



REF: VPL: SEC: MAY: 2017-18

Date: 29.05.2017

The Listing Department, National Stock Exchange of India Ltd, "Exchange Plaza" Bandra- Kurla Complex, Bandra(East), Mumbai-400051 Scrip Code: VARDMNPOLY	The Listing Department, Bombay Stock Exchange Limited 25th Floor, P.J Towers Dalal Street Fort, Mumbai-400001 Scrip Code:514175
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SUBJECT: Audited Financial Results for the year ended 31.03.2017

Dear Sir/Madam,

Pursuant to the Regulation 33 and other applicable Regulations of the SEBI (LODR) Regulations, 2015, we are enclosing herewith the audited Financial Result (Standalone and Consolidated) for the year ended 31.03.2017 along with Asset & Liability Statement, Auditors' Report from the Statutory Auditors of the Company and Statement on Impact of Auditors Qualification. The same is considered and approved by the Board of Directors in their meeting held on dated 31.03.2017.

Kindly take the same in your records.

Thanking You,

Yours faithfully

For Vardhman Polytex Limited


Sushil Sharma
(Company Secretary)

Enclosed: As Above

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

AUDITED FINANCIAL RESULTS FOR THE

YEAR ENDED 31ST MARCH, 2017

Part - I		(Rs. In Lakh)						
Sr. No.	Particulars	Standalone Quarter Ended			Standalone Year Ended		Consolidated Year Ended	
		31st March 2017	31st December 2016	31st March 2016	31st March 2017	31st March 2016	31st March 2017	31st March 2016
		(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)	(Audited)	(Audited)
1	Revenue from operations	23,580.48	20,945.96	23,360.55	85,646.76	87,808.10	92,270.87	95,360.87
2	Other income	994.78	112.36	2,947.31	1,869.95	5,003.35	1,678.06	5,192.19
3	Total Revenue (1+2)	24,575.26	21,058.32	26,307.86	87,516.71	92,811.45	93,948.93	100,553.06
4	Expenses							
	a) Cost of materials consumed	10,539.56	14,521.09	14,475.21	52,007.50	56,188.33	54,865.03	59,275.01
	b) Purchase of stock in trade	4,678.73	1,493.11	1,645.64	8,766.93	3,806.95	8,761.64	3,801.90
	c) Changes in inventories of finished goods, work in progress and stock in trade	1,820.57	(810.84)	360.94	(692.45)	162.84	(560.89)	401.22
	d) Employee benefits expense	1,388.43	1,402.51	1,221.52	5,396.84	5,480.66	7,227.48	7,252.92
	e) Finance Costs	1,708.95	1,217.90	2,036.33	5,679.87	6,996.71	7,306.44	8,568.49
	f) Depreciation and amortisation expense	504.16	511.70	659.52	2,065.05	2,818.42	3,047.84	3,825.53
	g) Other expenses	3,681.11	3,023.31	4,105.96	14,270.35	16,455.90	16,603.70	18,928.08
	Total expenses	24,321.51	21,358.78	24,505.12	87,494.09	91,909.81	97,251.24	102,053.15
5	Profit before exceptional items & tax (3-4)	253.75	(300.46)	1,802.74	22.62	901.64	(3,302.31)	(1,500.09)
6	Exceptional Items	-	-	-	-	-	-	-
7	Profit before tax (5-6)	253.75	(300.46)	1,802.74	22.62	901.64	(3,302.31)	(1,500.09)
8	Tax Expense							
	(a) Current Tax	-	-	-	-	-	1.27	1.07
	(b) Deferred tax charge/(credit)	-	-	497.56	-	-	-	-
	(c) for earlier years	-	-	-	-	-	-	-
	Total tax expense	-	-	497.56	-	-	1.27	1.07
9	Profit/(Loss) after tax (7)-(8)	253.75	(300.46)	1,305.19	22.62	901.64	(3,303.59)	(1,501.16)
10	Extraordinary income (net of tax expense Rs.Nil)	-	-	-	-	-	-	-
11	Net Profit/(Loss) for the period (9)-(10)	253.75	(300.46)	1,305.19	22.62	901.64	(3,303.59)	(1,501.16)
12	Share of profit/ (loss) of associates	-	-	-	-	-	-	-
13	Minority Interest	-	-	-	-	-	-	-
14	Net profit / (Loss) after Taxes, minority interest and share of profit / (Loss) of associates (11)+(12)+(13)	253.75	(300.46)	1,305.19	22.62	901.64	(3,303.59)	(1,501.16)
15	Paid up Equity Share Capital (Face Value of Rs. 10/- each)	2,232.54	2,232.54	2,232.54	2,232.54	2,232.54	3,453.29	3,453.29
16	Reserves excluding Revaluation Reserves as per balance sheet of previous accounting year	-	-	-	8,509.64	10,629.81	(5,193.38)	(613.16)
17.i	Earning per Share (Before Extraordinary items) (of Rs.10/- each)(not annualised):							
	(a) Basic	1.14	(1.35)	5.86	0.10	4.04	(14.82)	(6.73)
	(b) Diluted	1.14	(1.35)	5.86	0.10	4.04	(14.82)	(6.73)
17.ii	Earning per Share (After Extraordinary items) (of Rs.10/- each)(not annualised):							
	(c) Basic	1.14	(1.35)	5.86	0.10	4.04	(14.82)	(6.73)
	(d) Diluted	1.14	(1.35)	5.86	0.10	4.04	(14.82)	(6.73)



