

ASHIMA LIMITED  
 REGD. OFFICE : TEXCELLENCE COMPLEX, NEAR ANUPAM CINEMA, KHOKHARA, AHMEDABAD - 380 021, INDIA.  
 E.MAIL : texcellence@ashima.in  
 CIN : L99999GJ1982PLC005253

AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED ON 31ST MARCH, 2015.

(Rs. in lakhs)

| PART I                             |   | (1)                             | (2)                                  | (3)   | (4)   | (5)  |
|------------------------------------|---|---------------------------------|--------------------------------------|---|---|--|
| Particulars                        |   | 4th quarter ended on 31-03-2015 | Previous quarter ended on 31-12-2014 | Corresponding 4th quarter ended on 31-03-2014 | Current accounting year ended on 31-03-2015 | Previous accounting year ended on 31-03-2014 |
| 1                                  | <b>Income from operations</b>   |                                 |                                      |   |   |  |
|                                    | Net Sales / Income from Operations (Net of excise duty)   | 5540.73                         | 7457.54                              | 6084.07                                       | 27107.87                                    | 26792.80                                     |
|                                    | <b>Total Income from operations (net)</b>   | <b>5540.73</b>                  | <b>7457.54</b>                       | <b>6084.07</b>                                | <b>27107.87</b>                             | <b>26792.80</b>                              |
| 2                                  | <b>Expenses</b>   |                                 |                                      |   |   |  |
|                                    | (a) Cost of material consumed   | 2283.40                         | 3270.67                              | 3148.70                                       | 12171.88                                    | 12932.91                                     |
|                                    | (b) Purchases of stock-in-trade   | 277.85                          | 235.73                               | 316.79  | 976.41                                      | 1160.34                                      |
|                                    | (c) Changes in inventories of finished goods, work-in-progress and stock-in-trade                             | 103.46                          | 417.46                               | (302.40)                                      | 672.01                                      | (231.56)                                     |
|                                    | (d) Job charges   | 849.83                          | 882.24                               | 661.89  | 3,074.50                                    | 2,928.11                                     |
|                                    | (e) Employee benefits expenses  | 796.08                          | 882.83                               | 867.41  | 3473.34                                     | 3459.82                                      |
|                                    | (f) Depreciation and amortisation expense   | 88.71                           | 90.76                                | 282.71  | 455.40                                      | 1234.17                                      |
|                                    | (g) Other expenses  | 1451.87                         | 1618.51                              | 1727.31                                       | 7470.81                                     | 6920.74                                      |
|                                    | <b>Total expenses</b>   | <b>5651.40</b>                  | <b>7398.20</b>                       | <b>6722.20</b>                                | <b>28294.37</b>                             | <b>28004.63</b>                              |
| 3                                  | <b>Profit (+) / Loss (-) from operations before other income, finance costs &amp; exceptional items (1-2)</b> | <b>(110.67)</b>                 | <b>59.33</b>                         | <b>(638.14)</b>                               | <b>(1186.50)</b>                            | <b>(1211.73)</b>                             |
| 4                                  | Other income  | 15.70                           | 10.08                                | 85.76   | 54.19                                       | 119.51                                       |
| 5                                  | <b>Profit (+) / Loss (-) from ordinary activities before finance costs &amp; exceptional items (3+4)</b>      | <b>(94.98)</b>                  | <b>69.42</b>                         | <b>(552.38)</b>                               | <b>(1132.32)</b>                            | <b>(1092.22)</b>                             |
| 6                                  | Finance costs   | 215.50                          | 120.34                               | 59.11   | 487.69                                      | 191.80                                       |
| 7                                  | <b>Profit (+) / Loss (-) from ordinary activities after finance costs but before exceptional items (5-6)</b>  | <b>(310.48)</b>                 | <b>(50.93)</b>                       | <b>(611.49)</b>                               | <b>(1620.01)</b>                            | <b>(1284.02)</b>                             |
| 8                                  | Exceptional items (Income) / Expenditure (Net)  | ----                            | ----                                 | ----  | ----  | ----   |
| 9                                  | <b>Profit (+) / Loss (-) from Ordinary Activities before tax (7+8)</b>  | <b>(310.48)</b>                 | <b>(50.93)</b>                       | <b>(611.49)</b>                               | <b>(1620.01)</b>                            | <b>(1284.02)</b>                             |
