



REF: VPL: SEC: MAY: 2019-20

Date: 24.05.2019

<p>The Listing Department, National Stock Exchange of India Ltd "Exchange Plaza" Bandra-Kurla Complex, Bandra (East), Mumbai-400051</p> <p>Scrip Code: VARDMNPOLY</p>	<p>The Listing Department, BSE Limited 25th Floor, P.J Towers Dalal Street Fort, Mumbai-400001</p> <p>Scrip Code: 514175</p>
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SUBJECT: Outcome of Board meeting held on 24.05.2019 and Submission of Audited Financial Results for the quarter/year ended 31st March, 2019.

Dear Sir/Madam,

Pursuant to Regulation 30 read with Part A of Schedule III and Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015, we are enclosing herewith Audited Financial Results (both Standalone & Consolidated) of the Company for the quarter/financial year ended 31st March, 2019 together with Auditors' Report and the statement of impact of audit qualifications as approved by Board of Directors in its meeting held on 24th May, 2019.

We further state that the report of Auditors is with qualified opinion with respect to the Audited Financial Results (both Standalone & Consolidated) of the Company for the quarter/financial year ended 31st March, 2019.

The meeting of Board of Directors commenced at 4.00 p.m and concluded at 5.15 pm.

Thanking you,
Yours truly,

For Vardhman Polytex Limited


Ajay K. Ratra
Company Secretary



VARDHMAN POLYTEX LTD.

Regd. Office : 'Vardhman Park, Chandigarh Road, Ludhiana - 141123'

CIN: L17122PB1980PLC 004242, PHONES: 0161-2685301-04, 6629888, FAX : 6629988, E-Mail- info@vpl.in, Web: www.vpl.in

STATEMENT OF AUDITED FINANCIAL RESULTS FOR THE QUARTER & YEAR ENDED 31ST MARCH, 2019

(Rs. In Lakh)

Sl. No	Particulars	Standalone Quarter ended			Standalone Year ended		Consolidated Year ended	
		31st March 2019	31st Dec 2018	31st March 2018	31st March 2019	31st March 2018	31st March 2019	31st March 2018
		Audited	Unaudited	Audited	Audited	Audited	Audited	Audited
1	Revenue from operations	21,328.15	20,268.54	18174.47	81,055.79	62,135.95	81,075.31	64,096.45
2	Other income	52.19	83.66	(4.63)	287.33	420.46	287.36	520.40
3	Total Income (1+2)	21,380.34	20,352.20	18,169.84	81,343.12	62,556.40	81,362.67	64,616.85
4	Expenses							
	A) Cost of material consumed	15,500.59	14,434.87	13003.22	58,748.97	42,181.93	58,748.98	42,673.88
	B) Purchase of traded goods	780.11	474.45	1194.50	2,185.47	4,310.64	2,185.47	4,255.51
	C) Changes in inventories of finished goods, stock in trade and work in progress	236.69	866.43	-339.41	880.24	2,243.15	862.68	3,028.12
	D) Excise duty on sale of goods	-	-	-	-	0.08	-	0.08
	E) Employee benefit expense	1,404.59	1,398.80	1180.18	5,706.95	4,794.58	5,706.96	6,385.65
	F) Finance costs	1,463.09	1,474.17	1820.94	5,974.75	6,566.95	5,974.74	8,245.80
	G) Depreciation and amortisation expense	451.66	459.63	494.12	1,831.17	2,052.10	1,837.63	2,990.72
	H) Other Expenditure	3,086.97	3,220.52	3560.44	13,441.90	12,918.78	13,444.33	13,999.48
	Total Expenses	22,923.70	22,328.87	20,913.99	88,769.45	75,068.21	88,760.79	81,579.24
5	Profit from operations before tax and exceptional items (3-4)	(1,543.36)	(1,976.67)	(2,744.15)	(7,426.33)	(12,511.80)	(7,398.12)	(16,962.39)
6	Exceptional items	-	-	17,648.61	-	29,876.50	-	203.13
7	Profit before tax and after exceptional Items (5-6)	(1,543.36)	(1,976.67)	(20,392.76)	(7,426.33)	(42,388.30)	(7,398.12)	(17,165.52)
8	Tax expense	-	-	-	-	-	1.42	1.32
9	Net Profit after tax (7-8)	(1,543.36)	(1,976.67)	(20,392.76)	(7,426.33)	(42,388.30)	(7,399.53)	(17,166.84)
	Other comprehensive income/ (loss), net of tax	(37.40)	(8.55)	(101.03)	(63.05)	(34.19)	(63.05)	(38.62)
10	Total Comprehensive Income for the period [Comprising Profit / (loss) for the period (after tax) and Other Comprehensive Income (after tax)]	(1,580.76)	(1,985.22)	(20,493.79)	(7,489.38)	(42,422.49)	(7,462.58)	(17,205.46)
11	Paid-up equity share capital (Face value-Rs.10 per equity share)	2,232.54	2,232.54	2,232.54	2,232.54	2,232.54	2,232.54	2,232.54
	Reserves (excluding revaluation reserves)	(41,401.84)	(13,418.59)	(33,912.46)	(41,401.84)	(33,912.46)	(41,435.06)	(25,793.21)
	Earnings per share (of Rs.10 each) (for the period - not annualised)							
	- Basic (Rs.)	(6.92)	(8.87)	(91.48)	(33.32)	(190.16)	(33.20)	(77.01)
	- Diluted (Rs.)	(6.92)	(8.87)	(91.48)	(33.32)	(190.16)	(33.20)	(77.01)