Notes:

- 1 The figures for the quarter ended 31st March 2017 are the balancing figures between the audited figures for the full financial year and the unaudited figures for the nine months ended 31st December 2016.
- 2 FCCB had fallen due for repayment on Feb'13, the same has been settled with the bondholders at discount, payment of which is to be made in installments, spread up to F. Y. ended 31 March, 2016. As per settled term, proportionate bonds will be canceled against each installments made. The Company had credited profit of Rs. 396.44 lakh due on payment of FCCB liability to the statement of profit and loss during year ended March 31, 2017. As on 31st March 2017, the FCCB liability is still outstanding.
- 3 The Auditor's Qualification on the accounts for the year ended 31st March 2017 with respect of creating provision for write-off of investments & loans and advances in subsidiary company namely FM Hammerle Textiles Limited and in another subsidiary company namely F.M. Hammerle Verwaltung GmbH, Austria has not been addressed. In view of continuous losses suffered by the subsidiary company namely FM Hammerle Textiles Ltd which has eroded 100% of the share capital. These conditions raise doubt about the Company's ability to continue as a going concern. The management of the Company is working on reviving the company by exploring possibilities of finding different resolution plans for its revival.
- 4 Due to sale of entire inventory of "Vardhman Park" during the previous year ended 31st March, 2016, there is no income from real estate segment during the current quarter and year ended March 31, 2017. Hence, Segment reporting is not being provided.
- 5 The Company has reassessed the estimated useful life of plant and machinery as certified by independent chartered engineer. In earlier years, the company was taking useful life of 20 years and now it has been revised to 30 years. In such cases, the company has not opted for the rates as given in the Schedule II of the Companies Act, 2013. Consequently, the depreciation charge for the current quarter and year ended March 31, 2017 is lower by Rs. 159.48 lakh and Rs. 613.74 lakh respectively.
- 6 The above results have been reviewed by the Audit Committee and approved by the Board of Directors in their respective meetings held on 29-05-2017 and have been audited by the Statutory Auditors of the Company.
- 7 Figures for previous periods have been recast/regrouped wherever necessary.

