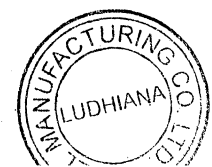


Statement of Standalone Unaudited Financial Results for the Quarter Ended June 30, 2018

| PART - I | | (Rs. In Lakhs) | | | |
|----------|--|---|---|---|--|
| Sr. No | Particulars | Unaudited Quarter Ended 30/06/2018 | Audited Quarter Ended 31/03/2018 | Unaudited Quarter Ended 30/06/2017 | Audited Year ended 31/03/2018 |
| 1 | Income from operations | | | | |
| | a) Revenue from operations | 12,642.98 | 17,647.51 | 41,284.65 | 98,927.71 |
| | b) Other income | 280.42 | 1,871.86 | 1,823.12 | 4,900.63 |
| | Total Income from operations | 12,903.40 | 19,519.37 | 43,107.77 | 103,828.34 |
| 2 | Expenses | | | | |
| | a) Cost of material consumed | 4,128.49 | 1,950.14 | 61,648.52 | 67,293.00 |
| | b) Purchase of stock-in-trade | 4.04 | 19.13 | - | 37.02 |
| | c) Changes in inventories of finished goods, work in progress and stock in trade | (1,477.92) | 6,473.05 | 1,484.48 | 20,032.27 |
| | d) Employee benefits expenses | 2,064.05 | 2,468.49 | 2,782.20 | 9,948.27 |
| | e) Finance Cost | 93.89 | (9,270.31) | 1,371.26 | 784.39 |
| | f) Depreciation and amortisation expenses | 2,742.93 | 2,747.48 | 2,805.43 | 11,163.58 |
| | g) Other expenses | 6,888.20 | 10,490.64 | 7,968.66 | 28,794.70 |
| | Total expenses | 14,443.68 | 14,878.62 | 78,060.55 | 138,063.21 |
| 3 | Profit from operations before exceptional items (1-2) | (1,540.28) | 4,640.75 | (34,952.78) | (34,224.87) |
| 4 | Exceptional Items | 1,026.58 | 41,811.67 | 22.44 | 132,495.53 |
| 5 | Profit (+)/ Loss (-) before tax (3+4) | (2,566.86) | (37,170.92) | (34,975.22) | (166,720.40) |
| 6 | Tax Expense | - | 100,262.87 | (14,270.46) | 55,459.54 |
| 7 | Net Profit (+)/ Loss (-) for the period from Continuing Operations tax (5-6) | (2,566.86) | (137,433.79) | (20,704.76) | (222,179.94) |
| 8 | Net Profit (+)/ Loss (-) from Discontinuing Operations | - | - | - | - |
| 9 | Tax Expense of Discontinuing Operations | - | - | - | - |
| 10 | Net Profit (+)/ Loss (-) from Discontinuing Operations after Tax (8-9) | - | - | - | - |
| 11 | Net Profit (+)/ Loss (-) for the period (7+10) | (2,566.86) | (137,433.79) | (20,704.76) | (222,179.94) |
| 12 | Other Comprehensive Income | | | | |
| | a (i) Items that will not be reclassified to Profit or Loss | 30.63 | 374.45 | 10.39 | 395.14 |
| | (ii) Income Tax relating to Items that will not be reclassified to Profit or Loss | - | - | - | - |
| | b (i) Items that will be reclassified to Profit or Loss | (158.63) | (1,851.47) | 1.97 | (1,836.05) |
| | (ii) Income Tax relating to Items that will be reclassified to Profit or Loss | - | - | - | - |
| 13 | Total Comprehensive Income for the Period (11+12) | (2,694.86) | (138,910.81) | (20,692.40) | (223,620.85) |
| 14 | Paid-up equity share capital of Rs. 10/- each | 33,134.70 | 33,134.70 | 33,134.70 | 33,134.70 |
| 15 | Other Equity | | | | (236,541.97) |
| 16 | i. Earning per share (EPS) (for Continuing Operations) (in Rs.) (not annualised) | | | | |
| | a) Basic | B- (0.77) | B- (41.48) | B- (6.25) | B- (67.05) |
| | b) Diluted | D- (0.77) | D- (41.48) | D- (6.25) | D- (67.05) |
| | 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 | D- (0.77) | B- (41.48) | B (6.25) | B- (67.05) |
| | b) Diluted | D- (0.77) | D- (41.48) | D- (6.25) | D- (67.05) |

