

GARDEN SILK MILLS LIMITED

Date: 13th August, 2014

Department of Corporate Services,
Bombay Stock Exchange Ltd.,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai 400001
Scrip Code: 500155
Fax No. 2272 2037 / 2272 3719

National Stock Exchange of India Ltd.
"Exchange Plaza",
Bandra Kurla Complex,
Bandra (East),
Mumbai 400051
Stock Code: GARDENSILK(EQ)
Fax : 2659 8237/38, 26598347/48

Sub: Unaudited Financial Results

Dear Sir,

We refer to our earlier letter dated 5th August, 2014 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, 2014, as approved by the Board of Directors of the Company at its meeting held on Wednesday, 13th August, 2014.

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

Copy to
Ahmedabad Stock Exchange Ltd.,
Kamdheni Complex, 1st Floor,
Opp. Sahajanand College,
Panjarapole, Ahmedabad 380015.
Stock Code: 18350
Fax : (079) 2630 8877

*Garden**

Registered Office : Tulsi Krupa Arcade, Puna-Kumbharia Road, Dumbhal, Surat - 395 010. Phone : (0261) 2311197-98, 2311513/615 Fax : (0261) 2311029/502
Mumbai Office: Manek Mahal, 90 Veer Nariman Road, Mumbai - 400 020. Phone : (022) 22873117-19, 22046473, 22040895 Fax : (022) 22048112

CIN : L17111GJ1979PLC003463 | Website : www.gardenvareli.com



GARDEN SILK MILLS LTD

Regd. Office: Tulsi Krupa Arcade, 1st Floor, Near Aai Mata Chowk, Puna-Kumbharia Road, Dumbhal, Surat 395010

CIN: L17111GJ1979PLC003463; Website: www.gardenvareli.com

Tel.No. (0261) 2311197, 2311615 Fax : (0261) 2311029

Designer of Yarns, Weaves and Prints

PART I: Unaudited Financial Results for the Quarter ended 30th June 2014

(Rs. in Lacs)				
Particulars	3 months ended 30/06/2014 (Unaudited)	Preceding 3 months ended 31/03/2014 (Audited) (refer note 7)	Corresponding 3 months ended 30/06/2013 (Unaudited)	Previous year ended 31/03/2014 (Audited)
1 INCOME FROM OPERATIONS				
Gross Sales/Income from operations	76,524.69	86,509.33	86,911.94	333,056.20
Less: Excise Duty on Sales	5,790.98	6,803.31	6,640.83	26,393.75
Total Income from Operations (Net)	70,733.71	79,706.02	80,271.11	306,662.45
2 EXPENSES				
(a) Cost of materials consumed	50,318.53	59,740.16	55,518.30	232,473.38
(b) Purchases of stock-in-trade	905.47	348.34	404.91	1,475.37
(c) Changes in inventories of finished goods, work in-progress and stock-in-trade	1,019.41	5,053.07	9,105.75	9,467.81
(d) Employee benefits expense	2,401.00	1,964.31	2,037.21	8,597.39
(e) Depreciation and amortisation expense	2,645.35	2,312.43	2,281.45	9,236.58
(f) Other expenses	12,490.90	12,205.57	12,569.88	49,444.62
Total expenses	69,780.66	81,623.88	81,917.50	310,695.15
3 Profit/(Loss) from Operations before other income and financial costs (1-2)	953.05	(1,917.86)	(1,646.39)	(4,032.70)
4 Other Income	249.93	391.87	122.60	1,464.78
5 Profit/(Loss) from ordinary activities before finance costs (3+4)	1,202.98	(1,525.99)	(1,523.79)	(2,567.92)
6 Finance Costs	4,476.38	1,204.43	3,836.25	15,821.87
7 Profit/(Loss) from ordinary activities before tax (5+6)	(3,273.40)	(5,730.42)	(5,360.04)	(18,389.79)
8 Tax (expenses)/credit				
- Current Tax	0.00	0.00	0.00	0.00
- Deferred Tax	0.00	0.00	(1,740.80)	(3,730.42)
- Tax in respect of earlier years	0.00	0.00	0.00	(214.60)
9 Net Profit/(Loss) for the period (7+8)	(3,273.40)	(5,730.42)	(3,619.24)	(14,444.77)
10 Paid-up Equity Share Capital (Face Value - Rs.10/- per share)	4,013.27	4,013.27	3,829.06	4,013.27
11 Reserves (excluding revaluation reserves)	--	--	--	21,850.00
12 Earnings per share (of Rs.10/- each) Basic and Diluted (in Rs.) (not annualised)	(8.16)	(14.94)	(9.45)	(37.66)

