

GARDEN SILK MILLS LIMITED

Date: 14th August, 2012

Fax: 2659 8237/38, 26598347/48

National Stock Exchange of India Ltd.

**"Exchange Plaza",
Bandra Kurla Complex,
Bandra (East),
Mumbai 400051**

Stock Code: Garden Silk (EQ)

Sub: Unaudited Financial Results

Dear Sir,

We refer to our earlier letter dated 6th August, 2012 on the captioned subject.

In pursuance to Clause 41 of the Listing Agreement, we are pleased to enclose herewith a copy of the Statement of Unaudited Financial Results (Provisional) for the first quarter ended on 30th June, 2012, as approved by the Board of Directors of the Company at its meeting held on Tuesday, 14th August, 2012.

Further in compliance to the amendment to clause 41 of the Listing Agreement, the Statutory Auditors of the Company have carried out a Limited Review for the above results and a copy of the limited review report issued by them is enclosed herewith for your record.

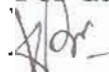
The said results will be published in the Newspaper as required by the above guidelines.

Please take the same on your record.

Thanking you,

Yours faithfully,

For Garden Silk Mills Limited


**Kamlesh B. Vyas
Company Secretary**

Encl.: As above.





GARDEN SILK MILLS LTD

Regd. Office: Sahara Gate, Surat 395010

Designer of Yarns, Weaves and Prints

PART I: Statement of Unaudited Financial Results for the Quarter ended 30th June, 2012

(Rs. in Lacs)				
Particulars	3 months ended 30/06/2012	Preceding 3 months ended 31/03/2012	Corresponding 3 months ended 30/06/2011	Previous year ended 31/03/2012
	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1 Income from operations				
Gross Sales/Income from operations	115,700.01	96,275.80	83,321.78	376,354.78
Less: Excise Duty on Sales	9,527.45	6,118.82	5,609.29	25,705.33
Total Income from operations (Net)	106,172.56	90,156.98	77,712.49	350,649.45
2 Expenses:				
(a) Cost of materials consumed	82,517.92	76,850.19	59,220.67	272,645.98
(b) Purchases of stock-in-trade	435.33	538.54	394.11	2,459.07
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	5,398.48	(2,561.01)	778.95	4,034.93
(d) Employee benefits expense	1,881.19	2,427.18	2,029.84	8,441.76
(e) Depreciation & amortisation expense	2,359.75	2,384.42	1,909.29	8,614.49
(f) Other expenses	14,049.58	13,229.25	11,330.62	52,985.90
Total Expenses	106,642.25	92,868.57	75,663.48	349,182.13
3 Profit/(Loss) from operations before other income and financial costs (1-2)	(469.69)	(2,711.59)	2,049.01	1,467.32
4 Other Income	71.96	866.53	186.13	2,122.86
5 Profit/(Loss) from ordinary activities before finance costs (3+4)	(397.73)	(1,845.06)	2,235.14	3,590.18
6 Finance Costs	4,253.14	4,756.72	2,939.67	15,395.43
7 Profit/(Loss) from ordinary activities before tax (5+6)	(4,650.87)	(6,601.78)	(704.53)	(11,805.25)
8 Tax Expenses				
- Deferred Tax	(1,545.22)	(2,052.14)	(234.12)	(3,917.30)
9 Net Profit/(Loss) for the period (7+8)	(3,105.65)	(4,549.64)	(470.41)	(7,887.95)
10 Paid-up Equity Share Capital (Rs.10/- per share)	3,829.06	3,829.06	3,829.06	3,829.06
11 Reserves excluding revaluation reserves	--	--	--	45,297.54
12 Earnings per equity share of Rs.10 each Basic and Diluted (in Rs.)	(8.11)	(11.88)	(1.23)	(20.60)

PART II: Select informaton for the Quarter ended 30th June, 2012

A Particulars of Shareholding				
1 Public shareholding				
- Number of Shares	16379789	16379789	16328753	16379789
- Percentage of shareholding	42.78	42.78	42.64	42.78
2 Promoters and Promoter Group Shareholding				
a) Pledged/Encumbered				
- Number of Shares	0	0	0	0
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	0.00	0.00	0.00	0.00
- Percentage of shares (as a % of the total share capital of the company)	0.00	0.00	0.00	0.00
b) Non-Encumbered				
- Number of Shares	21910771	21910771	21961807	21910771
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100.00	100.00	100.00	100.00
- Percentage of shares (as a % of the total share capital of the company)	57.22	57.22	57.36	57.22
B Investor Complaints	3 months ended 30/06/2012			
Pending at the beginning of the quarter	Nil			
Received during the quarter	47			
Disposed of during the quarter	47			
Remaining unresolved at the end of the quarter	Nil			

