

AMIT SPINNING INDUSTRIES LTD.



(Manufacturer of Yarns & Govt. Recognised Trading House)

FORM B

Format of Covering Letter of the annual Audit Report to be filled with the Stock Exchanges

1.	Name of the Company	Amit Spining Industries Limited
2.	Annual financial statements for the year ended	31 st March, 2013
3.	Type of Audit qualification	<p>Note No. 29</p> <p>The Loans and Advances of the Company include a sum of Rs.1,93,46,572, being an amount receivable from Customs Department as drawbacks against the export sale pertaining to the period 1993 to September, 2004 when the unit was 100% Export Oriented Unit (EOU). The company has earlier filed an application with the office of DGFT for the claim and made significant efforts for receiving the claim. The company has filed claim against Jak Traders Private Limited for recovery of the claims.</p> <p>Note No. 30</p> <p>As on March 31, 2013, the accumulated losses of the Company have exceeded its net worth. In the opinion of the management, the Company's operations are affected by global business downturn which has resulted in reduction in demand, increase in input costs and shortage of working capital. The Company has also filed a reference with Board for Industrial and Financial Restructuring (BIFR) under section 15 of Sick Industrial Companies (Special Provisions) Act, 1985 for determination of sickness and measures to be adopted for rehabilitation. The BIFR, vide its order, declared the Company as sick under section 3(1)(o) of SICA, 1985 and appointed UCO Bank as Operating Agency (OA) under section 17(3) to prepare Rehabilitation Scheme for the Company. Further, due to shortage of capital, the company has worked on job-work basis only during the current year. However, on the strength of an undertaking from Board of Directors to turn around the financial position of the Company, these financial statements are prepared on a going concern basis.</p>
4.	Frequency of qualification	<p>Note No. 29 repeated since 31st March, 2011</p> <p>Note No. 30 repeated since 31st March, 2011</p>
5.	Draw attention to relevant notes in the statements and managements response to the qualifications in the directors report	<p>Note No. 29 Management is hopeful to recover the dues in due course.</p> <p>Note No. 30 Management is hopeful to turn around the financial position of the Company in due course.</p>
6.	Additional Comments from the Board/Audit Committee chair	These qualifications suitably dealt in due course

Regd. & Corporate Office : A-60, Okhla Industrial Area, Phase-II, New Delhi-110 020 (India) Tel. +91-11-46598900

FAX : +91-11-26385181, Email : info@clcindia.com, www.spentexindustries.com

Factory & Office : Gat No. 47-48, Sangawade Village, Kolhapur Hupari Road, Taluka : Karveer, Dist. : Kolhapur-416202, (India)

Tel. : +91-231-2676108, 2676106 Fax : +91-231-2676164

AMIT SPINNING INDUSTRIES LTD.



(Manufacturer of Yarns & Govt. Recognised Trading House)

Signed By

1) T B Wadgaonkar, Managing Director

2) Ravi Bhojwani, Manager Accounts

3) M/s. Sunil Jain & Co.
Statutory Auditors

4) S P Setia
Chairman - Audit Committee

Regd. & Corporate Office : A-60, Okhla Industrial Area, Phase-II, New Delhi-110 020 (India) Tel. +91-11-46598900
FAX : +91-11-26385181, Email : info@cleindia.com, www.spentexindustries.com

Factory & Office : Gar No. 47-43, Sangawade Village, Kolhapur Hupari Road, Taluka : Karve, Dist. : Kolhapur-416202 (India)
Tel. : +91-231-2676108, 2676106 Fax : +91-231-2676164