For Vardhman Polytex Ltd.
sd/-

Place : Ludhiana
Date : 29th May 2017

(Ashok Kumar Oswal)
Chairman & Managing Director



AUDITED STATEMENT OF ASSETS & LIABILITIES AS AT 31ST MARCH, 2017

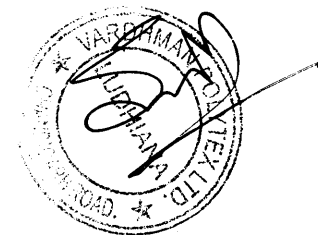
(Rs. in Lakh)

Sr. No.	Particulars	Standalone Year Ended		Consolidated Year Ended	
		31st March 2017 (Audited)	31st March 2016 (Audited)	31st March 2017 (Audited)	31st March 2016 (Audited)
A	EQUITY AND LIABILITIES				
1	SHAREHOLDER'S FUNDS				
	a) Share Capital	2,232.54	2,232.54	2,232.54	2,232.54
	b) Reserve & Surplus	8,510.04	8,509.64	(8,517.77)	(5,193.38)
	c) Preference capital held by others	-	-	1,220.75	1,220.75
	Sub total - Shareholders' funds	10,742.58	10,742.18	(5,064.48)	(1,740.09)
2	Share application money pending allotment	-	-	-	-
3	Minority Interest				
4	Non - Current Liabilities				
	(a) Long term borrowings	16,421.91	19,370.26	27,284.02	30,550.89
	(b) Other non current liabilities	-	-	-	-
	(c) Long term provisions	43.38	213.08	357.83	508.14
	Sub total Non Current Liabilities	16,465.29	19,583.34	27,641.85	31,059.03
5	Current Liabilities				
	(a) Short term borrowings	18,649.68	16,152.99	19,978.49	17,869.16
	(b) Trade payables	6,884.74	6,372.62	8,132.22	7,617.33
	(c) Other current liabilities	9,816.10	9,635.43	14,793.95	12,434.24
	(d) Short term provisions	5.89	223.91	49.38	301.44
	Sub total Current Liabilities	35,356.41	32,384.95	42,954.04	38,222.17
	TOTAL EQUITY AND LIABILITIES	62,564.28	62,710.47	65,531.41	67,541.11
B	ASSETS				
1	Non Current Assets				
	(a) Fixed Assets	24,897.42	24,530.72	36,938.61	37,417.99
	(b) Goodwill on consolidation	-	-	-	-
	(c) Non Current Investments	9,149.56	9,149.56	0.62	0.62
	(d) Deferred tax assets (net)	5,016.18	5,016.18	5,016.18	5,016.18
	(e) Long term loans and advances	716.71	1,470.43	763.05	1,529.37
	(f) Other non current assets	2,331.02	2,530.37	95.02	294.37
	Sub Total Non Current Assets	42,110.89	42,697.26	42,813.48	44,258.53
2	Current Assets				
	(a) Current Investments	5.78	18.34	5.78	18.34
	(b) Inventories	7,743.10	7,301.31	8,834.01	8,603.08
	(c) Trade receivables	7,681.47	7,411.89	8,582.80	9,088.63
	(d) Cash and Bank balances	702.50	626.06	908.58	916.52
	(e) Short term loans and advances	4,320.54	4,655.61	4,386.76	4,656.01
	(f) Other Current Assets	-	-	-	-
	Sub Total Current Assets	20,453.39	20,013.21	22,717.93	23,282.58
	TOTAL ASSETS	62,564.28	62,710.47	65,531.41	67,541.11

For Vardhman Polytex Ltd.
sd/-

Place: Ludhiana
Date: 29th May 2017

(Ashok Kumar Oswal)
Chairman & Managing Director



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

**To
Board of Directors of
Vardhman Polytex Limited**

1. We have audited the quarterly standalone financial results of Vardhman Polytex Limited ("the Company") for the quarter and the year to date standalone financial results ended March 31, 2017, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The quarterly standalone financial results are the derived figures between the audited figures in respect of the year ended March 31, 2017 and the published year-to-date figures up to December 31, 2016, being the date of the end of the third quarter of the current financial year, which were subject to limited review which has initiated by us for identification purpose. The standalone financial results for the quarter and year to date ended March 31, 2017 have been prepared on the basis of the standalone financial results for the nine month period ended December 31, 2016, the audited annual standalone financial statements as at and for the year ended March 31, 2017, and the relevant requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and 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 audit of such standalone financial which have been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard (AS) 25 "Interim Financial Reporting", Interim Financial Reporting, specified under the Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules, 2016 and other accounting principles generally accepted in India.
2. We conducted our audit in accordance with the auditing standards 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 for Qualified Opinion**
 - a. *The Company had credited income of Rs. 396.44 lacs due on payment of FCCB liability to the statement of profit and loss during the year ended March 31, 2017. This profit should have been credited in the statement of profit and loss on payment of FCCB liability which is still outstanding as explained in foot note number 2 of the financial results. Due to this, profit for the*



year ended March 31, 2017 is overstated by the same amount.

