

GINNI FILAMENTS LIMITED

Regd. Office & Mills: 110 K.M.Stone, Delhi-Mathura Road, Chhata-281401, Distt. Mathura (U.P.)

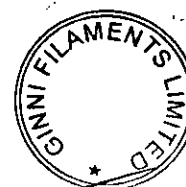
AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED 31ST MARCH, 2012

| PART I | | | | | | |
|-------------------------------|--|---|---|---|---------------------------------------|---------------------------------------|
| S. No. | Particulars | Three Months ended 31.03.2012 (Unaudited) | Preceding Three Months ended 31.12.2011 (Unaudited) | Three Months ended 31.03.2011 (Unaudited) | Year ended 31.03.2012 (Audited) | Year ended 31.03.2011 (Audited) |
| (₹ in Lacs except Share Data) | | | | | | |
| 1 | Income from operations | | | | | |
| | (a) Net Sales/Income from Operations (Net of excise duty) | 17775.91 | 18249.18 | 21749.10 | 71214.93 | 69298.80 |
| | (b) Other Operating Income | 65.86 | 214.02 | 420.53 | 832.93 | 668.84 |
| | Total Income from operations (net) | 17841.77 | 18463.20 | 22169.63 | 72047.86 | 69967.64 |
| 2 | Expenses | | | | | |
| | (a) Cost of materials consumed | 10781.62 | 11948.32 | 14403.09 | 47566.14 | 44601.53 |
| | (b) Purchases of stock-in-trade | | | 2931.31 | 1081.43 | 4535.70 |
| | (c) Changes in inventories of finished goods, work-in-progress and stock-in-trade | 360.70 | 778.07 | (1714.37) | 3500.87 | (5170.08) |
| | (d) Employee benefits expense | 733.65 | 769.72 | 854.42 | 2985.96 | 2865.75 |
| | (e) Depreciation and amortisation expense | 612.60 | 621.07 | 702.99 | 2477.59 | 2557.36 |
| | (f) Power & Fuel | 1267.43 | 1252.73 | 1125.25 | 4788.41 | 4497.61 |
| | (g) Other expenses | 2950.13 | 2614.67 | 2718.43 | 10170.62 | 9490.73 |
| | Total expenses | 16706.13 | 17984.58 | 21021.12 | 72571.02 | 63378.60 |
| 3 | Profit / (Loss) from operations before other Income, finance costs and exceptional items (1-2) | 1135.64 | 478.62 | 1148.51 | (523.16) | 6589.04 |
| 4 | Other Income | | | 9.08 | | 10.93 |
| 5 | Profit / (Loss) from ordinary activities before finance costs and exceptional items (3±4) | 1135.64 | 478.62 | 1157.59 | (523.16) | 6599.97 |
| 6 | Finance costs | 1172.20 | 1031.00 | 1075.59 | 4386.70 | 3502.29 |
| 7 | Profit / (Loss) from ordinary activities after finance costs but before exceptional items (5±6) | (36.56) | (552.38) | 82.00 | (4909.86) | 3097.68 |
| 8 | Exceptional items | | | | (1551.72) | |
| 9 | Profit / (Loss) from Ordinary Activities before tax (7±8) | (36.56) | (552.38) | 82.00 | (6461.58) | 3097.68 |
| 10 | Tax expense | | | | | |
| | - Current Tax | | | 49.27 | | 192.35 |
| | - MAT Credit (Entitlement) / Reversal | | | | | |
| | - Earlier Years | 3.75 | | | 3.75 | |
| | - Deferred (Net) | 26.61 | (155.13) | 91.96 | (2098.64) | 1077.92 |
| 11 | Net Profit / (Loss) from ordinary activities after tax (9±10) | (66.92) | (397.25) | (59.23) | (4366.69) | 1827.41 |
| 12 | Extraordinary item (net of tax expense ₹ ___ Lacs) | | | | | |
| 13 | Net Profit / (Loss) for the period (11±12) | (66.92) | (397.25) | (59.23) | (4366.69) | 1827.41 |
| 14 | Paid-up equity share capital (Face Value of ₹10/- each) | 7065.01 | 7065.01 | 7065.01 | 7065.01 | 7065.01 |
| 15 | Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year | | | | 476.95 | 6847.43 |
| 16 | Earning per share (before and after extraordinary items)* (of ₹ 10/- each) (not annualised) : | | | | | |
| | (a) Basic | (0.12) | (0.58) | (0.11) | (6.27) | 2.50 |
| | (b) Diluted | (0.12) | (0.58) | (0.11) | (6.27) | 2.50 |