| 10                                 | Tax Expenses - Current tax  | 0.32                            | ----                                 | 0.39  | 0.32  | 0.39   |
| 11                                 | <b>Net Profit (+) / Loss (-) from Ordinary Activities after tax (9-10)</b>                                    | <b>(310.80)</b>                 | <b>(50.93)</b>                       | <b>(611.87)</b>                               | <b>(1620.33)</b>                            | <b>(1284.41)</b>                             |
| 12                                 | Extraordinary items (Income) / Expenditure (Net) (net of tax expense Rs.NIL)                                  | ----                            | ----                                 | ----  | ----  | ----   |
| 13                                 | <b>Net profit (+) / Loss (-) for the period (11-12)</b>   | <b>(310.80)</b>                 | <b>(50.93)</b>                       | <b>(611.87)</b>                               | <b>(1620.33)</b>                            | <b>(1284.41)</b>                             |
| 14                                 | Paid-up equity share capital (Face value of Rs.10/- per share)  | 3336.88                         | 3336.88                              | 3336.88                                       | 3336.88                                     | 3336.88                                      |
| 15                                 | Reserves excluding revaluation reserve (as per balance sheet of previous accounting year)                     | ----                            | ----                                 | ----  | (39,657.85)                                 | (35,963.42)                                  |
| 16                                 | Earnings Per Share (EPS) (Rs.)  |                                 |                                      |   |   |  |
| 16(i)                              | Basic and diluted EPS before Extraordinary items (not annualised)   | (1.10)                          | (0.33)                               | (2.01)  | (5.56)                                      | (4.55)                                       |
| 16(ii)                             | Basic and diluted EPS after Extraordinary items (not annualised)  | (1.10)                          | (0.33)                               | (2.01)  | (5.56)                                      | (4.55)                                       |
| <b>PART II</b>                     |   |                                 |                                      |   |   |  |
| <b>PARTICULARS OF SHAREHOLDING</b> |   |                                 |                                      |   |   |  |
| 1                                  | Public shareholding   |                                 |                                      |   |   |  |
|                                    | - Number of shares  | 22231494                        | 22231494                             | 22231494                                      | 22231494                                    | 22231494                                     |
|                                    | - Percentage of shareholding  | 66.62%                          | 66.62%                               | 66.62%  | 66.62%                                      | 66.62%                                       |
| 2                                  | Promoters and promoter group shareholding   |                                 |                                      |   |   |  |
|                                    | a) Pledged/ Encumbered  |                                 |                                      |   |   |  |
|                                    | - Number of shares  | 1000000                         | 1000000                              | 1000000                                       | 1000000                                     | 1000000                                      |
|                                    | - Percentage of shares  |                                 |                                      |   |   |  |
|                                    | ( as a % of the total shareholding of promoter and promoter group)  | 8.38%                           | 8.38%                                | 8.38%   | 8.38%                                       | 8.38%  |
|                                    | - Percentage of shares (as a % of the total share capital of the company)                                     | 3.00%                           | 3.00%                                | 3.00%   | 3.00%                                       | 3.00%  |
|                                    | b) Non-encumbered   |                                 |                                      |   |   |  |
|                                    | - Number of shares  | 10137293                        | 10137293                             | 10137293                                      | 10137293                                    | 10137293                                     |
|                                    | - Percentage of shares (as a % of the total shareholding of promoter and promoter group)                      | 91.02%                          | 91.02%                               | 91.02%  | 91.02%                                      | 91.02%                                       |
|                                    | - Percentage of shares (as a % of the total share capital of the company)                                     | 30.38%                          | 30.38%                               | 30.38%  | 30.38%                                      | 30.38%                                       |

Disclosure of assets and liabilities as at 31st March, 2015.

