

GANGOTRI TEXTILES LIMITED

CIN : L17115TZ1989PLC002491

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PART I

STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR QUARTER & HALF YEAR ENDED SEP 30, 2014

(Rs.In Lakhs)

S.No	PARTICULARS	Quarter Ended			Half- Year Ended		Year Ended
		30.09.2014	30.06.2014	30.09.2013	30.09.2014	30.09.2013	31.03.2014
		(Un audited)	(Un audited)	(Un audited)	(Un audited)	(Un audited)	(Audited)
1	Income from Operation						
	a) Net Sales / Income from Operations	2019.41	2185.30	2357.53	4204.71	3944.65	8082.51
	b) Other Operating Income	1.30	1.34	0.60	2.64	1.08	1.64
	Total Income from operations (net)	2020.71	2186.64	2358.13	4207.35	3945.73	8084.15
2	Expenses						
	a. Cost of materials consumed	1186.07	1203.06	1288.99	2389.13	2138.51	4516.76
	b. Changes in inventories of finished goods, work in progress & stock-in-trade	-23.15	44.98	-25.13	21.83	12.39	-15.32
	c. Employee benefits expense	173.28	168.31	166.26	341.59	327.22	682.28
	d. Depreciation	584.67	584.67	167.73	1169.35	335.37	1753.74
	e Other expenses	511.19	651.89	743.48	1163.09	1177.55	2835.80
	Total Expenses	2432.08	2652.92	2341.33	5084.99	3991.04	9773.26
3	Profit before Interest, Depreciation, other Income, Exceptional Items and Tax(PBIDTA)	173.31	118.40	184.54	291.71	290.06	64.63
4	Profit/(Loss) from operations before other Income, Finance costs and Exceptional items (1 -2)	-411.36	-466.28	16.80	-877.64	-45.31	-1689.11
5	Other Income	0.24	3.61	1.50	3.85	1.50	10.12
6	Profit/(Loss) from ordinary activities before other Income, Finance costs and Exceptional items (4+5)	-411.12	-462.67	18.30	-873.79	-43.81	-1678.99
7	a. Finance Costs	680.25	670.70	686.68	1350.95	1363.29	2792.70
8	Profit after Interest but before, Depreciation Exceptional Items and Tax(PBIDTA)	-1091.37	-1133.37	-668.37	-2224.73	-1407.10	-4471.69
9	Profit/(Loss) from ordinary activities after Finance costs and Exceptional items (6 +7)	-1091.37	-1133.37	-668.37	-2224.73	-1407.10	-4471.69
10	a. Exceptional Items	0.00	0.00	0.00	0.00	0.00	-423.00
11	Profit / Loss from Ordinary activities before tax (9+10)	-1091.37	-1133.37	-668.37	-2224.73	-1407.10	-4894.69
12	Tax expenses						
	a) Tax Relating to Earlier years	0.00	0.00	0.00	0.00	0.00	-4894.69
13	Profit / Loss from Ordinary activities after tax (11+12)	-1091.37	-1133.37	-668.37	-2224.73	-1407.10	-4894.69
14	Extraordinary items	-12.87	-29.10	0.00	-41.97	0.00	-577.88
15	Net Profit / Loss for the period (13+14)	-1104.24	-1162.47	-668.37	-2266.71	-1407.10	-5472.57
16	a. Paid-up Equity share capital (Face value of Rs.5/- per share)	1630.73	1630.73	1630.73	1630.73	1630.73	1630.73
	b. Paid-up Preference Share Capital (Face Value of Rs.100 each)	9042.00	9042.00	9042.00	9042.00	9042.00	9042.00
17	Reserves excluding Revaluation Reserves						-23749.08
18	Earnings Per Share (EPS) In rupees)						
	a) Basic and diluted EPS before extra ordinary items	-3.87	-4.00	-2.58	-7.88	-5.37	-17.12
	b) Basic and diluted EPS after the extra ordinary items	-3.91	-4.09	-2.58	-8.00	-5.37	-18.89

Information Relating to Discontinued Operations

(Rs. In Lakhs)

