

GARDEN SILK MILLS LIMITED

Date: 13th September, 2017

Department of Corporate Services,
Bombay Stock Exchange Ltd.,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai 400001
Scrip Code: 500155

National Stock Exchange of India Ltd.
"Exchange Plaza",
Bandra Kurla Complex,
Bandra (East),
Mumbai 400051
Stock Code: GARDENSILK(EQ)

Sub: Unaudited Financial Results (Standalone and Consolidated) for the Quarter ended 30th June, 2017.

Dear Sir,

Pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), we are enclosing the Unaudited Financial Results (Standalone and Consolidated) of the Company for the Quarter ended 30th June, 2017, duly approved by the Board of Directors of the Company, at its meeting held today, 29th May, 2017.

The meeting of the Board of Directors of the Company commenced at 2:30 p.m. and concluded at 6:30 p.m.

We also enclose a copy of the Limited Review Report of the Auditors of the Company, as required under Regulation 33 of the Listing Regulations.

Kindly take the same on your record and acknowledge receipt.

Thanking you,

Yours faithfully,
For Garden Silk Mills Limited



Kamlesh B. Vyas
Company Secretary & Compliance Officer



Encl.: As above.

*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 LIMITED

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

CIN: L17111GJ1979PLC003463; Website: www.gardenvareli.com; e-mail: shareddepartment@gardenvareli.com.

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

Designer of Yarns, Weaves and Prints

STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE, 2017

Sr. No.	Particulars	Quarter ended			(Rs. in Lacs)
		30/06/2017	31/03/2017	30/06/2016	Year ended
		(Unaudited)	(Audited)	(Unaudited)	31/03/2017 (Audited)
1	Total Income				
	(a) Gross Sales/Income from Operations	77223.83	70295.18	63567.69	264331.90
	(b) Other Income	240.24	620.98	170.32	1136.50
	Total Income	77464.07	70916.16	63738.01	265468.40
2	Expenses				
	(a) Cost of Materials Consumed	50332.21	50243.97	44134.07	178624.08
	(b) Purchases of stock-in-trade	298.24	290.94	770.33	1799.30
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	87.99	(7454.58)	(2658.55)	(8444.34)
	(d) Excise duty on sales	6993.22	7818.71	3836.48	20855.81
	(e) Employee benefits expense	3253.07	2691.48	2768.92	12194.98
	(f) Finance costs	4941.31	4550.44	4143.46	16862.96
	(g) Depreciation and amortisation expense	1600.76	1590.67	1607.30	6447.42
	(h) Other expenses	12758.83	12454.48	10685.38	44830.20
	Total Expenses	80265.63	72186.11	65287.39	273170.41
3	Profit/(Loss) before exceptional items and tax (1-2)	(2801.56)	(1269.95)	(1549.38)	(7702.01)
4	Exceptional items	(5.77)	447.43	(811.55)	(637.13)
5	Profit before tax (3-4)	(2807.33)	(822.52)	(2360.93)	(8339.14)
6	Tax expenses/(credit)				
	Current tax	0.00	0.00	0.00	0.00
	Deferred tax	0.00	0.00	0.00	0.00
7	Profit/(Loss) for the period (5-6)	(2807.33)	(822.52)	(2360.93)	(8339.14)
8	Other Comprehensive income				
	Item that will not be recalssified to profit or loss	171.10	(194.31)	303.05	14.49
	Income tax on above	0.00	0.00	0.00	0.00
	Item that will be recalssified to profit or loss	0.00	0.00	0.00	0.00
	Income tax on above	0.00	0.00	0.00	0.00
9	Total Comprehensive Income for the period (7+8)	(2636.23)	(1016.83)	(2057.88)	(8324.65)
10	Paid-up Equity Share Capital	4208.25	4208.25	4208.25	4208.25
11	Other Equity excluding Revaluation Reserves (as per balance sheet of previous accounting year)				(16443.66)
12	Earning per equity share in Rs. (Face value of share Rs.10/-)				
	Basic and diluted (in Rs.) not annualised	(6.67)	(1.95)	(5.61)	(19.82)



Notes:

- 1 The above is an extract of the detailed format of the Quarterly Financial Results filed with the Stock Exchanges under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as modified by Circular No. CIR/CFD/FAC/62/2016 dated 5th July, 2016. The full format of the said results are available on the websites of Stock Exchanges at www.nseindia.com, www.bseindia.com and on the website of the Company at www.gardenvareli.com.
- 2 The Company has adopted Indian Accounting Standards ('Ind AS') notified by the Ministry of Corporate Affairs with effect from 1st April, 2017 (being transition date of 1st April, 2016). Accordingly, the financial results have been prepared in accordance with Companies (Indian Accounting Standards) Rules, 2015 (amended) as prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and the other accounting principles generally accepted in India.
- 3 The Company continues to be engaged with its lenders towards a debt restructuring.
- 4 Figures for the previous period have been reclassified and restated wherever necessary to make them Ind AS compliant and comparable with that of the current period.
- 5 The Ind AS financial results and financial information for the quarter ended 30th June, 2016 and quarter ended 31st March, 2017 and year ended 31st March, 2017 have not been subjected to any limited review or audit as per exemption given in SEBI circular No.CIR/CFD/FAC/62/2016 dated 5th July, 2016. However, the Management has exercised necessary due diligence to ensure the true and fair presentation of the figures.
- 6 The Company is engaged in the business of 'Textiles' and therefore, has only one reportable segment in accordance with Ind AS 108 'Operating Segments'.
- 7 Provision for Deferred Taxation as per Ind AS-12 'Income Tax', provisions for current tax (MAT) and employee benefits as per Ind AS-19 'Employee Benefits', will be made at the end of the year.
- 8 The figures for the quarters ended 31st March, 2017 are the balancing figures between audited figures in respect of the full financial year ended 31st March, 2017 and the unaudited published year to date figures up to 31st December, 2016, being the end of the third quarter of the previous financial years which were subject to a limited review.
- 9 The above results have been reviewed and recommended by the Audit Committee and thereafter taken on record and approved by the Board of Directors of the Company at their respective meetings held on 13th September, 2017. The statutory auditors of the company have conducted a "Limited Review" of the above Unaudited Financial Results for the quarter ended 30th June, 2017.
- 10 The Reconciliation of Net Profit / (Loss) reported under previous General Accepted Accounting Principles (GAAP) to Total Comprehensive Income in accordance with Ind AS is given below:

(Rs. in Lacs)

Particulars	Quarter ended 30th June, 2016
Net Profit / (Loss) as reported under previous GAAP (after tax)	(2453.33)
Add/(Less):	
Mark to market of forward contracts instead of amortisation of premium	(39.67)
Unwinding of Interest for Interest free loan to Subsidiary	32.69
Deferrel of revenue as per Ind AS 18	41.53
Impact due to Fair Value of Mutual Fund Investments	57.85
Other Comprehensive Income	
Face value of Equity investments classified in OCI	303.05
Net Profit / (Loss) reported under Ind AS (after tax)	(2057.88)

- 11 # - Exceptional and/or Extraordinary items adjusted in the Statement of Profit and Loss in accordance with Ind-AS.

For and on behalf of Board of Directors
Garden Silk Mills Limited

Ashah.

Praful A. Shah

Chairman & Managing Director

DIN: 00218143

Place: Surat

Date: 13/09/2017



NATVARLAL VEPARI & CO.

Chartered Accountants

PAN : AADFN5448E

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

Tel. : +91 261 246 3636 | Fax : +91 261 246 3634 | E-mail : vepari@youtele.com

Review report to:

The Board of directors

Garden Silk Mills Limited

1. We have reviewed the unaudited financial results of Garden Silk Mills Limited (the "Company") for the quarter ended 30th June, 2017 which are included in the accompanying 'Statement of Unaudited Financial Results' for quarter ended 30th June, 2017 together with the relevant notes thereon (the "Statement"). The Statement has been prepared pursuant to Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations, 2015") read with SEBI circular dated 5th July, 2016 which has been presented before us for review. The Statement is the responsibility of the Company's management and has been approved by the Board of Directors. Further, the Management is also responsible to ensure that the accounting policies used in preparation of this Statement are consistent with those used in the preparation of the Company's opening unaudited Balance Sheet as at 1st April 2016 prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under section 133 of the Companies Act, 2013 and other recognized accounting practices and policies. Our responsibility is to issue a report on the Statement 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. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement.
3. 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.
4. Based on our review conducted as above and explanation given to us, nothing has come to our attention that causes us to believe that the Statement has not been prepared in all material respects in accordance with Ind AS and other recognized accounting practices and policies, and has not disclosed the information required to be disclosed in

terms of Regulation 33 of the Listing Regulations, 2015 read with SEBI circular dated 5th July 2016 including the manner in which it is to be disclosed, or that it contains any material misstatement.

5. Based on the explanations given to us, the Company shall undertake assessment for impairment of its other assets as per Ind AS - 36 at the time of preparation of year-end financial statements.
6. We draw attention to the following matters:
 - a. Note 2 to the Statement which states that the Company has adopted Ind AS for the financial year commencing from 1st April, 2017 and accordingly, the Statement has been prepared by the Company's Management in compliance with Ind AS.
 - b. We were neither engaged to review, nor have we reviewed the comparative figures including the reconciliation to the Total Comprehensive Income for the quarter ended 30th June, 2016 and accordingly, we do not express any conclusion on the results in the Statement for the quarter ended 30th June, 2016. As set out in Note 5 to the Statement, these figures have been furnished by the Management.