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Notes:

- 1 The above financial results were reviewed by the Audit Committee and thereafter have been adopted by the Board at its meeting held on May 24th, 2019. The statutory auditors have expressed a modified opinion on the aforesaid results.
- 2 Regarding the auditors qualification for the year ended March 31, 2017 with respect to repayment of FCCB liability, the repayment of the same has been delayed due to liquidity crisis and additional liability, if any on this account, will be booked as and when finalised. The qualification still stands.
- 3 Due to various factors beyond the control of management/external factors, the company has suffered operational losses to the tune of Rs 1543.36 lacs during the current quarter. Consequently, the company has defaulted on payment of its debt obligations to various lenders leading to its borrowing being classified as NPA by the banks. The company had requested bankers for restructuring and the lenders had obtained third party TEV report from Dun & Bradstreet regarding the financial & technical viability of the company. However, despite net worth having been fully eroded, the Management is of the view that the company is an operative company and necessary steps are in process to mitigate this. In view of the same, the financial statements have been prepared on a going concern basis.
- 4 The consolidated financial results include results of F.M. Hammerle Verwaltung GmbH, Austria but do not include results of the former subsidiary, FM Hammerle Textiles Limited. The company (FM Hammerle Textiles Limited), was undergoing Corporate Insolvency resolution process (CIRP), wherein, the operations were being run by committee of creditors (COC) appointed and NCLT approved resolution professional, has ceased to be a subsidiary due to loss of control as per the principles laid down by Ind AS 110 - Consolidated Financial Statement from 07.12.2018 as the resolution professional has filed for liquidation of the company with NCLT citing non completion of CIRP within the stipulated time as laid down by the Insolvency and Bankruptcy Code 2016. Further Ind AS 110 - Consolidated Financial Statements, stipulates that whenever loss of control is identified in between the year, profit/loss from the subsidiary, from beginning of the Financial year till the period when loss on control is identified (which in our case turns out to be from 01.04.2018-07.12.2018) should be accounted for in the parent's books. Since FM Hammerle Textiles Limited was non operational and no information pertaining to the above mentioned period is available with us, we are unable to fulfil the accounting treatment as mentioned above.
- 5 The company has entered into arrangement with few vendors from whom company is purchasing raw material and in turn processing the same to the finished output, which is sold back to them.
- 6 The figures for the quarter ended 31 March 2019 are the balancing figures between the audited figures for the full financial year and the unaudited figures for the nine months ended 31 December 2018.
- 7 The company has prepared the financial results in accordance with Indian Accounting Standards (IND AS) as prescribed under section 133 of the companies Act, 2013 read with relevant rules issued thereunder and SEBI's circulars, and the management has exercised necessary due diligence to ensure that the unaudited financial results present a true and fair view of the company's affairs.
- 8 The business of company falls within a single primary segment Viz, Textile and hence, the disclosure requirement of IND-AS 108 'Operating segment' is not applicable.
- 9 Figures relating to previous period have been regrouped/rearranged, where necessary to make them comparable with those of the current period

Place : Ludhiana
Date : 24th May 2019

For Vardhman Polytex Ltd.

