

GARDEN SILK MILLS LIMITED

Date: 2nd February, 2018

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 for the Quarter and Nine Months ended
31st December, 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 of the Company for the Quarter and Nine months ended 31st December, 2017, duly approved by the Board of Directors of the Company, at its meeting held today, 2nd February, 2018.

The meeting of the Board of Directors of the Company commenced at 11.30 a.m. and concluded at 01.30 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

*Garden**



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

UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER, 2017

Sr. No.	Particulars	(Rs. in Lacs)					
		Quarter ended			Nine Months ended		Year ended
		31/12/2017 (Unaudited)	30/09/2017 (Unaudited)	31/12/2016 (Unaudited)	31/12/2017 (Unaudited)	31/12/2016 (Unaudited)	31/03/2017 (Unaudited)
1	Total Income						
	(a) Income from Operations	84256.14	70845.77	62929.78	232325.74	194036.72	264331.90
	(b) Other Income	234.03	94.07	158.28	568.34	515.52	1136.50
	Total Income	84490.17	70939.84	63088.06	232894.08	194552.24	265468.40
2	Expenses						
	(a) Cost of Materials Consumed	61783.09	46115.10	40904.57	158230.40	128380.11	178624.08
	(b) Purchases of stock-in-trade	1818.74	2005.09	349.83	4122.07	1508.36	1799.30
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(655.97)	5138.11	533.60	4570.13	(989.76)	(8444.34)
	(d) Excise duty	0.00	0.00	4687.51	6993.22	13037.10	20855.81
	(e) Employee benefits expense	3294.54	3663.97	3172.41	10211.58	9503.50	12194.98
	(f) Finance costs	4587.65	4642.59	3848.23	14171.55	12325.89	16872.39
	(g) Depreciation and amortisation expense	1644.06	1622.08	1625.45	4866.91	4856.75	6447.42
	(h) Other expenses	12218.88	11491.51	11432.70	36500.31	33446.92	44473.68
	Total Expenses	84690.99	74678.45	66554.30	239666.17	202068.87	272823.32
3	Profit/(Loss) before exceptional items and tax (1-2)	(200.82)	(3738.61)	(3466.24)	(6772.09)	(7516.63)	(7354.92)
4	Exceptional items	0.00	(25.32)	0.00	0.00	0.00	(984.22)
5	Profit before tax (3-4)	(200.82)	(3763.93)	(3466.24)	(6772.09)	(7516.63)	(8339.14)
6	Tax expenses/(credit)						
	Current tax	0.00	0.00	0.00	0.00	0.00	0.00
	Deferred tax Charge / (Credit)	0.00	0.00	0.00	0.00	0.00	0.00
7	Profit/(Loss) for the period (5-6)	(200.82)	(3763.93)	(3466.24)	(6772.09)	(7516.63)	(8339.14)
8	Other Comprehensive income						
	Item that will not be recalssified to profit or loss	430.65	(197.20)	(78.30)	404.55	208.80	14.49
	Income tax on above	0.00	0.00	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	0.00	0.00
	Income tax on above	0.00	0.00	0.00	0.00	0.00	0.00
9	Total Comprehensive Income for the period (7+8)	229.83	(3961.13)	(3544.54)	(6367.54)	(7307.83)	(8324.65)
10	Paid-up Equity Share Capital (Face Value Rs.10/- Per Share)	4208.25	4208.25	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	Earnings Per Share (of Rs.10/- each) (Not Annualised):						
	- Basic and Diluted Earning Per Share (in Rs.)	(0.48)	(8.94)	(8.24)	(16.09)	(17.86)	(19.82)



Notes:

- 1 The above results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 2nd February, 2018.
- 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 above results have been prepared in accordance with Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act, 2013, read together with the Companies (Indian Accounting Standards) Rules, 2015 (as amended).
- 3 The Ind AS financial results and financial information for the quarter and nine months ended 31st December, 2016 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.
- 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 Company continues to be engaged with its lenders towards a debt restructuring.
- 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 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:

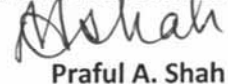
Particulars	(Rs. in Lacs) Quarter ended 31/12/2016
Net Profit / (Loss) as reported under previous GAAP (after tax)	(3287.26)
Add/(Less):	
Mark to market of forward contracts instead of amortisation of premium	(175.98)
Unwinding of Interest for Interest free loan to Subsidiary	32.70
Deferrel of revenue as per Ind AS 18	(16.02)
Impact due to Fair Value of Mutual Fund Investments	(19.68)
Other Comprehensive Income	
Face value of Equity investments classified in OCI	(78.30)
Net Profit / (Loss) reported under Ind AS (after tax)	(3544.54)

Limited Review

The Limited Review, as required under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been completed and the related Report does not have any impact on the above 'Results and Notes' for the Quarter and Nine Months ended 31st December, 2017 which needs to be explained.

