

GARDEN SILK MILLS LIMITED

Date: 26th October, 2010

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 Quarterly Financial Results (Provisional)
for the quarter / half year ended 30th September, 2010.

Dear Sir,

We refer to our earlier letter dated 18th October, 2010, advising you about the date of Board Meeting for approval and taking on record the Unaudited Financial Results (Provisional) of the Company for the quarter / half year ended 30th September, 2010.

Further 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 three months period ended on 30th September, 2010, as placed before the Board and taken on record at the meeting of the Board of Directors of the Company held on Tuesday, 26th October, 2010. 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**

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**UNAUDITED FINANCIAL RESULTS (PROVISIONAL)
FOR THE QUARTER ENDED 30TH SEPTEMBER, 2010**

(₹ in Lakhs)

Particulars	Quarter Ended		Half year Ended		Previous year ended 31/03/2010 (Audited)
	30/09/2010 (Unaudited)	30/09/2009 (Unaudited)	30/09/2010 (Unaudited)	30/09/2009 (Unaudited)	
Gross Sales/Income from operations	95506.16	64231.72	186954.24	123042.07	266233.59
Less: Excise Duty on Sales	6787.74	4443.75	13703.07	6734.56	14744.18
Net Sales / Income from operations	88718.42	59787.97	173251.17	116307.51	251489.41
Expenditure:					
(Increase)/Decrease in stock-in-trade and work in progress	930.86	(1617.42)	1674.46	(2844.48)	(5990.13)
Consumption of raw materials	67012.87	45473.85	134986.00	88152.51	192804.92
Purchase of traded goods	251.14	346.33	486.32	664.63	1408.82
Employees cost	1732.47	1380.89	3097.77	2622.73	5734.95
Depreciation	1936.77	1790.08	3787.78	3536.22	7256.39
Other expenditure	11801.73	9388.01	21573.78	16255.23	34290.02
Total Expenditure	83665.84	56761.74	165606.11	108386.84	235504.97
Profit from Operations before Other Income & Interest	5052.58	3026.23	7645.06	7920.67	15984.44
Other Income	174.85	127.06	294.04	193.79	641.42
Profit before Interest & tax	5227.43	3153.29	7939.10	8114.46	16625.86
Interest & finance charges (Net)	1954.55	2194.79	4009.04	3797.64	7316.98
Profit from Ordinary activities before tax	3272.88	958.50	3930.06	4316.82	9308.88
Provision for tax:					
- Current tax	651.72	128.68	762.73	701.43	1594.85
- Deferred tax	94.39	(186.88)	(18.00)	408.26	1393.56
Net profit for the period	2526.77	1016.70	3185.33	3207.13	6320.47
Paid-up Equity Share Capital (Face value ₹ 10/- each)	3829.06	3829.06	3829.06	3829.06	3829.06
Reserves excluding Revaluation Reserves					45199.97
Basic and Diluted Earnings Per Share (₹) (not annualised)	6.60	2.66	8.32	8.38	16.51
Public Shareholding					
Number of shares	16,607,138	16,869,516	16,607,138	16,869,516	16,617,259
Percentage of shareholding	43.37	44.06	43.37	44.06	43.40
Promoters & Promoter Group Shareholding					
(a) Pledged/Encumbered					
Number of shares	0	0	0	0	0
Percentage of shares (as a % of the total shareholding of promoter & promoter group)	0.00	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	0.00
(b) Non-Encumbered					
Number of shares	21,559,397	21,421,044	21,559,397	21,421,044	21,423,976
Percentage of shares (as a % of the total shareholding of promoter & promoter group)	100.00	100.00	100.00	100.00	100.00
Percentage of shares (as a % of the total share capital of the company)	56.30	55.94	56.30	55.94	55.95



Notes:

1 Disclosure of assets and liabilities as per clause 41(1)(ea) of the listing agreement for the half year ended 30th September, 2010.

Particulars	Half year Ended		(₹ in Lakhs)
	30/09/2010 (Unaudited)	30/09/2009 (Unaudited)	Year ended 31/03/2010 (Audited)
SOURCES OF FUNDS:			
1. Shareholders' Funds			
(a) Share Capital	3829.06	3829.06	3829.06
(b) Reserves and Surplus	48385.22	42890.29	45199.97
	52214.28	46719.35	49029.03
2. Loan Funds	115626.30	99417.61	102791.92
3. Deferred Tax Liability	11740.77	10773.46	11758.77
TOTAL	179581.35	156910.42	163579.72
APPLICATION OF FUNDS:			
1. Fixed Assets	119835.39	104479.19	114261.64
2. Investments	8846.58	12522.23	7660.96
3. Current Assets, Loans and Advances:			
(a) Inventories	31016.96	22905.96	36536.20
(b) Sundry Debtors	21519.23	7627.20	12686.88
(c) Cash and Bank Balances	6547.32	5369.59	3480.63
(d) Loans And Advances	24295.25	21221.67	22028.67
Sub-Total	83378.76	57124.42	74732.38
Less: Current Liabilities and Provisions			
(a) Liabilities	26920.21	12650.10	27479.45
(b) Provisions	5561.59	4577.40	5602.56
Sub-Total	32481.80	17227.50	33082.01
Net Current Assets	50896.96	39896.92	41650.37
Miscellaneous Expenditures (to the extent not written off or adjusted)	2.42	12.08	6.75
TOTAL	179581.35	156910.42	163579.72

- 2 The unaudited results for the quarter ended 30th September, 2010 have been subjected to a limited review by the statutory auditors. These results have been reviewed by the Audit Committee and have been approved by the Board of Directors of the Company at its meeting held on 26th October, 2010 and the text of this statement was also taken on record.
- 3 Provision for current tax pertains to Minimum Alternate Tax (MAT). Provision for deferred taxation is made in accordance with the Accounting Standards 22 issued by the Institute of Chartered Accountants of India.
- 4 There were no investors complaints pending as at the beginning of the quarter. The Company received 44 complaints during the quarter. All the 44 complaints were resolved and there were no complaints pending at the end of the quarter.
- 5 Public Shareholding (as defined under clause 40A of the Listing Agreement) excludes shares held by the custodian against Global Depository Receipts.
- 6 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" is not applicable.
- 7 The figures for the previous periods have been regrouped/restated wherever necessary to confirm to the current period's presentation. The Company does not have any Exceptional or Extraordinary item to report for the above periods.

BY ORDER OF THE BOARD OF DIRECTORS
FOR GARDEN SILK MILLS LIMITED

Place: Surat
Date: 26th October, 2010

Sanjay S. Shah
Sanjay S. Shah
Executive Director