* After considering accumulated dividend on Preference Shares for the period.

| PART II | | | | | | |
|-------------------------------|--|----------|----------|----------|----------|----------|
| A PARTICULARS OF SHAREHOLDING | | | | | | |
| 1 | Public shareholding | | | | | |
| | - Number of shares | 27172624 | 27172624 | 27172624 | 27172624 | 27172624 |
| | - Percentage of shareholding | 38.46 | 38.46 | 38.46 | 38.46 | 38.46 |
| 2 | Promoters and Promoter Group Shareholding | | | | | |
| a) | Pledged / Encumbered | | | | | |
| | - Number of shares | 17700000 | 17700000 | 17700000 | 17700000 | 17700000 |
| | - Percentage of shares (as a % of the total shareholding of Promoter and Promoter Group) | 40.71 | 40.71 | 40.71 | 40.71 | 40.71 |
| | - Percentage of shares (as a % of the total share capital of the company) | 25.05 | 25.05 | 25.05 | 25.05 | 25.05 |
| b) | Non - Encumbered | | | | | |
| | - Number of shares | 25777441 | 25777441 | 25777441 | 25777441 | 25777441 |
| | - Percentage of shares (as a % of the total shareholding of the Promoter and Promoter Group) | 59.29 | 59.29 | 59.29 | 59.29 | 59.29 |
| | - Percentage of shares (as a % of the total share capital of the company) | 36.49 | 36.49 | 36.49 | 36.49 | 36.49 |

| Particulars | | Three Months ended 31.03.2012 |
|--|--|-------------------------------|
| B INVESTOR COMPLAINTS | | |
| Pending at the beginning of the quarter | | NIL |
| Received during the quarter | | 1 |
| Disposed of during the quarter | | 1 |
| Remaining unresolved at the end of the quarter | | NIL |



Signature

SEGMENTWISE REVENUE, RESULTS AND CAPITAL EMPLOYED

| S. No. | Particulars | (₹ in Lacs) | | | | |
|----------|--|---|--|--|---------------------------------------|---------------------------------------|
| | | Three Months ended 31.03.2012 (Unaudited) | Preceding Three Months ended 31.12.2011 (Unaudited) | Three Months ended 31.03.2011 (Unaudited) | Year ended 31.03.2012 (Audited) | Year ended 31.03.2011 (Audited) |
| 1 | Segment Revenue (Net) | | | | | |
| | a) Textiles | 17086.28 | 17944.60 | 21560.95 | 69873.20 | 68590.12 |
| | b) Consumer Products | 689.63 | 304.58 | 188.15 | 1341.73 | 708.68 |
| | c) Unallocated | - | - | - | - | - |
| | Total | 17775.91 | 18249.18 | 21749.10 | 71214.93 | 69298.80 |
| | Less : Inter Segment Revenue | - | - | - | - | - |
| | Net Sales / Income from Operations | 17775.91 | 18249.18 | 21749.10 | 71214.93 | 69298.80 |
| 2 | Segment Results Profit / (Loss) before Tax and Interest | | | | | |
| | a) Textiles | 1102.02 | 476.06 | 1154.91 | (2130.41) | 6585.59 |
| | b) Consumer Products | 33.62 | 2.56 | 2.68 | 55.53 | 14.38 |
| | c) Unallocated | - | - | - | - | - |
| | Total | 1135.64 | 478.62 | 1157.59 | (2074.88) | 6599.97 |
| | Less : | | | | | |
| | i) Interest | 1172.20 | 1031.00 | 1075.59 | 4386.70 | 3502.29 |
| | ii) Other Un-allocable Expenditure net off | - | - | - | - | - |
| | iii) Un-allocable Income | - | - | - | - | - |
| | Total Profit / (Loss) Before Tax | (36.56) | (552.38) | 82.00 | (6461.58) | 3097.68 |
| 3 | Capital Employed (Segment Assets - Segment Liabilities) | | | | | |
| | a) Textiles | 46113.45 | 45749.65 | 56088.70 | 46113.45 | 56088.70 |
| | b) Consumer Products | 1216.88 | 1177.45 | 801.31 | 1216.88 | 801.31 |
| | c) Unallocated | - | - | - | - | - |
| | Total Capital employed | 47330.33 | 46927.10 | 56890.01 | 47330.33 | 56890.01 |