For and on behalf of Board of Directors

Garden Silk Mills Limited


Praful A. Shah

Chairman & Managing Director

DIN: 00218143

Place: Mumbai

Date: 02/02/2018

Sharp & Tannan Associates

Chartered Accountants

87 Nariman Bhavan, 227 Nariman Point
Mumbai (Bombay) 400 021, INDIA.

T: +91 22 6153 7500 ; 2202 2224 / 8857

F: +91 22 2202 3856

E: mumbai.office@sharp-tannan.com

W: www.sharp-tannan.com

To,
The Board of Directors,
Garden Silk Mills Limited,

Dear Sirs,

Sub: Limited Review Report on Unaudited Standalone Financial Results for the quarter and nine months ended December 31, 2017 of Garden Silk Mills Limited pursuant to Regulation 33 the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Introduction

We have reviewed the accompanying Statement of Unaudited Standalone Financial Results (the 'Statement') of Garden Silk Mills Limited (the 'Company') for the quarter and nine months ended December 31, 2017. Attention is drawn to the fact that the figures for the quarter and nine months ended December 31, 2016, including the reconciliation of profit / loss under Ind AS of the corresponding quarter with the profit / loss reported under previous GAAP, as reported in these financial results have been approved by the Company's Board of Directors but have not been subjected to review by us.

Management's responsibility

This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors on February 2, 2018. Our responsibility is to issue a limited review report on this Statement based on our review.

Auditors' Responsibility

We conducted our review of the Statement 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 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.

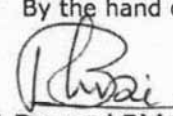
Conclusion

Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the applicable accounting standards (Ind AS) as specified under Section 133 of the Companies Act, 2013 and other recognized accounting practices and policies generally accepted in India has not disclosed the information required to be disclosed in terms of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016 including the manner in which it is to be disclosed, or that it contains any material misstatement.

Place: Mumbai
Date : February 2, 2018



For **Sharp & Tannan Associates**
Chartered Accountants
Firm's Registration No.109983W
By the hand of


CA Pramod Bhise
Partner
Membership No:(F) 047751

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***UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER, 2017**

Sr. No.	Particulars	(Rs. in Lacs)					
		Quarter ended			Nine Months ended		Year ended
		31/12/2017 (Unaudited)	30/09/2017 (Unaudited)	31/12/2016 (Unaudited)	31/12/2017 (Unaudited)	31/12/2016 (Unaudited)	31/03/2017 (Unaudited)
1	Total Income						
	(a) Income from Operations	84375.73	71005.07	63130.16	232888.30	194769.98	265400.53
	(b) Other Income	236.52	149.52	126.04	588.62	420.70	513.25
	Total Income	84612.25	71154.59	63256.20	233476.92	195190.68	265913.78
2	Expenses						
	(a) Cost of Materials Consumed	61783.09	46115.10	40904.57	158230.40	128380.11	178624.08
	(b) Purchases of stock-in-trade	1818.74	2005.09	349.83	4122.07	1508.36	1799.30
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(655.97)	5138.11	533.60	4570.13	(989.76)	(8444.34)
	(d) Excise duty	0.00	0.00	4687.51	6993.22	13037.10	20855.81
	(e) Employee benefits expense	3303.93	3669.14	3177.37	10231.33	9518.02	12214.88
	(f) Finance costs	4666.60	4722.69	4107.29	14336.41	13100.16	17853.49
	(g) Depreciation and amortisation expense	1644.13	1622.14	1625.51	4867.09	4856.93	6447.66
	(h) Other expenses	12270.95	11518.37	11508.04	36601.38	33677.35	44770.83
	Total Expenses	84831.47	74790.64	66893.72	239952.03	203088.27	274121.71
3	Profit/(Loss) before exceptional items and tax (1-2)	(219.22)	(3636.05)	(3637.52)	(6475.11)	(7897.59)	(8207.93)
4	Exceptional items (Net)	31.09	(25.32)	0.00	0.00	0.00	(984.22)
5	Profit before tax (3-4)	(188.13)	(3661.37)	(3637.52)	(6475.11)	(7897.59)	(9192.15)
6	Tax expenses/(credit)						
	Current tax	0.00	0.00	0.00	0.00	0.00	0.00
	Deferred tax Charge / (Credit)	0.00	0.00	0.00	0.00	0.00	0.00
7	Profit/(Loss) for the period (5-6)	(188.13)	(3661.37)	(3637.52)	(6475.11)	(7897.59)	(9192.15)
8	Other Comprehensive income						
	Item that will not be recalsified to profit or loss	430.65	(197.20)	(78.30)	404.55	208.80	14.49
	Income tax on above	0.00	0.00	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	0.00	0.00
	Income tax on above	0.00	0.00	0.00	0.00	0.00	0.00
9	Total Comprehensive Income for the period (7+8)	242.52	(3858.57)	(3715.82)	(6070.56)	(7688.79)	(9177.66)
10	Paid-up Equity Share Capital (Face Value Rs.10/- Per Share)	4208.25	4208.25	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	Earnings Per Share (of Rs.10/- each) (Not Annualised):						
	- Basic and Diluted Earning Per Share (in Rs.)	(0.45)	(8.70)	(8.64)	(15.39)	(18.77)	(21.84)