(Adish Oswal)

Chairman and Managing Director
(DIN 00009710)



VARDHMAN POLYTEX LTD.

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STATEMENT OF ASSETS AND LIABILITIES

(Rs in Lakhs)

S.No.	Particulars	STANDALONE		CONSOLIDATED	
		As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
		Audited	Audited	Audited	Audited
I	ASSETS				
1	Non-current assets				
	a) Property, plant and equipment	20,607.00	22,357.42	20,643.91	33,339.32
	b) Investment Property	495.22	505.06	495.25	505.06
	c) Capital work-in-progress	-	311.39	-	311.39
	d) Other intangible assets	5.96	6.69	5.95	136.14
	e) Financial assets				
	i) Investments	23.15	23.15	0.62	0.62
	f) Trade receivable	115.99	279.23	115.99	279.23
	g) Deferred tax assets (net)	5,016.18	5,016.18	5,016.18	5,016.18
	h) Other non-current assets	671.71	929.06	671.71	953.08
	Total Non Current Assets	26,935.21	29,428.18	26,949.61	40,541.02
2	Current assets				
	a) Inventories	2,061.37	4,256.88	2,061.37	4,445.66
	b) Financial assets				
	i) Investments	-	-	-	-
	ii) Trade and other receivables	854.77	2,750.75	854.77	2,841.20
	iii) Cash and cash equivalents	19.41	39.72	19.69	107.28
	iv) Bank balances other than above	7.73	128.53	7.73	281.99
	v) Loans	12.14	16.58	12.14	16.86
	vi) Other financial assets	28.92	277.89	29.75	296.27
	c) Current tax assets	276.29	340.82	276.29	367.88
	d) Other current assets	2,180.78	2,297.38	2,180.78	2,393.60
	Total Current Assets	5,441.41	10,108.55	5,442.52	10,750.74
	TOTAL ASSETS	32,376.62	39,536.73	32,392.13	51,291.76
II	EQUITY AND LIABILITIES				
1	EQUITY				
	a) Equity share capital	2,232.54	2,232.54	2,232.54	2,232.54
	b) Other equity	(41,401.84)	(33,912.46)	(41,435.06)	(25,793.21)
	c) Preference Share Capital				1,220.75
	Total Equity	(39,169.30)	(31,679.92)	(39,202.52)	(22,339.92)
2	LIABILITIES				
	Non-current liabilities				
	a) Financial liabilities				
	i) Borrowings	656.00	13,223.84	656.00	23,943.47
	b) Long term provisions	57.47	48.97	57.47	418.44
	c) Other non-current liabilities	0.53	0.53	0.53	6.86
	Total Non Current Liabilities	714.00	13,273.34	714.00	24,368.77
3	Current liabilities				
	a) Financial liabilities				
	i) Borrowings	43,874.31	24,532.20	43,874.31	25,861.02
	ii) Trade payables				
	a) Due to Micro & Small Enterprises	-	-	-	-
	b) Due to Others	4,422.51	4,076.71	4,463.07	5,247.41
	iii) Other financial liabilities	22,029.58	28,251.30	22,037.75	16,848.47
	b) Other current liabilities	262.57	269.36	262.57	471.38
	c) Short term provisions	242.95	813.74	242.95	834.63
	Total Current Liabilities	70,831.92	57,943.31	70,880.65	49,262.91
	TOTAL EQUITY AND LIABILITIES	32,376.62	39,536.73	32,392.13	51,291.76

For Vardhman Polytex Ltd.

(Adish Oswal)

Chairman and Managing Director

DIN 00009710



Place : Ludhiana

Date : 24th May 2019



ROMESH K. AGGARWAL & ASSOCIATES

CHARTERED ACCOUNTANTS

Head Office - 101, STREET No. 2, BALAJI COLONY, FARIDKOT- 151203

Branch Office - G.T. ROAD, MILLER GANJ, LUDHIANA-141003

Phones: 2532920, 2534289.

