible Assets	-	22.79
(f) Intangible Assets under Development	-	-
(g) Biological Assets Other Than Bearer Plants	-	-
(h) Financial Assets	-	-
(i) Investments	899.62	23,536.63
(ii) Trade Receivable	-	-
(iii) Loans	1,569.22	1,969.92
(iv) Others	181.24	16.57
(i) Deferred Tax Assets (Net)	53,512.97	23,818.31
(j) Other Non-Current Assets	7,425.42	7,092.71
	255,500.50	258,751.09
(2) Current Assets		
(a) Inventories	84,424.76	139,052.09
(b) Financial Assets	-	-
(i) Current Investments	-	-
(ii) Trade Receivables	99,991.82	89,948.18
(iii) Cash & Cash Equivalents	843.52	1,932.38
(iv) Bank Balances other than (iii) above	50.81	1,722.59
(v) Loans	-	-
(vi) Others	30,778.35	36,234.02
(c) Current Tax Assets (Net)	514.69	283.05
(d) Other Current Assets	4,717.67	5,251.03
	221,321.62	274,423.34
TOTAL ASSETS	476,822.12	533,174.43
EQUITY AND LIABILITIES		
Equity		
(a) Equity Share Capital	33,134.70	33,134.70
(b) Other Equity	(16,735.10)	39,042.35
	16,399.60	72,177.05
LIABILITIES		
(1) Non-Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	228,300.90	255,368.67
(ii) Trade Payables	-	-
(iii) Other Financial Liabilities	-	-
(b) Provisions	144.04	86.80
(c) Deferred Tax Liabilities (Net)	-	-
(d) Other Non-Current Liabilities	-	-
	228,444.94	255,455.47
(2) Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	142,682.45	138,452.33
(ii) Trade Payables	14,792.83	17,027.36
(iii) Other Financial Liabilities	70,117.65	46,695.48
(b) Other Current Liabilities	3,553.03	2,732.25
(c) Provisions	831.62	634.49
(d) Current Tax Liabilities(Net)	-	-
	231,977.58	205,541.91
TOTAL EQUITY & LIABILITIES	476,822.12	533,174.43



Notes:

- 1 The audited financial statements for the quarter and year ended March 31, 2017 have been taken on record by the Board of Directors at its meeting held on May 30, 2017. The information presented above is extracted from the audited consolidated financial statements. The financial statements are prepared in accordance with the Indian Accounting Standards (Ind-AS) as prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.
- 2 The Group has adopted the Indian Accounting Standard (Ind-AS) on April 1, 2016 with the transition date as April 1, 2015, and the adoption was carried out in accordance with Ind-AS 101-First time adoption of Indian Accounting Standards. The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP.
- 3 The holding and one of its subsidiary Company had opted for CDR of its Debt in the year 2013-14. The CDR package was approved by the competent authorities and implemented by lenders. However, the credit facilities envisaged and sanctioned under CDR packages were not released by the lenders to the said companies, which resulted in sub-optimum utilization of manufacturing facilities. Due to non-disbursement of funds the said companies could not complete their respective spinning projects where substantial amounts were already incurred. All this has led to adverse financial performance and erosion in net worth of the said companies. Both the company are facing cash flow mismatch and are not servicing debt obligations as per the terms of CDR packages sanctioned earlier. Despite all, the manufacturing capacities are operational and running. Both the Companies have not defaulted in payment of their statutory dues and have retain all their management functionaries. Keeping in view the above, the financial statements of the companies are prepared on going concern basis and the companies considers that sufficient taxable income will be available in the specified period against which deferred tax asset and MAT credit would be adjusted.
- 4 The majority of lenders have stopped charging interest on debts, since the dues from the Company and one of its subsidiary have been categorized as Non Performing Asset. The Company and one of its subsidiary is in active discussion/negotiation with its lenders to restructure their debts at a sustainable level including waiver of unpaid interest. In view of the above, pending finalization of their restructuring plan, the Company and one of its subsidiary have not provided interest amounting to Rs. 51,785 lakhs on majority of NPA classified accounts for the year in its books of account. Due to this the interest expense, net loss and financial liabilities for the year ended March 31, 2017 are reduced by Rs. 51,785 lakhs and correspondingly the equity is increased by the same amount.
- 5 Exceptional items in quarter ended December, 2016. Includes reversal of interest amounting Rs. 16,168 lakhs
- 6 Reconciliation of Net Profit as previously reported on account of transition from the previous Indian GAAP to Ind AS for the quarter and year ended March 31, 2016.