| | | (₹ in Lacs) | |
|---|--|----------------------------------|----------------------------------|
| Statements of Assets and Liabilities Particulars | | As at 31.03.2012 (Audited) | As at 31.03.2011 (Audited) |
| A | EQUITY AND LIABILITIES | | |
| 1 | Shareholders' funds | | |
| | (a) Share Capital** | 7815.01 | 7815.01 |
| | (b) Reserves and surplus | 476.95 | 4843.64 |
| | Sub-total - Shareholders' Funds | 8291.96 | 12658.65 |
| 2 | Non-current liabilities | | |
| | (a) Long-term borrowings | 22714.46 | 24603.29 |
| | (b) Deferred tax liabilities (net) | - | 892.40 |
| | (c) Other long-term liabilities | - | - |
| | (d) Long-term provisions | 404.18 | 379.16 |
| | Sub-total - Non-current liabilities | 23118.64 | 25874.85 |
| 3 | Current liabilities | | |
| | (a) Short-term borrowings | 13903.45 | 15523.32 |
| | (b) Trade payables | 3284.00 | 7192.51 |
| | (c) Other current liabilities | 4876.75 | 4941.88 |
| | (d) Short-term provisions | 173.38 | 408.77 |
| | Sub-total - Current liabilities | 22237.58 | 28066.48 |
| | TOTAL - EQUITY AND LIABILITIES | 53648.18 | 66599.98 |
| B | ASSETS | | |
| 1 | Non-current assets | | |
| | (a) Fixed assets | 29750.16 | 31474.54 |
| | (b) Non-current investments | 756.81 | 756.81 |
| | (c) Deferred tax assets (net) | 1206.24 | - |
| | (d) Long-term loans and advances | 283.81 | 380.29 |
| | (e) Other non-current assets | - | - |
| | Sub-total - Non-current assets | 31997.02 | 32611.64 |
| 2 | Current assets | | |
| | (a) Current investments | - | - |
| | (b) Inventories | 12592.87 | 22797.47 |
| | (c) Trade receivables | 5280.60 | 5834.73 |
| | (d) Cash and cash equivalents | 393.43 | 451.11 |
| | (e) Short-term loans and advances | 3383.81 | 4903.13 |
| | (f) Other Current assets | 0.45 | 1.90 |
| | Sub-total - Current assets | 21651.16 | 33988.34 |
| | TOTAL - ASSETS | 53648.18 | 66599.98 |

** Includes Preference Shares of ₹ 750 lacs.

Notes:

- The aforesaid results have been reviewed by the Audit Committee and taken on record & approved by the Board of Directors at its meeting held on 29th May, 2012.
- The figures of last quarter for the current & previous year are the balancing figures between the Audited figures in respect of full financial year ended 31st March and the Unaudited published year to date figures upto the 3rd quarter ended 31st December which were subject to a Limited Review.
- The figures of the previous periods have been regrouped, wherever necessary.
- The Financial Statements have been prepared as per revised schedule VI to the Companies Act, 1956 which had a significant impact on the presentation.
- Pledge of shares by the Promoters is towards term loans and working capital facilities availed by the Company.

for GINI FILAMENTS LTD.

