GANGOTRI
Textiles Ltd.
MANUFACTURERS & EXPORTERS OF QUALITY YARN, FABRIC & GARMENTS

tibre®

REGD. OFF : P.B.No.1020, 35, Robertson Road, R.S.Puram, Coimbatore - 641 002. Phone : 91 - 422 - 4332100
Fax : 91 - 422 - 2474499 Email : tibre@gangotritextiles.com Website : www.gangotritextiles.com / www.tibre.com

REF / GTL / STO.EXC / 2013 / 23-5-2013

M/s. National Stock Exchange of India Limited
Exchange Plaza , Bandra
Kurla Complex , Bandra (East)
Mumbai – 400 051.

Symbol : GANGOTRI

Dear Sirs,

Sub : Approval of Annual Accounts for the year ended 31-3-2013

We refer to the above and inform you that the Board of Directors in their meeting held on 23-5-2013 have approved the Accounts for the Financial Year ended 31st March, 2013 and the details are furnished hereunder.

1) Audited Financial Results (Enclosed)

The audited Financial Result for the financial year ended 31-3-2013 approved by the Board of Directors is enclosed in a separate sheet.

2) Dividend

In view of the loss incurred by the company, the Directors have not recommended dividend on Equity Shares for the Financial Year ended 31-3-2013.

3.Book Closure

The Register of Members and Share Transfer Books of the Company will remain closed from Monday, the 2nd day of September, 2013 to Wednesday, the 11th day of September, 2013 (both the days inclusive) for the purpose of Annual General Meeting.

4. Annual General Meeting

The 24th Annual General Meeting of the Company will be held on Wednesday, the 11th day of September, 2013, at 3.30 PM at Conference Hall, Shree Coimbatore Gujarati Samaj, 662, Mettupalayam Road, Post Box No 1164, R.S.Puram, Coimbatore-641 002

FROM :GANGOTRI TEXTILES FAX NO. :91+422+2474499 May. 23 2013 04:52PM P1

GANGOTRI
Textiles Ltd.

SHEET

5) Appropriation for the Financial Year ended 31-3-2013.

	Amount (Rs in lakhs)
A. Available for Appropriation	
Net Loss	10,844.47
Add : Deficit brought forward from previous year	12,661.05
Total	**23,105.52**
B. To be appropriated as follows	
1) Transfer from previous year	NIL
2) Provision for Taxes – Wealth Tax	NIL
3) Transfer from Share Premium	NIL
4) Deferred Tax Asset withdrawn	NIL
5) Deficit carried over to Balance Sheet	NIL
Total	NIL

6) Reference to Board for Industrial and Financial Reconstruction (BIFR)

The accumulated losses for the financial year ended 31st March, 2013 has eroded the peak Net Worth of the Company and due reference shall be made to Board for Industrial and Financial Reconstrution (BIFR) in terms of Section 23 of the Sick Industrial Companies (Special Provisions) Act, 1985.

Thanking you.

Yours faithfully
For GANGOTRI TEXTILES LIMITED

MAXIM JOSEPH
COMPANY SECRETARY

Encl : as above

GANGOTRI TEXTILES LIMITED

Regd. Office :NO.35, ROBERTSON ROAD, R.S.PURAM, COIMBATORE - 641 002.

PART I

STATEMENT OF AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED 31st MARCH ,2013