Notes:

- The unaudited financial statements for the quarter ended June 30, 2018 have been taken on record by the Board of Directors at its meeting held on August 7, 2018. The information presented above is extracted from the unaudited 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.
- 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 has been 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 requested its lenders for a second/deep restructuring of its debts. Considering the state of art manufacturing facilities of the Company, most modernized technology, skilled labor force, professional management and inherent viability of the Company, the lenders had in-principle agreed for second/deep restructuring of the debts. Pending discussions with the lenders, State Bank of India in its capacity as financial creditor has filed a petition on 12th October, 2017 under "Insolvency and Bankruptcy Code, 2016" (IBC) with Hon'ble National Company Law Tribunal, Chandigarh Bench (NCLT). On 11th April, 2018, the NCLT vide its order of even date admitted the said petition and Corporate Insolvency Resolution Process (CIRP) has been initiated. Mr. Navneet Kumar Gupta having Registration No. IBBI/IPA-001/IP-P00001/2016-17/10009 was appointed as Interim Resolution Professional (IRP) vide order dt. 25th April, 2018 and the affairs, business and assets are being managed by the Interim Resolution Professional (IRP). The Company has preferred an appeal against the admission of petition and appointment of IRP with National Company Law Appellate Tribunal (NCLAT). The Corporate Insolvency Resolution Process (CIRP) has since been kept in abeyance vide order dt. 22nd June, 2018 of Hon'ble High Court of Punjab



& Haryana. Accordingly, the Company has prepared these financial statements on the basis of going concern assumption. Due to non disbursement of credit facilities the Company had suffered operational losses as well as capital losses. Therefore, the Company has presented before the Adjudicating Authority counter claim & claim of set off against the banks.

3 The Company has only one Reportable Segment i.e. Textiles, hence Segment Reporting is not applicable.

4 The majority of secured lenders have stopped charging interest on borrowings, since the accounts of the Company have been categorized as Non Performing Asset. Further the Corporate Insolvency Resolution Process has been initiated under "Insolvency and Bankruptcy Code, 2016" (as referred in Note No. 2 above). In view of the above, the Company has stopped providing interest accrued and unpaid effective 1st April, 2016 in its books. The amount of such accrued and unpaid interest, calculated according to the CDR term, not provided for is estimated at Rs. 12,802 lakhs (Previous Year Rs. 54,084 lakhs) for the quarter ended 30th June, 2018 and the same has not been considered for preparation of the financial statements for the quarter ended 30th June, 2018. Due to non provision of the interest expense, net loss for the quarter ended 30th June, 2018 is reduced by Rs. 12,802 lakhs. Further the Financial Liability is reduced by Rs. 102,787 lakhs and correspondingly the equity is increased by the same amount.

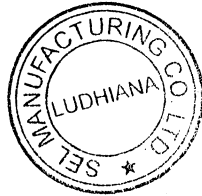
5 In pursuance of the assessment of the search conducted u/s 132(1) of the Income Act, 1961 completed on 30.01.17, the Department had raised demands aggregating to Rs. 28344.39 lakhs (which includes interest upto 30.01.17 and are further subject to penalty proceedings) by making some frivolous additions to the total income of the Company. The Company had filed the appeals against these additions before appropriate authorities and the Company is hopeful that it will get relief in appeal. Considering the facts of the matters, no provision is considered necessary by management with no additional tax liability.

6 During the quarter the Company has made an allowance/impairment for trade receivables and loans & advances aggregating to Rs. 1,027 lakhs in compliance of Ind AS 109 which is charged to Profit & Loss Statement as an exceptional item. Though the company strongly believes that these trade receivables and loans & advances are fully recoverable/adjustable.