Notes:

- 1 The above results have been reviewed and recommended for adoption by the Audit Committee to the Board of Directors and have been approved by the Board at its meeting held on 14th August, 2012. The Statutory Auditors of the Company have carried out Limited Review of the above financial results as required under Clause 41 of Listing Agreement and the related report is being submitted to the concerned stock exchanges.
- 2 The financial statements have been presented as per the Revised Schedule VI of the Companies Act, 1956 which had a impact on presentation and accordingly previous periods figures have been regrouped or rearranged wherever necessary. The figures for the preceding 3 months ended 31st March, 2012 are the balancing figure between the audited figures in respect of the full financial year ended 31st March, 2012 and the unaudited published year to date figures upto 31st December, 2011.
- 3 During the quarter, the Company has exercised the option under paragraph 46A of Accounting Standard 11 relating to "The effects of changes in Foreign Exchange Rates" as notified by the Ministry of Corporate Affairs on 29th December, 2011. Consequently, the Foreign Exchange Loss incurred on Long Term Foreign Currency Monetary Items amounting to Rs.101.03 Lacs for the quarter ended 30th June, 2012 has been capitalised and added to the cost of depreciable respective fixed assets. Total amount capitalised upto 30th June, 2012 is Rs.738.67 Lacs and out of which Rs.716.68 Lacs remains unamortized as at 30th June, 2012.
- 4 There were no investors complaints pending as at the beginning of the quarter. The Company received 47 complaints during the quarter. All the 47 complaints were resolved and there were no complaints pending at the end of the quarter.
- 5 Provision for deferred taxation is made in accordance with the Accounting Standards 22 issued by the Institute of Chartered Accountants of India.
- 6 In accordance with the requirements of Accounting Standards -17, Segment Reporting, the Company has only one primary reportable segment viz. 'Textiles'.
- 7 The Company does not have any Exceptional or Extraordinary item to report for the above periods.

For and on behalf of the Board



Praful A. Shah

Place: Surat
Date: 14th August, 2012

Praful A. Shah
Chairman & Managing Director

NATVARLAL VEPARI & CO.

Chartered Accountants

PAN : AADFN5448E

Service Tax No. : AADFN5448EST001

1st Floor, River Palace-II, Near Navdi Ovara, Nanpura, Surat 395 001. | www.vepari.com

Tel. : +91 261 305 7777, 246 5585 | Fax : +91 261 399 5511 | E-mail : vepari@youtele.com

We have reviewed the accompanying statement of un-audited financial results of **Garden Silk Mills Limited**, Garden Mills Complex, Sahara Gate, Surat for the period 1st April, 2012 to 30th June, 2012 except for the disclosures regarding 'Public Shareholding' and Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been audited by us. This statement is the responsibility of the Company's management and has been approved by the Board of Directors. Our responsibility is to issue a report on these financial statements based on our review.

We conducted our review in accordance with the Standard on Review Engagement (SRE) 2400, *Engagements to Review Financial Statements* issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Based on our review conducted as above and explanation given to us, nothing has come to our notice that causes us to believe that the accompanying statement of un-audited financial result, prepared in accordance with the Accounting Standards & Rules thereof, 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. Based on the explanations given to us, the Company shall undertake assessment for impairment of its assets as per Accounting Standard – 28 issued by the Institute of Chartered Accountants of India at the time of preparation of year-end financial statements.

Place: Surat

Date: 13th August, 2012

For Natvarlal Vepari & Co.

Chartered Accountants

Firm Registration No. 123626W



R. N. Vepari

Partner

Membership No.: 6728



GARDEN SILK MILLS LTD

Regd. Office: Sahara Gate, Surat 395010

Designer of Yarns, Weaves and Prints

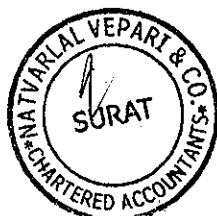
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(Rs. in Lacs)

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For and on behalf of the Board

Place: Surat
Date: 14th August, 2012

Praful A. Shah
Chairman & Managing Director