b. No provision has been made on the investments & loans and advances made in case of following subsidiaries as explained in foot note number 3 of the financial results :-

i) In case of F.M. Hammerle Textiles Limited, investment & loans and advances made of Rs. 9,126.41 lacs and Rs. 2,282.35 lacs respectively, whose net worth has been completely eroded having a accumulated losses of Rs.18,811.87 lacs against share capital of Rs.12,386.75 lacs as on March 31,2017;

ii) In case of F.M. Hammerle Verwaltung GmbH, Austria, investment & loans and advances made of Rs. 22.54 lacs and Rs. 235.45 lacs respectively, whose net worth has been completely eroded having a net loss of Rs. 253.61 lacs against share capital of Rs. 22.54 lacs as on March 31, 2017.

This is at variance with Accounting Standard AS-13 'Accounting for Investments' specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014). This has resulted in profit for the quarter and year ended March 31, 2017 being overstated and investments, loans and advances and reserves and surplus being overstated by the same amount.

4. Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the effect of our observation stated in Para 3 above, these standalone quarterly financial results as well as the year to date results:

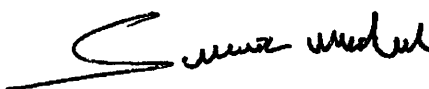
(i) have been presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; and

(ii) give a true and fair view of the net profit and other financial information for the quarter and year ended March 31, 2017.

For S S Kothari Mehta & Co.

Chartered Accountants

Firm Registration No.: 000756N



Sunil Wahal

Partner

Membership No.: 087294

Place: New Delhi

Dated: May 29, 2017

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

To
Board of Directors of
Vardhman Polytex Limited

1. We have audited the consolidated year to date financial results of Vardhman Polytex Limited (the 'Company') and its subsidiaries (collectively referred to as 'the Group') for the year ended 31st March, 2017 attached herewith, along with notes thereon, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. These consolidated financial results have been prepared from consolidated financial statements, which are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial results based on our audit of such consolidated financial, which have been prepared in accordance with the recognition and measurement principles laid down as per accounting standards mandated under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules, 2016 and other accounting principles generally accepted in India.
2. We conducted our audit in accordance with the auditing standards 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 for Qualified Opinion

The Holding Company had credited income of Rs. 396.44 lacs due on payment of FCCB liability to the statement of profit and loss during the year ended March 31, 2017. This profit should have been credited in the statement of profit and loss on payment of FCCB liability which is still outstanding as explained in foot note number 2 of the financial results. Due to this, net loss for the year ended March 31, 2017 is understated by the same amount.

4. Emphasis of matter

We draw attention to the following matters raised in the auditors' report by the auditors of F. M. Hammerle Textiles Limited one of the subsidiary of the company:

- (i) Comments on the 'Going Concern' the details of which more fully explained in the financial Statement of the subsidiary. Under Sick Industrial Companies (Special Provision) Act (SICA) of 1985, the subsidiary company had been classified as "Sick Company" under section 15 of said Act and accordingly a reference had been filed with Board for Industrial and Financial Reconstruction (BIFR). W.e.f from 1st December,



2016, Ministry of Finance vide notifications nos. S.O.3568 (E) and 3569(E), has dissolved BIFR due to applicability of Insolvency and Bankruptcy Code, 2016. The accompanying financial results do not include any adjustments that might result from the outcome of these uncertainties, to the recoverability and classification of assets carrying amounts or the amount and classification of liabilities that might be necessary should the subsidiary be unable to continue as a going concern.