7 Figures relating to the previous period have been regrouped/rearranged, wherever necessary to make them comparable with those of the current

For and on behalf of Board of Directors


Neeraj Saluja
Managing Director



Date: 07.08.2018
Place: Ludhiana

Statement of Consolidated Unaudited Financial Results for the Quarter Ended June 30, 2018

| PART-I | | (Rs. in Lakhs) | | | |
|---------|---|---|---|---|--|
| Sr. No. | Particulars | Unaudited Quarter Ended 30/06/2018 | Audited Quarter Ended 31/03/2018 | Unaudited Quarter Ended 30/06/2017 | Audited Year ended 31/03/2018 |
| 1 | Income from operations | | | | |
| | a) Revenue from operations | 18,540.24 | 20,916.14 | 50,795.49 | 126,253.65 |
| | b) Other income | 477.38 | 1,864.36 | 2,205.61 | 5,480.92 |
| | Total Income from operations | 19,017.62 | 22,780.50 | 53,001.10 | 131,734.57 |
| 2 | Expenses | | | | |
| | a) Cost of material consumed | 6,724.15 | 4,863.79 | 68,480.47 | 77,342.37 |
| | b) Purchase of stock-in-trade | 4.05 | 854.70 | - | 1,399.99 |
| | c) Changes in inventories of finished goods, work in progress and stock in trade | (2,165.86) | (369.09) | 2,929.18 | 28,069.93 |
| | d) Employee benefits expenses | 3,205.62 | 3,398.72 | 3,409.90 | 12,714.95 |
| | e) Finance Cost | 124.46 | (13,749.92) | 1,989.48 | 1,060.94 |
| | f) Depreciation and amortisation expenses | 3,686.50 | 3,210.10 | 3,583.26 | 14,929.57 |
| | g) Other expenses | 9,759.60 | 13,138.55 | 9,390.83 | 36,499.44 |
| | Total expenses | 21,338.52 | 11,346.85 | 89,783.07 | 172,017.19 |
| 3 | Profit from operations before exceptional items (1-2) | (2,320.90) | 11,433.65 | (36,781.97) | (40,282.62) |
| 4 | Exceptional Items | 5,948.93 | 64,115.13 | - | 161,058.29 |
| 5 | Profit (+)/ Loss (-) before tax (3+4) | (8,269.83) | (52,681.48) | (36,781.97) | (201,340.91) |
| 6 | Tax Expense | - | 101,473.42 | (14,874.24) | 51,429.23 |
| 7 | Net Profit (+)/ Loss (-) for the period from Continuing Operations tax (5-6) | (8,269.83) | (154,154.90) | (21,907.73) | (252,770.14) |
| 8 | Net Profit (+)/ Loss (-) from Discontinuing Operations | - | - | - | - |
| 9 | Tax Expense of Discontinuing Operations | - | - | - | - |
| 10 | Net Profit (+)/ Loss (-) from Discontinuing Operations after Tax (8-9) | - | - | - | - |
| 11 | Net Profit (+)/ Loss (-) for the period (7+10) | (8,269.83) | (154,154.90) | (21,907.73) | (252,770.14) |
| 12 | Profit/(Loss) attributable to | | | | |
| | (1) Owners of the Company | (8,266.72) | (154,134.10) | (21,907.36) | (252,748.33) |
| | (2) Non-Controlling Interests | (3.11) | (20.80) | (0.37) | (21.81) |
| | Profit/(Loss) for the period | (8,269.83) | (154,154.90) | (21,907.73) | (252,770.14) |
| 13 | Other Comprehensive Income | | | | |
| | a (i) Items that will not be reclassified to Profit or Loss | 46.32 | 477.31 | 15.05 | 511.78 |
| | (ii) Income Tax relating to Items that will not be reclassified to Profit | - | - | - | - |
| | b (i) Items that will be reclassified to Profit or Loss | (200.28) | 1,652.42 | 1.97 | 1,667.84 |
| | (ii) Income Tax relating to Items that will be reclassified to Profit or | - | - | - | - |
| 14 | Total Comprehensive Income for the Period (11+13) | (8,423.79) | (152,025.17) | (21,890.71) | (250,590.52) |
| | Total Comprehensive Income attributable to | | | | |
| | (1) Owners of the Company | (8,420.68) | (152,004.37) | (21,890.34) | (250,568.71) |
| | (2) Non-Controlling Interests | (3.11) | (20.80) | (0.37) | (21.81) |
| | Total Comprehensive Income | (8,423.79) | (152,025.17) | (21,890.71) | (250,590.52) |
| 15 | Paid-up equity share capital of Rs. 10/- each | 33,134.70 | 33,134.70 | 33,134.70 | 33,134.70 |
| 16 | Other Equity | | | | (271,813.48) |
| 17 | i. Earning per share (EPS) (for Continuing Operations) | | | | |
| | (in Rs.) (not annualised) | | | | |
| | a) Basic | B- (2.50) | B- (46.52) | B- (6.61) | B- (76.28) |
| | b) Diluted | D- (2.50) | D- (46.52) | D- (6.61) | D- (76.28) |
| | 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- (2.50) | B- (46.52) | B- (6.61) | B- (76.28) |
| | b) Diluted | D- (2.50) | D- (46.52) | D- (6.61) | D- (76.28) |

