

J. C. BHALLA & CO.

CHARTERED ACCOUNTANTS

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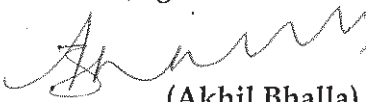
The Board of Directors
Spentex Industries Limited
A-60, Okhla Industrial Area, Phase-II
New Delhi - 110 020.

1. We have reviewed the accompanying statement of Standalone unaudited financial results of Spentex Industries Limited ("the Company") for the quarter and nine months ended December 31, 2013 except for the disclosures regarding "Public Shareholding" and "Promoter and Promoter Group Shareholding" which has been traced from disclosures made by the management and have not been reviewed by us. The Company's management is responsible for preparation and presentation of Financial Results in accordance with Clause 41 of the Listing Agreement with Stock Exchanges and these results have been approved by the Board of Directors. Our responsibility is to express a conclusion on these financial statements based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
3. *We are unable to determine the extent of provision that may be required for diminution in the value of long term investment amounting to Rs. 2,044.70 lacs in Amit Spinning Industries Limited, a subsidiary of the company. Further, significant uncertainties exist in relation to the recoverability of loans amounting to Rs. 3,201.28 lacs, interest accrued thereon amounting to Rs. 959.50 lacs and other amount outstanding to Rs. 962.41 lacs due from the above subsidiary. Also Refer Note No. 3 to the unaudited standalone financial results for the quarter and nine months ended December 31, 2013.*
4. Without qualifying our limited review report, we draw attention to:
 - a. Note No. 4 to the unaudited standalone financial results for the quarter and nine months ended December 31, 2013 regarding preparation of these accounts on a going concern basis due to reasons indicated therein.



- b. Note No. 5 to the unaudited standalone financial results for the quarter and nine months ended December 31, 2013 regarding investment and recoverability of advances and debtor balances from Spentex Tashkent Toytepa LLC and Spentex (Netherlands) B.V., subsidiaries of the company.
- c. Note No. 6 to the unaudited standalone financial results for the quarter and nine months ended December 31, 2013 regarding amounts recoverable relating to certain trade receivable and advance balances Rs. 63.71 lacs and Rs. 273.14 lacs respectively which have been considered good by the management in view of the reasons stated therein.
5. Based on our review conducted as above subject to the adjustment that may be required to the financial results in view of our remarks stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results, prepared in accordance with applicable accounting standards [Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956, which as per General Circular 15/2013 dated September 13, 2013 issued by Ministry of Corporate Affairs continue to apply under Section 133 of the Companies Act, 2013] and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement

For J C Bhalla & Company
Chartered Accountants
Firm Regn.No.001111N


(Akhil Bhalla)
Partner
Membership No.505002

Place : New Delhi
Date : February 14, 2014