- (ii) Uncertainty related to the outcome of the matter pending with Hon'ble High Court of State of Punjab and Haryana at Chandigarh which is pending adjudication in relation to petition filed by the subsidiary company u/s 397, 398 of the erstwhile Companies Act 1956 on joint venture partner. The amount of compensation is not determinable at this stage which is fully explained in the financial statement of the subsidiary.
- (iii) The subsidiary company is in shortage of one Independent Director which is inconsistent with the requirements of the Companies Act 2013.

Our audit report is not qualified in respect of the above matters.

5. Other Matter

We did not audit the financial statements of one of the subsidiary incorporated outside India namely F.M. Hammerle Verwaltung GmbH, Austria whose financial statement reflect total assets of Rs. 69.52 lacs as at 31st March, 2017 and total revenues of Rs. 16.27 lacs for the year ended on that date, as considered in the consolidated financial results. These financial statements / financial information are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiary, in so far as it relates to the aforesaid subsidiary is based solely on such unaudited financial statements/financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements/financial information are not material to the consolidated financial results.

6. Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, *except for the effect of our observation stated in Para 3 above*, these consolidated financial results:

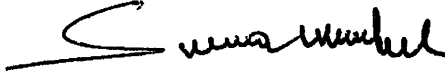
(i) have been presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; and

(ii) give a true and fair view of the net loss and other financial information for the year ended March 31, 2017.



S S KOTHARI MEHTA & CO

**For S. S Kothari Mehta & Co.
Chartered Accountants
Firm Registration No: 000756N**



**Sunil Wahal
Partner
Membership No.: 087294**



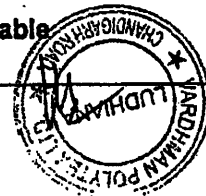
**Place: New Delhi
Dated: May 29, 2017**

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

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2017				
IS 2 - Regulations - 52 of the Companies (Accounts) Regulations, 2014				
i.	Sl. No	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
	1.	Turnover / Total Income	87,516.71	87,120.87
	2.	Total Expenditure	87,494.09	99,160.84
	3.	Net Profit/(Loss)	22.62	(12,040.57)
	4.	Earnings Per Share	0.10	(54.02)
	5.	Total Assets	62,564.29	50,897.54
	6.	Total Liabilities excluding net worth	51,821.70	52,218.14
	7.	Net Worth	10,742.59	(1,320.60)
	8.	Any other financial item(s) (as felt appropriate by the	-	-
ii.	Audit Qualification (each audit qualification separately):			
	Details of Audit Qualification:			
	<p>a) The Company had credited income of Rs. 396.44 lacs due on payment of FCCB liability to the statement of profit and loss during the year ended March 31, 2017. This profit should have been credited in the statement of profit and loss on payment of FCCB liability which is still outstanding as explained in foot note number 2 of the financial results. Due to this, profit for the year ended March 31, 2017 is overstated by the same amount.</p> <p>b) No provision has been made on the investments & loans and advances made in case of following subsidiaries as explained in foot note number 3 of the financial results :-</p>			

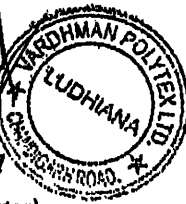
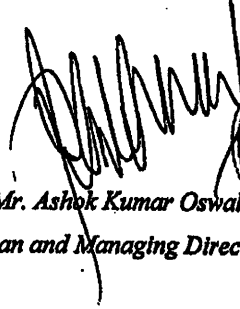