M. Rajaram Jaipuria
DR. RAJARAM JAIPURIA
CHAIRMAN & MANAGING DIRECTOR

Place : NOIDA (U.P.)
Date : 29th May, 2012





P. L. GUPTA & Co

Chartered Accountant

D-85, Sector-6, Noida-201301 (U.P.)
Phone: 0120-4321897, 09811526936, 09911526936
E-mail – yuvraj1919@yahoo.co

AUDITORS' REPORT

To the Members of
Ginni Filaments Limited

1. We have audited the attached Balance Sheet of Ginni Filaments Limited as at 31st March, 2012, the Statement of Profit and Loss and also the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with Auditing Standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material mis-statement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said order.
4. Further to our comments in the Annexure referred to in paragraph 3 above, we report that:
 - (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (ii) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - (iii) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - (iv) In our opinion, subject to our comments hereinafter, the Balance Sheet, Statement of Profit and Loss and Cash Flow statement dealt with by this report, comply with the Accounting Standards referred to in sub-Section (3C) of Section 211 of the Companies Act, 1956.
 - (v) On the basis of written representations received from the Directors, as on 31st March, 2012 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March, 2012 from being appointed as a Director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956;
 - (vi) In our opinion and to the best of our information and according to the explanations given to us, the said financial statements read together with Significant Accounting Policies and Notes thereon and attached thereto give, the information required by the companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India.





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- a. in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2012,
- b. in the case of the Statement of Profit and Loss, of the loss for the year ended on that date; and
- c. in the case of the Cash Flow Statement, of the cash flows for the year ended on that date

For P.L.Gupta & Co.,
Chartered Accountants
Firm Registration No.-011575C

YUVRAJ SINGH
Partner
Membership No.-071846

Place : Noida
Dated: 29th May 2012

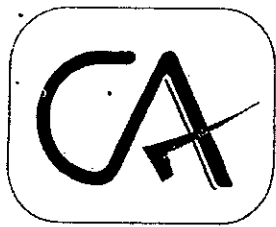


ANNEXURE TO THE AUDITORS' REPORT

Referred to in paragraph 3 of our report of even date on accounts for the year ended 31st March, 2012 of Ginni Filaments Limited

- (i) (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) The company has physically verified certain assets during the year in accordance with a programme of verification which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) Fixed assets disposed off during the year were not substantial and therefore do not affect the going concern status of the company.
- (ii) (a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
- (b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- (c) The company is maintaining proper records of inventory. We are informed that the discrepancies identified on physical verification of inventories as compared to book records were not material and have been properly dealt with in the books of account.
- (iii) As informed to us, the company has not granted/taken any loans, secured or unsecured to/from companies, firms or other parties covered in the register maintained under section 301 of the companies Act, 1956. Consequently, the requirements of clauses (iii) (b), (c), (d), (f) and (g) of paragraph 4 of the Order are not applicable for the current year.
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the company and the nature of its business for the purchase of inventory, fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weakness in internal control system.
- (v) (a) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements, that need to be entered in the Register maintained under section 301 of the Companies Act, 1956 have been so entered.
- (b) According to information and explanations given to us, there is no transaction or arrangements exceeding the value of Rupees five lakhs in respect of any party during the year and hence the question of reasonable prices in respect of such transactions with regard to prevailing market price does not arise.
- (vi) The company has not accepted any deposit from the public during the year.
- (vii) In our opinion, the company has an internal audit system commensurate with its size and nature of its business.