Auditor's Report on Quarterly and Annual Standalone Financial Results of Vardhman Polytex Limited Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

To
The Board of Directors,
Vardhman Polytex Ltd.
Ludhiana

1. Introduction

We have audited the accompanying statement of standalone Ind AS financial results of Vardhman Polytex Ltd. ('the Company') for the quarter ended March 31, 2019 and for the year ended March 31, 2019 ('the Statement'), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('the Regulation'), read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016 ('the Circular'). The standalone Ind AS financial results for the quarter ended March 31, 2019 and year ended March 31, 2019 have been prepared on the basis of the standalone Ind AS financial results for the nine-month period ended December 31, 2018, the audited annual standalone Ind AS financial statements as at and for the year ended March 31, 2019, and the relevant requirements of the Regulation and the Circular, which are the responsibility of the Company's management and have been approved by the Board of Directors of the Company. Our responsibility is to express an opinion on these standalone financial results based on our review of the standalone Ind AS financial results for the nine-month period ended December 31, 2018 which was prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard (Ind AS) 34 Interim Financial Reporting, specified under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India; our audit of the annual standalone Ind AS financial statements as at and for the year ended March 31, 2019; and the relevant requirements of the Regulation and the Circular.

2. Scope of Review

We conducted our audit in accordance with the Standards on Auditing 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 our audit provides a reasonable basis for our opinion.

3. Basis of Qualified opinion

The company had credited profit of Rs 396.44 lacs due on payment of FCCB liability to the statement of profit & loss during the period ending March 31, 2017. This profit should have been credited in the statement of profit & loss on payment of FCCB liability which is still outstanding to the tune of 554,160 USD as on March 31, 2019. The same has not been addressed in the current quarter.



4. Qualified Opinion

Based on our audit conducted as above, in our opinion and to the best of our information and according to the explanation given to us, except for the effects of our observations stated in para 3 above, these quarterly stand alone Ind AS Financial Results as well as year to date results:

i) are prepared in accordance with the requirements of the Regulation read with the Circular in this regard; and

ii) give a true and fair view of the net profit including other comprehensive income and other financial information for the quarter ended 31st March, 2019 and for the year ended 31st March, 2019.

5. Other Matter

We draw attention to Note No.5 to the Statements which states that the Company has entered into an arrangement with few vendors from whom company is purchasing raw material and in turn processing the same to finished output, which is sold back to them.

Our conclusion is not modified in respect of the above matters.

5. Further, read with paragraph 1 above, we report that the figures for the quarter ended 31st March, 2019 represent the derived figures between the audited figures in respect of the financial year ended 31st March, 2019 and the published year-to-date figures up to 31st December, 2018, being the date of the end of the third quarter of the current financial year, which were subjected to a limited review as stated in paragraph 1 above, as required under the Regulation and the Circular.

For Romesh K Aggarwal & Associates

Chartered Accountants

FRN - 000711N



Ruchh

Partner

M. No. 519347

Place - Ludhiana

Dated - May 24, 2019



ROMESH K. AGGARWAL & ASSOCIATES

CHARTERED ACCOUNTANTS

Head Office - 101, STREET No. 2, BALAJI COLONY, FARIDKOT- 151203

Branch Office - G.T. ROAD, MILLER GANJ, LUDHIANA-141003

Phones: 2532920, 2534289.

Auditor's Report on Quarterly and Annual Consolidated Financial Results of Vardhman Polytex Limited Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