	<p>(i) In case of F.M. Hammerle Textiles Limited, investment & loans and advances made of Rs. 9,126.41 lacs and Rs. 2,282.35 lacs respectively, whose net worth has been completely eroded having accumulated losses of Rs.18,811.87 lacs against share capital of Rs.12,386.75 lacs as on March 31,2017;</p> <p>(ii) In case of F.M. Hammerle Verwaltung GmbH, Austria, investment & loans and advances made of Rs. 22.54 lacs and Rs. 235.45 lacs respectively, whose net worth has been completely eroded having a net loss of Rs. 253.61 lacs against share capital of Rs. 22.54 lacs as on March 31, 2017.</p> <p>This is at variance with Accounting Standard AS-13 'Accounting for Investments' specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014). This has resulted in profit for the quarter and year ended March 31, 2017 being overstated and investments, loans and advances and reserves and surplus being overstated by the same amount.</p>
	b. Type of Audit Qualification : Qualified Opinion
	c. Frequency of qualification: New and Repetitive
	<p>d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:</p> <p>a) FCCB had fallen due for repayment on Feb'13, the same has been settled with the bondholders at discount, payment of which is to be made in instalments, spread up to F. Y. ended 31 March, 2016. As per settled term, proportionate bonds will be cancelled against each instalments made. The Company had credited profit of Rs. 396.44 lakh due on payment of FCCB liability to the statement of profit and loss during year ended March 31, 2017 as per settled terms. As on 31st March 2017, the FCCB liability is still outstanding.</p> <p>b) The management of the Companies (F.M. Hammerle Textiles Limited and F.M. Hammerle Verwaltung GmbH) are working on exploring possibilities of finding different resolution plans for their revival.</p>
	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: Not applicable
	(ii) If management is unable to estimate the impact, reasons for the same: Not applicable
	(iii) Auditors' Comments on (i) or (ii) above: Not applicable





III. Signatories

AK.



▪ *Mr. Ashok Kumar Oswal*
(Chairman and Managing Director)



▪ *Mr. Kuldeep Singla*
(Chief Financial Officer)



▪ *M/s S S Kothari Mehta & Co.*
(Statutory Auditors)



▪ *Mr. Ajay Chaudhry*
(Audit Committee Chairman)


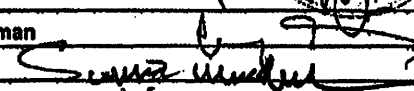
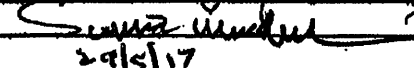
Place: Ludhiana

Date: 29th May, 2017

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

Statement on Impact of Audit Qualifications for the financial year ended 31 March 2017 (As Regulated by Section 143(1)(c) of the Companies Act, 2013)				
I.	Sl. No	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
	1.	Turnover / Total income	93,948.93	93,552.49
	2.	Total Expenditure	97,251.24	97,251.24
	3.	Net Profit/(Loss)	(3,302.31)	(3,699.81)
	4.	Earnings Per Share	(14.82)	(16.60)
	5.	Total Assets	65,531.41	65,531.41
	6.	Total Liabilities excluding net worth	70,595.89	70,992.33
	7.	Net Worth	(5,064.48)	(5,460.92)
	8.	Any other financial item(s) (as felt appropriate by the management)	-	-
II.	a. Audit Qualification (each audit qualification separately):			
	The Holding Company had credited income of Rs. 396.44 lacs due on payment of FCCB liability to the statement of profit and loss during the year ended March 31, 2017. This profit should have been credited in the statement of profit and loss on payment of FCCB liability which is still outstanding as explained in foot note number 2 of the financial results. Due to this, net loss for the year ended March 31, 2017 is understated by the same amount.			
	b. Type of Audit Qualification : Qualified Opinion			
	c. Frequency of qualification: New			
	d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: FCCB had fallen due for repayment on Feb'13, the same has been settled with the bondholders at discount, payment of which is to be made in instalments, spread up to F. Y. ended 31 March, 2016. As per settled term, proportionate bonds will be cancelled against each instalments made. The Company had credited profit of Rs. 396.44 lakh due on payment of FCCB liability to the statement of profit and loss during year ended March 31, 2017 as per settled terms. As on 31st March 2017, the FCCB liability is still outstanding.			
	e. For Audit Qualification(s) where the impact is not quantified by the auditor: NA applicable			
	(i) Management's estimation on the Impact of audit qualification: Not applicable			
	(ii) If management is unable to estimate the impact, reasons for the same: Not applicable			
	(iii) Auditors' Comments on (i) or (ii) above: Not applicable			



III.	Signatories:	
	• CEO/Managing Director	AKO 
	• CFO	
	• Audit Committee Chairman	
	• Statutory Auditor	 29/5/17
	Place: Ludhiana	
	Date: 29.05.2017	