Particulars	(Rs. In Lakhs)	
	Quarter Ended March 2016	Year Ended March 2016
Net Profit/(Loss) for the period under previous Indian GAAP	(7,411)	(36,999)
<u>Add: Ind AS Adjustments</u>		
Impact of measuring investments at fair value through profit & loss	1	3
Tax Impact	1,835	(44)
Net Profit as per Ind AS	<u>(5,575)</u>	<u>(37,040)</u>

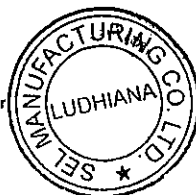
- 7 Reconciliation of Equity as previously reported on account of transition from the previous Indian GAAP to Ind AS for the quarter and year ended March 31, 2016.

Particulars	(Rs. In Lacs)	
	Year Ended March 2016	
Equity as per Indian Gaap	64,683	
<u>Adjustments:</u>		
Fair value accounting of investments	3	
Others	(44)	
Equity as per Ind AS	<u>64,643</u>	

- 8 The Company has only one Reportable Segment i.e. Textiles, hence Segment Reporting is not applicable.
- 9 The company and one of its subsidiary has revised the useful life of the machinery installed in Spinning/Terry Towel units based on technical reports effective from April 1, 2016. Due to this the depreciation as well as net loss for the year ended March 31, 2017 is reduced by Rs. 20,074 lakhs and correspondingly the "Property, Plant & Equipments" (Non Current Assets) and other equity are increased by the same amounts.
- 10 The figures of quarter ended March 31, 2017 are the balancing figures in respect of the full financial year ended March 31, 2017 and the unaudited published year to date figures upto December 31, 2016 which were subjected to limited review.
- 11 Figures relating to the previous period have been regrouped/rearranged, wherever necessary to make them comparable with those of the current period.

For and on behalf of Board of Directors


Neeraj Saluja
Managing Director



Date: 30.05.2017
Place: Ludhiana

STATEMENT OF ASSETS & LIABILITES (CONSOLIDATED)

(Rs. In Lakhs)

PARTICULARS	AS AT 31.03.2017	AS AT 31.03.2016
	Audited	Audited
ASSETS		
(1) Non Current Assets		
(a) Property, Plant and Equipment	248,728.09	257,297.50
(b) Capital Work in Progress	55,271.32	59,455.76
(c) Investment Property	-	-
(d) Goodwill	-	-
(e) Other Intangible Assets	-	22.79
(f) Intangible Assets under Development	-	-
(g) Biological Assets Other Than Bearer Plants	-	-
(h) Financial Assets	-	-
(i) Investments	4,232.86	4,216.68
(ii) Trade Receivable	-	-
(iii) Loans	2,102.09	2,397.61
(iv) Others	181.24	16.57
(i) Deferred Tax Assets (Net)	45,411.36	16,198.80
(j) Other Non-Current Assets	18,894.66	20,218.33
	374,821.62	359,824.04
(2) Current Assets		
(a) Inventories	103,123.91	171,090.59
(b) Financial Assets	-	-
(i) Current Investments	-	-
(ii) Trade Receivables	115,189.95	114,566.53
(iii) Cash & Cash Equivalents	1,244.67	3,445.21
(iv) Bank Balances other than (iii) above	221.13	1,884.46
(v) Loans	37,658.43	43,407.16
(vi) Others	-	-
(c) Current Tax Assets (Net)	412.39	299.63
(d) Other Current Assets	10,653.13	10,386.81
	268,503.61	345,080.39
TOTAL ASSETS	643,325.23	704,904.43
EQUITY AND LIABILITIES		
Equity		
(a) Equity Share Capital	33,134.70	33,134.70
(b) Other Equity	(25,820.27)	31,507.81
	7,314.43	64,642.51
LIABILITIES		
(1) Non-Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	313,834.66	357,856.88
(ii) Trade Payables	-	-
(iii) Other Financial Liabilites	-	-
(b) Provisions	175.55	108.35
(c) Deferred Tax Liabilities (Net)	-	-
(d) Other Non-Current Liabilities	-	-
	314,010.21	357,965.23
(2) Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	180,512.99	177,000.03
(ii) Trade Payables	19,287.06	22,555.26
(iii) Other Financial Liabilities	116,365.69	75,784.97
(b) Other Current Liabilities	4,852.23	6,169.99
(c) Provisions	982.62	786.44
(d) Current Tax Liabilities(Net)	-	-
	322,000.59	282,296.69
TOTAL EQUITY & LIABILITIES	643,325.23	704,904.43