To
The Board of Directors,
Vardhman Polytex Ltd.
Ludhiana

1. Introduction

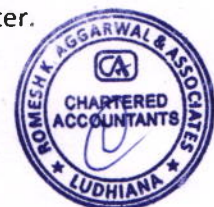
We have audited the accompanying statement of consolidated Ind AS financial results of Vardhman Polytex Ltd. ('the Company') for the quarter ended March 31, 2019 and for the year ended March 31, 2019 ('the Statement'), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('the Regulation'), read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016 ('the Circular'). The consolidated Ind AS financial results for the quarter ended March 31, 2019 and year ended March 31, 2019 have been prepared on the basis of the consolidated Ind AS financial results for the nine-month period ended December 31, 2018, the audited annual consolidated Ind AS financial statements as at and for the year ended March 31, 2019, and the relevant requirements of the Regulation and the Circular, which are the responsibility of the Company's management and have been approved by the Board of Directors of the Company. Our responsibility is to express an opinion on these consolidated financial results based on our review of the consolidated Ind AS financial results for the nine-month period ended December 31, 2018 which was prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard (Ind AS) 34 Interim Financial Reporting, specified under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India; our audit of the annual consolidated Ind AS financial statements as at and for the year ended March 31, 2019; and the relevant requirements of the Regulation and the Circular.

2. Scope of Review

We conducted our audit in accordance with the Standards on Auditing 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 our audit provides a reasonable basis for our opinion.

3. Basis of Qualified opinion

The Holding company had credited profit of Rs 396.44 lacs due on payment of FCCB liability to the statement of profit & loss during the period ending March 31, 2017. This profit should have been credited in the statement of profit & loss on payment of FCCB liability which is still outstanding to the tune of 554,160 USD as on March 31, 2018. The same has not been addressed in the current quarter.



4. Qualified Opinion

Based on our audit conducted as above, in our opinion and to the best of our information and according to the explanation given to us, except for the effects of our observations stated in para 3 above, and based on the other financial information of the subsidiaries, the consolidated financial results :

i) include the financial results for the year ended March 31, 2019 for the following entities :

Name of the entity	Relationship
F.M. Hammerle Verwaltung Gmbh, Austria	Subsidiary Company incorporated outside India

ii) are prepared in accordance with Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI circular dated 5 July, 2016 in this regard; and

iii) give a true and fair view of the financial performance including other comprehensive income and other financial information for the quarter ended 31st March, 2019 and for the year ended 31st March, 2019.

5. Emphasis of Matter

We draw attention to the Note No. 4 on the statements which states that FM Hammerle Textiles Limited has ceased to be a subsidiary of VPL due to loss of control as per the principles laid down by *Ind AS 110 - Consolidated Financial Statements* from 07.12.2018 as the Resolution Professional has filed for liquidation of the company with NCLT citing non completion of Corporate Insolvency Resolution Process within the stipulated time as laid down by Insolvency and Bankruptcy Code 2016. Further, the aforesaid mentioned Ind AS, stipulates that whenever loss of control is identified in between the year, profit/loss from the subsidiary, from beginning of the Financial year till the period when loss on control is identified (which in our case turns out to be from 01.04.2018-07.12.2018) should be accounted for in the parent's books. As informed to us by the management, despite their best efforts they were unable to get any financial information pertaining to the above mentioned period, so they are unable to fulfil the accounting treatment as mentioned above.

Our conclusion is not modified in respect of the above matters.

5. Other Matters

We did not audit the financial statements of and F.M. Hammerle Verwaltung Gmbh, Austria, whose financial statements reflect Total Assets of Rs.38.04 lacs as at March 31, 2019, Total Revenue Rs. 19.55 lacs and Total profit Rs. 9.24 lacs for the period ended March 31, 2019, as considered in the consolidated financial results. The financial results of M/s F.M. Hammerle Verwaltung Gmbh, Austria are unaudited and have been furnished to us by the management. Our opinion on the consolidated financial results, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, is based solely on the unaudited financial statements, as the case maybe. The Holding Company's management has converted the financial statements of the subsidiary located outside India from accounting principles generally accepted in their country to IND AS. We have audited these conversion adjustments made by the Holding Company's management.

6. Further, read with paragraph 1 above, we report that the figures for the quarter ended 31st March, 2019 represent the derived figures between the audited figures in respect of the financial year ended 31st March, 2019 and the published year-to-date figures up to 31st December, 2018, being the date of the end of the third quarter of the current financial year, which were subjected to a limited review as stated in paragraph 1 above, as required under the Regulation and the Circular.