Rs. In Lakhs

S.No	PARTICULARS	Quarter Ended			Year Ended	
		31.03.2013	31.12.2012	31.03.2012	31.03.2013	31.03.2012
		(Audited)	(Un Audited)	(Audited)	(Audited)	(Audited)
1	**Income from Operation**					
	a) Net Sales / Income from Operations	1481.87	1646.28	2495.93	8656.56	16158.91
	b) Other Operating Income	0.85	0.66	4.56	6.06	14.10
	Total Income from operations (net)	**1482.72**	**1646.94**	**2500.49**	**8662.62**	**16173.01**
2	**Expenses**					
	a. Cost of materials consumed	1035.40	845.79	1647.58	5438.85	9639.35
	b. Changes in inventories of finished goods, work in progress & stock-in-trade	-83.05	448.34	-38.12	402.21	446.15
	c. Employee benefits expense	173.23	181.64	239.33	719.24	1035.81
	d. Depreciation	365.59	465.21	242.80	1803.40	1861.97
	e Other expenses	548.80	689.85	1284.57	2595.63	5201.09
	Total Expenses	**2039.97**	**2630.83**	**3376.16**	**10959.33**	**18184.37**
3	**Profit before Interest, Depreciation, other Income, Exceptional Items and Tax(PBIDTA)**	**-191.66**	**-518.68**	**-632.87**	**-493.31**	**-149.40**
4	**Profit/(Loss) from operations before other Income, Finance costs and Exceptional items (1 -2)**	**-557.25**	**-983.89**	**-875.67**	**-2296.71**	**-2011.36**
5	Other Income	-126.67	130.74	206.53	21.19	407.17
6	**Profit/(Loss) from ordinary activites before other Income,Finance costs and Exceptional items (4+5)**	**-683.92**	**-853.15**	**-669.14**	**-2275.52**	**-1604.19**
7	a. Finance Costs	746.20	767.30	693.91	3135.09	2678.26
8	**Profit after Interest but before, Depreciation Exceptional Items and Tax(PBIDTA)**	-1430.12	-1620.45	-1363.05	-5410.61	-4282.45
9	**Profit/(Loss) from ordinary activities after Finance costs and Exceptional items (6 +7)**	-1430.12	-1620.45	-1363.05	-5410.61	-4282.45
10	a. Exceptional Items	233.78	0.00	272.30	233.78	272.30
11	**Profit / Loss from Ordinary activities before tax (9+10)**	**-1196.34**	**-1620.45**	**-1090.75**	**-5176.83**	**-4010.15**
12	Tax expenses					
	a) Tax Relating to Earlier years	1.02	0.00	0.00	1.02	0.00
13	**Profit / Loss from Ordinary activities after tax (11+12)**	**-1197.36**	**-1620.45**	**-1090.75**	**-5177.85**	**-4010.15**
14	Extraordinary items	-5615.80	0.00	0.00	-5667.64	-380.75
15	**Net Profit / Loss for the period (13+14)**	**-6813.16**	**-1620.45**	**-1090.75**	**-10845.49**	**-4390.90**
16	a. Paid-up Equity share capital (Face value of Rs.5/- per share)	1630.73	1630.73	1630.73	1630.73	1630.73
	b. Paid-up Preference Share Capital (Face Value of Rs.100 each)	9042.00	9042.00	9042.00	9042.00	9042.00
17	Reserves excluding Revaluation Reserves	0.00	0.00	0.00	-18248.26	-7751.78
18	Earnings Per Share (EPS) In rupees)					
	a) Basic and diluted EPS before extra ordinary items	-4.12	-5.49	-3.87	-17.98	-14.40
	b) Basic and diluted EPS after the extra ordinary items	-21.40	-5.49	-3.87	-35.36	-15.56