(Rs. in lakhs)

|                                       |   | As at<br>31-03-2015 | As at<br>31-03-2014 |
|---------------------------------------|---|---------------------|---------------------|
| A                                     | <b>EQUITY AND LIABILITIES</b>               |                     |                     |
|                                       | 1 Shareholders' Funds                       |                     |                     |
|                                       | a. Share Capital                            | 5,388.88            | 5,388.88            |
|                                       | b. Reserves and surplus                     | (32,253.46)         | (31,091.47)         |
|                                       | Sub-total - Shareholders' funds             | (26,866.58)         | (25,704.59)         |
|                                       | 2 Share application money pending allotment |                     |                     |
|                                       | 3 Non-current liabilities                   |                     |                     |
|                                       | a. Long-term borrowings                     | 45,740.95           | 46,609.23           |
|                                       | b. Other long-term liabilities              | 510.93              | 516.62              |
|                                       | c. Long-term provisions                     | 251.77              | 221.35              |
| Sub-total - Non-current liabilities   | 46,503.66                                   | 47,547.20           |                     |
| 4 Current liabilities                 |   |                     |                     |
| a. Short-term borrowings              | 8,231.34                                    | ----                |                     |
| b. Trade payables                     | 3,393.81                                    | 3,033.26            |                     |
| c. Other current liabilities          | 753.20                                      | 614.31              |                     |
| d. Short-term provisions              | ----  | 41.99               |                     |
| Sub-total - Current liabilities       | 12,378.15                                   | 3,689.56            |                     |
| <b>TOTAL - EQUITY AND LIABILITIES</b> | <b>32,015.22</b>                            | <b>25,532.17</b>    |                     |
| B                                     | <b>ASSETS</b>                               |                     |                     |
|                                       | 1 Non-current assets                        |                     |                     |
|                                       | a. Fixed assets                             | 14,508.68           | 16,183.73           |
|                                       | b. Long-term loans and advances             | 289.84              | 254.13              |
|                                       | c. Other non-current assets                 | 82.45               | 111.47              |
|                                       | Sub-total - Non-current assets              | 14,880.95           | 16,529.33           |
|                                       | 2 Current assets                            |                     |                     |
|                                       | a. Inventories                              | 4,784.95            | 5,659.49            |
|                                       | b. Trade receivable                         | 3,210.72            | 2,348.98            |
|                                       | c. Cash and cash equivalents                | 749.09              | 619.63              |
| d. Short-term loans and advances      | 8,154.35                                    | 185.96              |                     |
| e. Other current assets               | 287.16                                      | 188.78              |                     |
| Sub-total - Current assets            | 17,146.27                                   | 9,002.84            |                     |
| <b>TOTAL - ASSETS</b>                 | <b>32,015.22</b>                            | <b>25,532.17</b>    |                     |

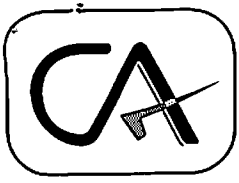
**Notes:**

- The above results have been reviewed by the audit committee of the board of directors on 27th June, 2015 and have been approved by the board of directors at their meeting held on the same date.
- The company has one segment of activity namely "Textiles".
- Figures of previous period / year have been regrouped / rearranged wherever necessary.
- As regards deferred tax as per Accounting Standard AS-22 on "Accounting for Taxes on Income" there is a net deferred tax asset for the past years and for the period up to 31st March, 2015. As a matter of prudence, the company has not recognised the said deferred tax asset.
- The company is in the process of filing scheme of arrangement under section 391 of the Companies Act, 1956 for which Secured creditors accounting for about 98% of total secured debt of the company have given their in-principle approval. As the Scheme provides for debt settlement at less than outstanding principal amount of secured debt, and does not provide for payment of any interest, the company is not required to provide for interest on secured loans.
- The company has not received any complaint from the shareholders during the quarter ended on 31st March, 2015. There are no complaints unresolved at the beginning and at the end of the quarter.
- The figures of the last quarter are the balancing figures between the audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the current financial year.
- The financial results of the Company are available at the websites of Bombay Stock Exchange Ltd. at [www.bseindia.com](http://www.bseindia.com), National Stock Exchange of India Ltd. at [www.nseindia.com](http://www.nseindia.com) and at [www.ashima.in](http://www.ashima.in)