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- (viii) We have broadly reviewed the books of account maintained by the company pursuant to the Rules made by the Central Government for the maintenance of cost records under section 209 (1) (d) of the Companies Act, 1956 and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of such accounts and records with a view to determine whether they are accurate or complete..
- (ix) (a) According to the records of the company, undisputed statutory dues including provident fund, investor education and protection fund, Income tax, sales tax, wealth tax, service tax, custom duty, excise duty, cess and other material statutory dues applicable to it have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March, 2012 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us the statutory dues that have not been deposited on account of matters pending before appropriate authorities are as under:

| Name of the Statute | Nature of dues | Amount (Rs. in lacs) | Period to which the amount relates | Forum where dispute is Pending |
|---------------------|----------------------|----------------------|---|---|
| Income Tax Act | Interest | 2.02 | AY-2001-02 | High Court, Allahabad |
| Income Tax Act | TDS | 1.34 | AY-2007-08 to AY-2009-10 | Assessing Officer, Agra |
| Income Tax Act | TDS and Interest | 0.27 | AY-2009-10 | CIT (Appeal), Ghaziabad |
| Income Tax Act | TDS and Interest | 2.30 | AY-2010-11 to AY-2011-12 | Assessing Officer, Noida & Mathura |
| Sales Tax Act | Entry Tax | 30.52 | FY1998-99, 1999-2000, 2007-08 and 2008-09 | High Court, Allahabad |
| Sales Tax Act | Entry Tax | 2.00 | FY-2000-01 and 2003-04 | Commercial Tax Appellate Tribunal, Agra |
| Sales Tax Act | Entry Tax | 35.06 | FY2002-03 and 2003-04 | Commercial Tax Appellate Tribunal, Agra |
| Service Tax Act | Service Tax/ Penalty | 4.71 | FY-2002-03 and 2003-04 | Asstt. Commissioner Aligarh |
| Central Excise Act | Excise Duty | 99.01 | November, 2006 to January, 2009 | Commissioner (Appeal), Surat |



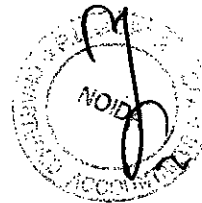
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| | | | | |
|--------------------|-------------|-------|------------------------------|--------------------------------|
| Central Excise Act | Excise Duty | 63.69 | March, 1991 to January, 1995 | Commissioner (Appeal), Lucknow |
|--------------------|-------------|-------|------------------------------|--------------------------------|

- (x) The company's accumulated losses at the end of the financial year are less than fifty per cent of its net worth. The Company has incurred cash losses during the financial year covered by the audit. It has not incurred cash losses in the immediately preceding financial year.
- (xi) According to the information and explanations given to us, the company has not defaulted in repayment of dues to financial institutions, banks or debenture holders.
- (xii) The company has not granted loans and advances on the basis of security by way of pledge of share, debentures and other securities.
- (xiii) In our opinion, the company is not a chit fund or a nidhi/ mutual benefit fund/ society. Therefore, the provisions of clause 4 (xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- (xiv) In our opinion, the company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4 (xiv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- (xv) According to the information and explanations given to us the company has not given any guarantee for loans taken by others from Bank or financial institutions.
- (xvi) To the best of our knowledge and belief and according to the information and explanations given to us, no term loans are availed by the company during the year.
- (xvii) According to the information and explanations given to us and on an overall examination of the Balance Sheet of the company, we report that no funds raised on short term basis have been used for long term investment.
- (xviii) The company has not made any preferential allotment of shares during the year.
- (xix) The Company has created security or charge in respect of debentures issued.
- (xx) The Company has not raised any money by a public issue during the year. Accordingly, the provisions of clause 4(xx) of the Companies (Auditor's Report) Order are not applicable.





P. L. GUPTA & Co

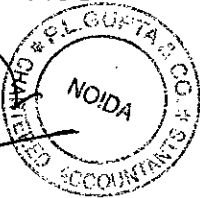
Chartered Accountants

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(xxi) According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

For P.L.Gupta & Co.,
Chartered Accountants
Firm Registration No.-011575C

Yuvraj Singh



YUVRAJ SINGH
Partner
Membership No.-071846

Place : Noida
Dated: 29th May 2012