FROM :GANGOTRI TEXTILES FAX NO. :91+422+2474499 May. 23 2013 04:53PM P3

PART II

SELELCT INFORMATION FOR THE YEAR ENDED 31ST MARCH, 2013

S.No.	Particulars	Quarter Ended			Year Ended	
		31.03.2013	31.12.2012	31.03.2012	31.03.2013	31.03.2012
		(Audited)	(Un Audited)	(Audited)	(Audited)	(Audited)
A.	**Particulars of Shareholding**					
1	**Public Shareholding**					
	No of Shares	2,46,31,177	2,46,31,177	2,46,31,177	2,46,31,177	2,46,31,177
	Percentage of Shareholding	75.52	75.52	75.52	75.52	75.52
2	**Promoters and Promoter group Shareholding**					
	a. Pledged / Encumbered					
	- No of shares	59,87,593	59,87,593	59,87,593	59,87,593	59,87,593
	- Percentage of Shares (as a % of the total shareholding of Promoter and Promoter group)	75.00	75.00	75.00	75.00	75.00
	- Percentage of Shares (as a % of the total share Capital of the Company)	18.36	18.36	18.36	18.36	18.36
	b. Non Encumbered					
	- No of shares	19,95,864	19,95,864	19,95,864	19,95,864	19,95,864
	- Percentage of Shares (as a % of the total shareholding of Promoter and Promoter group)	25.00	25.00	25.00	25.00	25.00
	- Percentage of Shares (as a % of the total share Capital of the Company)	6.12	6.12	6.12	6.12	6.12

	Particulars	3 Months ended 31.03.2013
B.	**Investor Complaints**	
	i) Pending at the beginning of quarter	Nil
	ii) Received during the quarter	Nil
	iii) Disposed off during the quarter	Nil
	iv) Remaining unresolved at the end of the quarter	Nil

STATEMNT OF ASSEST & LIABILITIES

	Particulars	31.03.2013 (Rs)	31.03.2012 (Rs)
	I. Equity and Liabilities		
	(1) Shareholder's Funds		
	(a) Share Capital	1067273170	1067273170
	(b) Reserves and Surplus	-1842276726	-756738956
	(c) Money received against share warrants	0	0
	(2) Share application money pending allotment	0	0
	Sub total - Shareholders Funds	**-775003556**	**310534214**
	(3) Non-Current Liabilities		
	(a) Long-term borrowings	130329542	275507006
	(b) Deferred tax liabilities (Net)	0	0
	(b) Other Long term liabilities	133953156	133985406
	(c) Long term provisions	55500000	55500000
	Sub total - Non Current Liabilities	**319782698**	**464992412**
	(4) Current Liabilities		
	(a) Short-term borrowings	3183133409	2840274277
	(b) Trade payables	212749735	42829311
	(c) Other current liabilities	37844258	50035925
	(d) Short-term provisions	50000	75000
	Sub total - Current Liabilities	**3433777402**	**2933214513**
	Total Equity and Liabilities	**2978556544**	**3708741139**
	II.Assets		
	(1) Non-current assets		
	(a) Fixed assets		
	(i) Tangible assets	2174576034	2919920958
	(ii) Intangible assets	0	0
	(ii) Capital work-in-progress	0	2819877
	(iv) Intangible assets under development	0	0
	(b) Non-current investments	150065500	150065500
	(c) Deferred tax assets (net)	140473811	140473811
	(d) Long term loans and advances	44901417	44895623
	(e) Other non-current assets	49405926	50748181
	Sub total - Non Current Assets	**2559422688**	**3308923950**
	(2) Current assets		
	(a) Current investments	0	0
	(a) Inventories	122128512	186029278
	(b) Trade receivables	231743560	113788807
	(c) Cash and cash equivalents	7962405	3546513
	(d) Short-term loans and advances	603010	509055
	(e) Other current assets	56696368	95943536
	Sub total - Current Assets	**419133856**	**399817189**
	Total Assets	**2978556544**	**3708741139**

FROM :GANGOTRI TEXTILES FAX NO. :91+422+2474499 May. 23 2013 04:53PM P4

Note:

1.The above results duly approved by the Audit Committee has been taken on record by the Board of Directors in their meeting held on 23.05.2013.

2.The Company operates in a single segment only viz. Textiles. The power generated through Wind Energy is captively consumed.

3.The exceptional item of Rs.233.78 lakhs represents profit on sale of Non-core Assets of the company.

4.The Company is out of CDR package with effect from 22.10.2012 as per CDR cell.

5.The Company although has provided for the interest payment on Bank loans, no payment has been made from October ' 2011, as a result of which Banks have declared the account as NPA. In view of non payment of interest, the TUF subsidy receivable has not been recognized from October 2011.