AHMEDABAD  
27TH JUNE, 2015

FOR, ASHIMA LIMITED

*B. H. Dholakia*  
BAKUL H. DHOLAKIA  
DIRECTOR



**dhirubhai shah  
& doshi**

**CHARTERED ACCOUNTANTS**

4th Floor, Aditya Building,  
Near Sardar Patel Seva Samaj,  
Mithakhali Six Roads, Ellisbridge.  
Ahmedabad 380006

### Independent Auditor's Report

To the Members of Ashima Limited

#### Report on the Financial Statements

1. We have audited the accompanying financial statements of Ashima Limited ('the Company') which comprise the Balance Sheet as at 31<sup>st</sup> March 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year the ended and a summary of significant accounting policies and other explanatory information.

#### Management's Responsibility for the Financial Statements

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### Auditor's Responsibility

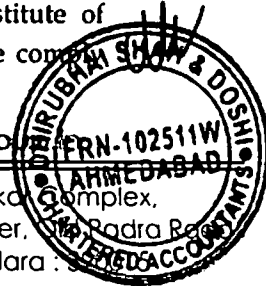
3. Our responsibility is to express an opinion on these financial statements based on our audit.
4. We have taken into account the provisions of the Act, and rules made there under including the accounting and auditing standards and matters which are required to be included in the audit report.
5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by Institute of Chartered Accountants of India. Those Standards and pronouncements require that we com

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with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

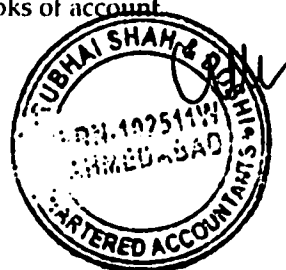
6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.
7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

#### Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March, 2015, and its loss and its cash flows for the year ended on that date.

#### Report on Other Legal and Regulatory Requirements

9. As required by the 'the Companies (Audit Report) Order 2015', issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (herein after referred to as the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraph 3 and 4 of the order.
10. As required by Section 143(3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c. The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.



- d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e. On the basis of written representations received from the directors as on 31<sup>st</sup> March 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March 2015, from being appointed as a director in terms of Section 164(2) of the Act.
- f. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:
- i. The company has disclosed the impact of pending litigations as at March 31, 2015 on its financial position in its financial statements - Refer Note 27 and 28 of the financial statements.
- ii. The company has made provisions as at March 31, 2015, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the company during the year ended March 31, 2015.

For, Dhirubhai Shah & Doshi  
Chartered Accountants  
Firm's Registration Number: 102511W



Kaushik D. Shah  
Partner  
Membership Number: 016502



Place: Ahmedabad  
Date: 27/06/2015

## ANNEXURE TO THE AUDITOR'S REPORT

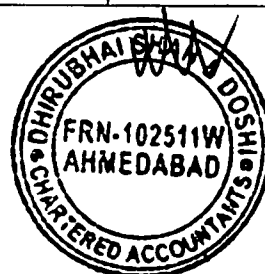
Referred to paragraph 9 of the Independent Auditor's Report of even date to the members of Ashima Limited on the financial statements as of and for the year ended 31<sup>st</sup> March, 2015

1. (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.  
  
(b) All fixed assets have been physically verified by the management at reasonable intervals. In our opinion, the program of verification is reasonable having regard to the size of the company and the nature of its assets. We have been informed that no material discrepancies were noticed on such verification.
2. (a) As explained to us, the inventories have been physically verified during the year by the management except inventories lying with third parties (other than stock lying with Ashima Dycot Ltd.) which have been confirmed and stock in transit which have been subsequently received. In our opinion, the frequency of verification is reasonable  
  