PART II: Select information for the quarter ended 30th June 2014

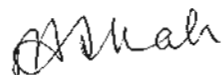
A PARTICULARS OF SHAREHOLDING				
1 Public shareholding				
- Number of Shares	16991395	16436395	16379789	16436395
- Percentage of shareholding	42.34	40.96	42.78	40.96
2 Promoters and Promoter Group Shareholding				
a) Pledged/Encumbered				
- Number of Shares	0	0	0	0
- Percentage of shares (as a % of 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	23141270	23696270	21910771	23696270
- 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)	57.66	59.04	57.22	59.04
B INVESTOR COMPLAINTS	3 months ended 30/06/2014			
Pending at the beginning of the quarter	0			
Received during the quarter	51			
Disposed of during the quarter	51			
Remaining unresolved at the end of the quarter	0			



Notes:

- 1 The above results, reviewed by the Audit Committee were approved by the Board of Directors of the company at their meeting held on 13th August, 2014 and have undergone "Limited Review" by the statutory auditors as required under clause 41 of the listing agreement with the stock exchanges.
- 2 The Company does not have any Exceptional or Extraordinary item to report for the above periods.
- 3 The Company has unabsorbed depreciation & carried forward losses under Tax laws. In absence of virtual certainty of sufficient future taxable income, net deferred tax assets has not been recognized by way of prudence in accordance with Accounting Standard (AS) 22 – "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India.
- 4 Effective from April 1, 2014 the Company has charged depreciation based on the revised remaining useful life of the assets as per the revised schedule II of Companies Act, 2013. Due to above, depreciation charge for the quarter ended June 30, 2014, is higher by Rs.238.58 Lacs. Further, based on transitional provision provided in note no. 7 (b) of schedule II, an amount of Rs.272.93 Lacs has been adjusted in the opening balance of retained earnings.
- 5 As the Company's business activity falls within a single primary business segment viz. 'Textiles', the disclosure requirement of Accounting Standards (AS) 17 on "Segment Reporting" notified by the Company (Accounting Standards) Rules, 2006 are not applicable.
- 6 During the quarter, the Company continued to exercise 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.54.34 Lacs for the quarter ended 30th June, 2014 has been capitalised and added to the cost of depreciable respective fixed assets. Total amount capitalised upto 30th June, 2014 is Rs.1524.87 Lacs and out of which Rs.1337.13 Lacs remains unamortized as at 30th June, 2014.
- 7 The figures for three months ended 31.03.2014 are the balancing figures between audited figures in respect of the full financial year ended 31.03.2014 and figures upto the nine months ended 31.12.2013 of the relevant financial year.
- 8 Figures for the previous periods have been regrouped / restated wherever necessary, in order to make them comparable.

For and on behalf of the Board



Praful A. Shah
Chairman & Managing Director

Place: Surat
Date: 13th August, 2014



NATVARLAL VEPARI & CO.

Chartered Accountants

PAN : AADFN5448E

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**, Tulsi Krupa Arcade, 1st floor, Near Aai Mata Chowk, Puna-Kumbharia Road, Dumbhal, Surat-395010 for the period **1st April, 2014 to 30th June, 2014** 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(specified under the Companies Act, 1956, which are deemed to be applicable as per section 133 of the Companies Act, 2013, read with rule 7 of the Companies (Accounts) Rules 2014) and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of

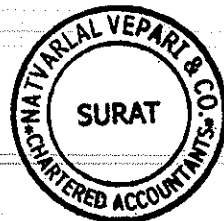
NATVARLAL VEPARI & CO.

Chartered Accountants

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 other 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, 2014



For Natvarlal Vepari & Co.
Chartered Accountants

Firm Registration No. 123626W

A handwritten signature in black ink, appearing to read "Sunil C. Vatvani".

Sunil C. Vatvani
Partner

Membership No.: 118092

*Garden**

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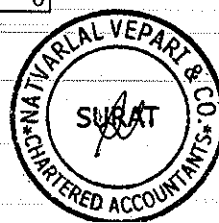
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For and on behalf of the Board

Place: Surat
Date: 13th August, 2014

Praful A. Shah
Chairman & Managing Director