Notes:

- 1 The above results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 2nd February, 2018.
- 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 above results have been prepared in accordance with Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act, 2013, read together with the Companies (Indian Accounting Standards) Rules, 2015 (as amended).
- 3 The Ind AS financial results and financial information for the quarter and nine months ended 31st December, 2016 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.
- 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 Company continues to be engaged with its lenders towards a debt restructuring.
- 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 Key numbers of Unaudited Standalone Financial Results of the Company are as under:

(Rs. in Lacs)

Particulars	Quarter ended 31/12/2017	Nine months ended 31/12/2017	Quarter ended 31/12/2016
Total Income from operations	84256.14	232325.74	62929.78
Profit / (Loss) before Tax	(200.82)	(6772.09)	(3466.24)
Net Profit / (Loss) after Tax before other comprehensive income	(200.82)	(6772.09)	(3466.24)

- 8 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)

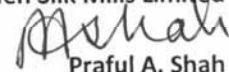
Particulars	Quarter ended 31/12/2016
Net Profit / (Loss) as reported under previous GAAP (after tax)	(3425.87)
Add/(Less):	
Mark to market of forward contracts instead of amortisation of premium	(175.98)
Deferrel of revenue as per Ind AS 18	(16.01)
Impact due to Fair Value of Mutual Fund Investments	(19.66)
Other Comprehensive Income	
Face value of Equity investments classified in OCI	(78.30)
Net Profit / (Loss) reported under Ind AS (after tax)	(3715.82)

Limited Review

The Limited Review, as required under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been completed and the related Report does not have any impact on the above 'Results and Notes' for the Quarter and Nine Months ended 31st December, 2017 which needs to be explained.

For and on behalf of Board of Directors

Garden Silk Mills Limited



Praful A. Shah

Chairman & Managing Director

DIN: 00218143

Place: Mumbai

Date: 02/02/2018

Sharp & Tannan Associates

Chartered Accountants

87 Nariman Bhavan, 227 Nariman Point
Mumbai (Bombay) 400 021, INDIA.

T: +91 22 6153 7500 ; 2202 2224 / 8857

F: +91 22 2202 3856

E: mumbai.office@sharp-tannan.com

W: www.sharp-tannan.com

To,
**The Board of Directors,
Garden Silk Mills Limited,**

Dear Sirs,

Sub: Limited Review Report on Unaudited Consolidated Financial Results for the quarter and nine months ended December 31, 2017 of Garden Silk Mills Limited pursuant to Regulation 33 the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Introduction

We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results (the 'Statement') of Garden Silk Mills Limited (the 'Holding Company') and its subsidiary (the Holding Company and its subsidiary together referred to as 'the Group'), for the quarter and nine months ended December 31, 2017. Attention is drawn to the fact that the figures for the quarter and nine months ended December 31, 2016, including the reconciliation of profit / loss under Ind AS of the corresponding quarter with the profit / loss reported under previous GAAP, as reported in these financial results have been approved by the Company's Board of Directors but have not been subjected to review by us.

Management's responsibility

This Statement is the responsibility of the Holding Company's Management and has been approved by the Board of Directors on February 2, 2018. Our responsibility is to issue a limited review report on this Statement based on our review.

Auditors' Responsibility

We conducted our review of the Statement 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 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.

List of subsidiary

This statement includes financial results of GAIA International FZE a wholly owned subsidiary. We did not reviewed the financial results of the subsidiary, the same have been reviewed by the management of Holding Company and submitted to us. This financial results reflects total assets of Rs. 2,856.95 lacs as at December 31, 2017 and total revenue of Rs. 6,126.24 lacs for the nine months ended December 31, 2017, as considered in the Statement. In our opinion, in so far as it relates to the amounts and disclosures included in respect of this subsidiary is based solely on such financial statements certified by management of Holding Company, according to information and explanations given to us by management of the Holding Company, these financial statements are not material to the Group.

Conclusion

Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the applicable accounting standards (Ind AS) as specified under Section 133 of the Companies Act, 2013 and other recognized accounting practices and policies generally accepted in India has not disclosed the information required to be disclosed in terms of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016 including the manner in which it is to be disclosed, or that it contains any material misstatement.

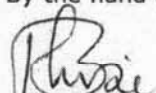
For **Sharp & Tannan Associates**

Chartered Accountants

Firm's Registration No.109983W

By the hand of




CA Pramod Bhise

Partner

Membership No:(F) 047751

Place: Mumbai
Date : February 2, 2018