Our conclusion is not qualified in respect of these matters.

Place: Surat

Date: 13th September, 2017



For Natvarlal Vepari & Co.

Chartered Accountants

Firm Registration No. 123626W

Hiren R. Vepari

Partner

Membership No.: 102680



GARDEN SILK MILLS LIMITED

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

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Designer of Yarns, Weaves and Prints

STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE, 2017

Sr. No.	Particulars	Quarter ended			(Rs. in Lacs)
		30/06/2017	31/03/2017	30/06/2016	Year ended
		(Unaudited)	(Audited)	(Unaudited)	31/03/2017 (Audited)
1	Total Income				
	(a) Gross Sales/Income from Operations	77507.50	70630.55	63954.68	265400.53
	(b) Other Income	202.58	92.55	139.05	513.25
	Total Income	77710.08	70723.10	64093.73	265913.78
2	Expenses				
	(a) Cost of Materials Consumed	50332.21	50243.97	44134.07	178624.08
	(b) Purchases of stock-in-trade	298.24	290.94	770.33	1799.30
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	87.99	(7454.58)	(2658.55)	(8444.34)
	(d) Excise duty on sales	6993.22	7818.71	3836.48	20855.81
	(e) Employee benefits expense	3258.26	2696.86	2773.57	12214.88
	(f) Finance costs	4947.12	4757.27	4390.54	17844.06
	(g) Depreciation and amortisation expense	1600.82	1590.73	1607.36	6447.66
	(h) Other expenses	12812.06	12549.78	10775.47	45155.79
	Total Expenses	80329.92	72493.68	65629.27	274497.24
3	Profit/(Loss) before exceptional items and tax (1-2)	(2619.84)	(1770.58)	(1535.54)	(8583.46)
4	Exceptional items	(5.77)	476.01	(811.55)	(608.69)
5	Profit before tax (3-4)	(2625.61)	(1294.57)	(2347.09)	(9192.15)
6	Tax expenses/(credit)				
	Current tax	0.00	0.00	0.00	0.00
	Deferred tax	0.00	0.00	0.00	0.00
7	Profit/(Loss) for the period (5-6)	(2625.61)	(1294.57)	(2347.09)	(9192.15)
8	Other Comprehensive income				
	Item that will not be recalssified to profit or loss	171.10	(194.31)	303.05	14.49
	Income tax on above	0.00	0.00	0.00	0.00
	Item that will be recalssified to profit or loss	0.00	0.00	0.00	0.00
	Income tax on above	0.00	0.00	0.00	0.00
9	Total Comprehensive Income for the period (7+8)	(2454.51)	(1488.88)	(2044.04)	(9177.66)
10	Paid-up Equity Share Capital	4208.25	4208.25	4208.25	4208.25
11	Other Equity excluding Revaluation Reserves (as per balance sheet of previous accounting year)				(17193.24)
12	Earning per equity share in Rs. (Face value of share Rs.10/-)				
	Basic and diluted (in Rs.) not annualised	(6.24)	(3.08)	(5.58)	(21.84)



Notes:

- 1 The above is an extract of the detailed format of the Quarterly Financial Results filed with the Stock Exchanges under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as modified by Circular No. CIR/CFD/FAC/62/2016 dated 5th July, 2016. The full format of the said results are available on the websites of Stock Exchanges at www.nseindia.com, www.bseindia.com and on the website of the Company at www.gardenvareli.com.
- 2 The Company has adopted Indian Accounting Standards ('Ind AS') notified by the Ministry of Corporate Affairs with effect from 1st April, 2017 (being transition date of 1st April, 2016). Accordingly, the financial results have been prepared in accordance with Companies (Indian Accounting Standards) Rules, 2015 (amended) as prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and the other accounting principles generally accepted in India.
- 3 The Company continues to be engaged with its lenders towards a debt restructuring.
- 4 Figures for the previous period have been reclassified and restated wherever necessary to make them Ind AS compliant and comparable with that of the current period.
- 5 The Ind AS financial results and financial information for the quarter ended 30th June, 2016 and quarter ended 31st March, 2017 and year ended 31st March, 2017 have not been subjected to any limited review or audit as per exemption given in SEBI circular No.CIR/CFD/FAC/62/2016 dated 5th July, 2016. However, the Management has exercised necessary due diligence to ensure the true and fair presentation of the figures.
- 6 The Company is engaged in the business of 'Textiles' and therefore, has only one reportable segment in accordance with Ind AS 108 'Operating Segments'.
- 7 Provision for Deferred Taxation as per Ind AS-12 'Income Tax', provisions for current tax (MAT) and employee benefits as per Ind AS-19 'Employee Benefits', will be made at the end of the year.
- 8 The figures for the quarters ended 31st March, 2017 are the balancing figures between audited figures in respect of the full financial year ended 31st March, 2017 and the unaudited published year to date figures up to 31st December, 2016, being the end of the third quarter of the previous financial years which were subject to a limited review.
- 9 The above results have been reviewed and recommended by the Audit Committee and thereafter taken on record and approved by the Board of Directors of the Company at their respective meetings held on 13th September, 2017. The statutory auditors of the company have conducted a "Limited Review" of the above Unaudited Financial Results for the quarter ended 30th June, 2017.
- 10 The Reconciliation of Net Profit / (Loss) reported under previous General Accepted Accounting Principles (GAAP) to Total Comprehensive Income in accordance with Ind AS is given below:

(Rs. in Lacs)

Particulars	Quarter ended 30th June, 2016
Net Profit / (Loss) as reported under previous GAAP (after tax)	(2406.80)
Add/(Less):	
Mark to market of forward contracts instead of amortisation of premium	(39.67)
Deferrel of revenue as per Ind AS 18	41.53
Impact due to Fair Value of Mutual Fund Investments	57.85
Other Comprehensive Income	
Face value of Equity investments classified in OCI	303.05
Net Profit / (Loss) reported under Ind AS (after tax)	(2044.04)

- 11 Key numbers of Standalone Financial Results of the Company are as under:

(Rs. in Lacs)

Particulars	Quarter ended 30th June, 2017 (Unaudited)	Year ended 31st March, 2017 (Audited)	Quarter ended 30th June, 2016 (Unaudited)
Total Income from operations	77223.83	264331.90	63567.69
Profit / (Loss) before Tax	(2807.33)	(8339.14)	(2360.93)
Net Profit / (Loss) after Tax before other comprehensive income	(2807.33)	(8339.14)	(2360.93)

- 12 # - Exceptional and/or Extraordinary items adjusted in the Statement of Profit and Loss in accordance with Ind-AS.

For and on behalf of Board of Directors
Garden Silk Mills Limited

Praful A. Shah

Praful A. Shah

Chairman & Managing Director

DIN: 00218143

Place: Surat

Date: 13/09/2017



NATVARLAL VEPARI & CO.

Chartered Accountants

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Review report to:

The Board of directors

Garden Silk Mills Limited

1. We have reviewed the unaudited financial results of Garden Silk Mills Limited (the "Company"), and its subsidiary (hereinafter referred to as the "Group") for the quarter ended 30th June, 2017 which are included in the accompanying 'Statement of Unaudited Financial Results for quarter ended 30th June, 2017 together with the relevant notes thereon (the "Statement"). The Statement has been prepared pursuant to Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations, 2015") read with SEBI circular dated 5th July, 2016 which has been presented before us for review. The Statement is the responsibility of the Company's management and has been approved by the Board of Directors. Further, the Management is also responsible to ensure that the accounting policies used in preparation of this Statement are consistent with those used in the preparation of the Company's opening unaudited Balance Sheet as at 1st April 2016 prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under section 133 of the Companies Act, 2013 and other recognized accounting practices and policies. Our responsibility is to issue a report on the Statement 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. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement.
3. 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.
4. We have not reviewed the Financial Statements of subsidiary Company included in the Consolidated Financial results which has total assets of Rs. 7,227.41 lacs and total profit of Rs. 181.72 lacs for the quarter ended on 30th June, 2017. The unaudited financial information of the subsidiary Company has been assessed by the Management and

provided to us, and our conclusion on the Statement to the extent they relate to the subsidiary and is based solely on such unaudited financial information furnished to us by the Management.

5. Based on our review conducted as above and explanation given to us, nothing has come to our attention that causes us to believe that the Statement has not been prepared in all material respects in accordance with Ind AS and other recognized accounting practices and policies, and has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, 2015 read with SEBI circular dated 5th July 2016 including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. Based on the explanations given to us, the Company shall undertake assessment for impairment of its other assets as per Ind AS - 36 at the time of preparation of year-end financial statements.
7. We draw attention to the following matters:
 - a. Note 2 to the Statement which states that the Company has adopted Ind AS for the financial year commencing from 1st April, 2017 and accordingly, the Statement has been prepared by the Company's Management in compliance with Ind AS.
 - b. We were neither engaged to review, nor have we reviewed the comparative figures including the reconciliation to the Total Comprehensive Income for the quarter ended 30th June, 2016 and accordingly, we do not express any conclusion on the results in the Statement for the quarter ended 30th June, 2016. As set out in Note 5 to the Statement, these figures have been furnished by the Management.

Our conclusion is not qualified in respect of these matters.

Place: Surat

Date: 13th September, 2017



For Natvarlal Vepari & Co.

Chartered Accountants

Firm Registration No. 123626W

Hiren R. Vepari

Partner

Membership No.: 102680