(b) As explained to us, 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) On the basis of our examination of the inventory records, we are of the opinion that, the company is maintaining proper records of inventory. Discrepancies noticed on physical verification of inventory as compared to book records were not material and the same have been properly dealt with in the books of account.
3. As per explanation given to us, the company has not granted any loan to a company covered in the register maintained under section 189 of the Companies Act, 2013, hence clause 3 (a) and (b) is not applicable.
4. In our opinion and according to the information and explanation given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of goods. During the course of our audit, we have not observed any continuing failure to correct major weakness in internal controls.
5. In our opinion and according to the information and explanations given to us, the company has not accepted any fixed deposits within the meaning of Section 73 and 74 of the Act from the public. Further, no order has been passed by the Company Law Board.
6. We have broadly reviewed the books of account maintained by the company in respect of products where, pursuant to the rules made by the Central Government of India, the maintenance of cost records has been specified under sub-section (1) of Section 148 of the Act, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.



7. (a) According to the information and explanations given to us, the company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employee's state insurance, income tax, sales tax, wealth tax, duty of custom, service tax, duty of excise, value added tax cess and other material statutory dues applicable to it. According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employee's state insurance, income tax, sales tax, wealth tax, duty of custom, service tax, duty of excise, value added tax cess and other material statutory dues applicable to it were in arrears as at 31<sup>st</sup> March, 2015 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 details of disputed statutory dues which are disputed as follow.

| Sr. No. | Nature of Statute                     | Nature of Dues           | Amount<br>(Rs. in Lacs) | Period to which the amount relates | Forum where dispute is pending                   |
|---------|---------------------------------------|--------------------------|-------------------------|------------------------------------|--|
| 1       | Foreign Trade (Dev.& Regu. Act), 1992 | Custom Duty and Interest | 60.89                   | 1997                               | Gujarat High Court                               |
| 2       | The Income Tax Act, 1961              | Income tax               | 41.04                   | A.Y. 1994-95                       | Gujarat High Court                               |
| 3       | The Income Tax Act, 1961              | Income tax               | 676.66                  | A.Y. 1996-97                       | Assessment Officer (matter remanded by ITAT)     |
| 4       | The Income Tax Act, 1961              | Income tax               | 0.87                    | A.Y. 2001-02                       | Assessment Officer                               |
| 5       | Gujarat Sales Tax Act, 1969           | Sales Tax                | 1,906.01                | F.Y. 1999-2000 and 2000-2001       | Joint Commissioner (Appeals) of Commercial Tax   |
| 6       | Gujarat Value Added Tax Act, 2003     | VAT                      | 1.45                    | F.Y. 2009-10                       | Deputy Commissioner (Appeals) of Commercial Tax. |
| 7       | Gujarat Value Added Tax Act, 2003     | VAT                      | 6.48                    | F.Y. 2010-11                       | Joint Commissioner (Appeals) of Commercial Tax   |
| 8       | Employees' State Insurance Act, 1948  | ESI Contribution         | 77.82                   | Part of FY 1994-95 to FY 1996-97   | ESI Court  |



(c) The amount required to be transferred to Investor Education and Protection Fund has been transferred within the stipulated time in accordance with the provision of the Companies Act, 1956 and rules made there under.

8. In our opinion, the accumulated losses of the company are more than fifty percent of its net worth. Further, the company has incurred cash losses during financial year covered by the audit and also in the immediate preceding financial year.
9. As per the draft scheme of arrangement of the company examined by us and the information and explanations provided in note no 4.3 and 4.4 of notes forming parts of accounts, the company has not defaulted in repayment of dues to any financial institute or bank or debenture holders at the balance sheet date.

An amount of Rs. 750 lacs in suspense account remains unsettled. Refer note no. 40 of notes forming parts of accounts.

10. In our opinion and according to information and explanations given to us, the terms and conditions of the guarantee given by the company for loans taken by others from bank or financial institutions during the year are not prejudicial to the interest of the company.
11. According to the information and explanations given to us, the company has not taken term loan during the year. However, in respect of term loans availed in the past the same were applied for the purpose for which loan were obtained.
12. 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 ,Dhirubhai Shah & Doshi

Chartered Accountants

Firm's Registration Number: 102511W



Kaushik D. Shah

Partner

Membership Number: 016502



Place: Ahmedabad

Date: 27/06/2015