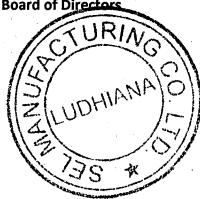


Notes:

- 1 The unaudited financial statements for the quarter ended June 30, 2018 have been taken on record by the Board of Directors at its meeting held on August 7, 2018. The information presented above is extracted from the unaudited 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 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. The Holding company and one of its subsidiary company were finding it difficult to serve its debt obligations, they have requested their lenders for a second/deep restructuring of its debts. Pending discussions with the lenders of the Holding Company, State Bank of India in its capacity as financial creditor has filed a petition on 12th October, 2017 under "Insolvency and Bankruptcy Code, 2016" (IBC) with Hon'ble National Company Law Tribunal, Chandigarh Bench (NCLT). On 11th April, 2018, the NCLT vide its order of even date admitted the said petition and Corporate Insolvency Resolution Process (CIRP) has been initiated. Mr. Navneet Kumar Gupta having Registration No. IBBI/IPA-001/IP-P00001/2016-17/10009 was appointed as Interim Resolution Professional (IRP) vide order dt. 25th April, 2018 and the affairs, business and assets are being managed by the Interim Resolution Professional (IRP). The Holding Company has preferred an appeal against the admission of petition and appointment of IRP with National Company Law Appellate Tribunal (NCLAT). The Corporate Insolvency Resolution Process (CIRP) has since been kept in abeyance vide order dt. 22nd June, 2018 of Hon'ble High Court of Punjab & Haryana. The group has prepared these financial statements on the basis of going concern assumption. Due to non disbursement of credit facilities the Group had suffered operational losses as well as capital losses. Therefore, the Holding company and one of its subsidiary has presented before the Adjudicating Authority counter claim & claim of set off against the banks.
- 3 The majority of secured lenders have stopped charging interest on debts, since the dues from the Holding Company & one of its subsidiary have been categorized as Non Performing Asset and both the companies are in active discussion/negotiation with their lenders to restructure their debts at a sustainable level including waiver of unpaid interest. In case of the Holding Company the Corporate Insolvency Resolution Process has been initiated under "Insolvency and Bankruptcy Code, 2016". In view of the above, the Holding Company & one of its subsidiary has stopped providing interest accrued and unpaid effective 1 April 2016 in its books. The amount of such accrued and unpaid interest (including penal interest) not provided for is estimated at Rs. 18,360 lakhs (Previous Year Rs. 75,743 lakhs) for the quarter ended 30th June, 2018 and accordingly the same has not been considered for preparation of the financial statements for the quarter ended 30th June, 2018. Due to non provision of the interest expense, net loss for the quarter ended 30th June, 2018 is reduced by Rs. 18,360 lakhs. Further the Financial Liability is reduced by Rs. 145,889 lakhs and correspondingly the equity is increased by the same amount.
- 4 The Company has only one Reportable Segment i.e. Textiles, hence Segment Reporting is not applicable.
- 5 In pursuance of the assessment of the search conducted u/s 132(1) of the Income Act, 1961 completed on 30.01.17, the Department had raised demands aggregating to Rs. 28344.39 lakhs (which includes interest upto 30.01.17 and are further subject to penalty proceedings) by making some frivolous additions to the total income of the Company. The Company had filed the appeals against these additions before appropriate authorities and the Company is hopeful that it will get relief in appeal. Considering the facts of the matters, no provision is considered necessary by management with no additional tax liability.
- 6 During the year the Holding and one of its subsidiary Company has made an allowance/impairment for trade receivables and loans & advances aggregating to Rs. 5,949 lakhs in compliance of Ind AS 109 which is charged to Profit & Loss Statement as an exceptional item. Though the company strongly believes that these trade receivables and loans & advances are fully recoverable/adjustable.
- 7 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 Saruja
Managing Director



Date: 07.08.2018
Place: Ludhiana