For Romesh K Aggarwal & Associates
Chartered Accountants

FRN 100714N



Rudh Singh
Partner


M. No. 519347

Place - Ludhiana


Dated - May 30, 2018

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

(Rs in lacs)


Statement on Impact of Audit Qualification for the Financial Year ended March 31, 2019				
I.	S. No.	Particulars	Audited Figure (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
	1.	Turnover / Total income	81,343.12	81,343.12
	2.	Total Expenditure	88,769.47	89,165.91
	3.	Net Profit / (Loss)	(7,426.34)	(7,822.78)
	4.	Earnings per share	(33.32)	(35.09)
	5.	Total Assets	32,224.85	32,224.85
	6.	Total Liabilities excluding net worth	71,394.19	71,790.63
	7.	Net Worth	(39,169.32)	(39,565.76)
	8.	Any other financial item(s) (as appropriate by the management)		
II.	a) Audit Qualification (each audit qualification separately):			
	The company had credited profit of Rs 396.44 lacs due on payment of FCCB liability to the statement of profit & loss during the period ending March 31, 2017. This profit should have been credited in the statement of profit & loss on payment of FCCB liability which is still outstanding to the tune of 554,160 USD as on March 31, 2019. The same has not been addressed in the current quarter.			
	b) Type of Audit Qualification : Qualified Opinion			
	c) Frequency of qualification : Repetitive			
	d) For Audit Qualification(s) where the impact is qualified by the auditor, Management's Views: We state that the Company has credited the amount on basis of settlement of FCCB liability and repayment of the same has been delayed due to liquidity crisis. Additional liability, if any on this account, will be booked as and when finalised.			
	e) For Audit Qualification(s) where the impact is not quantified by the auditor: Not Applicable i) Management's estimation on the impact of audit qualification: ii) If management is unable to estimate the impact, reasons for the same: iii) Auditors Comments on (i) or (ii) above :			
III.	Signatories:			
	• CEO/ Managing Director			
	<div style="text-align: right;">  (Adish Oswal) </div>			
	• CFO			



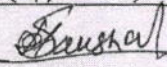


	(Apjit Arora)
• Audit Committee Chairman	<i>Harpal Singh</i> (Harpal Singh)
• Statutory Auditor	 <i>Chir Singh</i> (Chir Singh)
Place: Ludhiana	
Date: 24-05-2019	



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

Statement on Impact of Audit Qualification for the Financial Year ended March 31, 2019				
I.	S. No.	Particulars	Audited Figure (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
	1.	Turnover / Total income	81,362.67	81,362.67
	2.	Total Expenditure	88,760.80	89,157.24
	3.	Net Profit / (Loss)	(7,398.12)	(7,794.56)
	4.	Earnings per share	(33.20)	(34.97)
	5.	Total Assets	32,240.34	32,240.34
	6.	Total Liabilities excluding net worth	71,442.87	71,839.31
	7.	Net Worth	(39,502.53)	(39,898.97)
	8.	Any other financial item(s) (as appropriate by the management)		
II.	f) Audit Qualification (each audit qualification separately):			
	The company had credited profit of Rs 396.44 lacs due on payment of FCCB liability to the statement of profit & loss during the period ending March 31, 2017. This profit should have been credited in the statement of profit & loss on payment of FCCB liability which is still outstanding to the tune of 554,160 USD as on March 31, 2019. The same has not been addressed in the current quarter.			
	g) Type of Audit Qualification : Qualified Opinion			
	h) Frequency of qualification : Repetitive			
	i) For Audit Qualification(s) where the impact is qualified by the auditor, Management's Views: We state that the Company has credited the amount on basis of settlement of FCCB liability and repayment of the same has been delayed due to liquidity crisis. Additional liability, if any on this account, will be booked as and when finalised.			
	j) For Audit Qualification(s) where the impact is not quantified by the auditor: Not Applicable iv) Management's estimation on the impact of audit qualification: v) If management is unable to estimate the impact, reasons for the same: vi) Auditors Comments on (i) or (ii) above :			
III.	Signatories:			
	• CEO/ Managing Director			
	<div style="text-align: right;">  (Adish Oswal) </div>			
	• CFO			



	(Apjit Arora)
• Audit Committee Chairman	 (Harpal Singh)
• Statutory Auditor	  (Romesh Aggarwal)
Place: Ludhiana	
Date: 24-05-2019	