6.Operation in Weaving and Processing unit at sipcot (unit VIII) has been discontinued since 24.01.2012.

7.The extraordinary item of Rs. 5667.64 for the year ended 31st Mar 13 represents,

a) The impairment of Building and Plant & Machinery of Unit VIII , Washing unit , Captive Power Plant (only Building) and Unit IX amounting to Rs. 5644.00 lakhs (Historical cost Rs.28770.36 lakhs ,WDV Rs. 22700.53 lakhs and Net Realizable value Rs 17056.53 lakhs). b) Theft at unit VIII amounting to Rs. 23.64 lakhs.

The timing difference arising out of impairment being Deferred tax asset is not recognized since there is no virtual certainty in realizing the same.

8. The timing differences arising between accounting and taxable income resulted in deferred tax asset and the same was not recognized as there is no virtual certainty in realizing the same.

FROM :GANGOTRI TEXTILES FAX NO. :91+422+2474499 May. 23 2013 04:54PM P5

9.The Company has been served with Notice under section 13 (2) of Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (SARFAESI) dt. 04.12.12 recalling outstanding dues of Rs. 360.24 Crores. (Excluding dues to IDBI) and the company has contested vide letter dt. 02.02.13 through its legal representative. In response to the above SBI (SAMB) has replied vide letter dt. 08.02.13 and subsequently the company has been served an Amended notice under section 13 (2) of SARFAESI dt. 04.04.2013 and same is under examination.

10.Notices to treat the company as **Willful Defaulter** from State Bank of India & State Bank of Travancore vide its letters dt.24.12.12 and 18.01.13 respectively have been served on the company. The Company had represented vide letters dt.12.01.13 & 18.01.13 respectively.

11.The other Income of Rs.21.19 lakhs represents interest and insurance receipts.

12.There was no complaint received from investors' during the quarter ended 31.03.2013. No complaint was pending at both at the beginning and at the end of the quarter.

13.Previous period figures have been regrouped and reclassified, wherever necessary.

14.The qualifications of the Statutory Auditors

14a.The Debtors and Loans & Advances paid are subject to confirmation. An advance of Rs.423 lakhs is doubtful of recovery, which has not been provided for in the accounts of the company.

14b.Transactions related to Job work at units III, IV & IX have been accounted for the year ended 31.03.2013 without concurrence of the lenders and the loss thereby amounts to Rs.133 lakhs. Hence, loss has been overstated to the above extent. Further, the lenders have advised the company to make good the loss.

FROM :GANGOTRI TEXTILES FAX NO. :91+422+2474499 May. 23 2013 04:54PM P6

14c.The interest provisions for all loans from Banks have been worked based on the then prevailing CDR Package and not on the original sanction/revised floating rates. Consequent to the company being out of CDR package and reverting back to the original sanction, the differential interest that ought to have been provided for in the accounts is estimated at Rs.57Cr (from 01.07.2008 to 31.03.2013). Since the same has not been provided for, the loss has been understated to that extent.

14d. On examination of the books of accounts and the information and explanations given to us, the internal control system is not commensurate with the nature of its business in respect of inventory and sale of goods and services.

15.Management Reply to the observations of the Auditors.

Reply to 14 (a) The due action is being taken by the management to recover the dues/confirmation.

Reply to 14 (b) Efforts are being initiated to obtain the concurrence of the lenders as per guidance given by the Board of Directors.

Reply to 14 (c) Inspite of the company being out of CDR package, the company is awaiting the necessary confirmation/demand from the bank. As soon as the same is received the higher provision for interest will be made in the accounts.

Reply to 14 (d) Due to financial and other resource constraints, the management had a temporary set back and every earnest effort is being made to set right the internal control.

COIMBATORE

23.05.2013

For GANGOTRI TEXTILES LIMITED

MANOJ KUMAR TIBREWAL

FROM :GANGOTRI TEXTILES FAX NO. :91+422+2474499 May. 23 2013 04:54PM P7