S.No	PARTICULARS	Quarter Ended			Half- Year Ended		Year Ended
		30.09.2014	30.06.2014	30.09.2013	30.09.2014	30.09.2013	31.03.2014
		(Un audited)	(Un audited)	(Un audited)	(Un audited)	(Un audited)	(Audited)
1	Profit/(Loss) before tax from ordinary activities attributable to discontinued operations	-1018.14	-819.05	-399.82	-1837.19	-799.80	-6114.01
2	Gain/(Loss) on disposal of assets/settlement of liabilities attributable to discontinued operations	-	-	-	-	-	-
3	Add/Less: Tax expenses discontinued operations						
	a.ordinary activities attributable to discontinued operations	-	-	-	-	-	-
	b.Gain/(Loss) on disposal of assets/settlement of liabilities attributable to discontinued operations	-	-	-	-	-	-
4	Profit/ (Loss) from discontinued operations (1+2+3)	-1018.14	-819.05	-399.82	-1837.19	-799.80	-6114.01

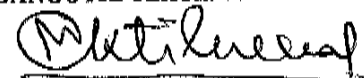
PART II

SELECT INFORMATION FOR QUARTER & HALF YEAR ENDED SEP 30, 2014

S.No.	Particulars	Quarter Ended			Half- Year Ended		Year Ended
		30.09.2014	30.06.2014	30.09.2013	30.09.2014	30.09.2013	31.03.2014
		(Un audited)	(Un audited)	(Un audited)	(Un audited)	(Un audited)	(Audited)
A.	Particulars of Shareholding						
1	Public Shareholding						
	No of Shares	2,46,31,177	2,46,31,177	2,46,31,177	2,46,31,177	2,46,31,177	2,46,31,177
	Percentage of Shareholding	75.52	75.52	75.52	75.52	75.52	75.52
2	Promoters and Promoter group Shareholding						
	a. Pledged / Encumbered						
	- No of shares	59,87,593	59,87,593	59,87,593	59,87,593	59,87,593	59,87,593
	- Percentage of Shares (as a % of the total shareholding of Promoter and Promoter group)	75.00	75.00	75.00	75.00	75.00	75.00
	- Percentage of Shares (as a % of the total share Capital of the Company)	18.36	18.36	18.36	18.36	18.36	18.36
	b. Non Encumbered						
	- No of shares	19,95,864	19,95,864	19,95,864	19,95,864	19,95,864	19,95,864
	- Percentage of Shares (as a % of the total shareholding of Promoter and Promoter group)	25.00	25.00	25.00	25.00	25.00	25.00
	- Percentage of Shares (as a % of the total share Capital of the Company)	6.12	6.12	6.12	6.12	6.12	6.12

Particulars		3 Months ended 30.09.2014	
B.	Investor Complaints		
	i) Pending at the beginning of quarter		Nil
	ii) Received during the quarter		Nil
	iii) Disposed off during the quarter		Nil
	iv) Remaining unresolved at the end of the quarter		Nil

For GANGOTRI TEXTILES LIMITED


MANOJ KUMAR TIBREWAL
 MANAGING DIRECTOR

COIMBATORE
12.11.2014

STATEMENT OF ASSETS & LIABILITIES AS ON 30.09.2014

Particulars	30.09.2014 (Rs)	30.09.2013 (Rs)
Equity and Liabilities		
Shareholder's Funds		
(a) Share Capital	1067273170	1067273170
(b) Reserves and Surplus	-2618041721	-1982986255
(c) Money received against share warrants	0	0
(2) Share application money pending allotment	0	0
Sub total - Shareholders Funds	-1550768551	-915713085
Non-Current Liabilities		
(a) Long-term borrowings	0	96353756
(b) Deferred tax liabilities (Net)	0	0
(b) Other Long term liabilities	126449035	126814035
(c) Long term provisions	55500000	55500000
Sub total - Non Current Liabilities	181949035	278667791
Current Liabilities		
(a) Short-term borrowings	3670740893	3339969393
(b) Trade payables	78167395	427709215
(c) Other current liabilities	79465456	39953613
(d) Short-term provisions	20000	50000
Sub total - Current Liabilities	3828393744	3807682221
Total Equity and Liabilities	2459574230	3170636927
Assets		
Non-current assets		
(a) Fixed assets		
(i) Tangible assets	1825515222	2141637149
(b) Non-current investments	150065500	150065500
(c) Deferred tax assets (net)	140473811	140473811
(d) Long term loans and advances	43250000	43250000
(e) Other non-current assets	45386791	50258744
Sub total - Non Current Assets	2204691324	2525685204
Current assets		
(a) Inventories	121741807	128055750
(b) Trade receivables	76922984	434566560
(c) Cash and cash equivalents	2788472	11136725
(d) Short-term loans and advances	759271	986246
(e) Other current assets	52670372	70206442
Sub total - Current Assets	254882906	644951723
Total Assets	2459574230	3170636927

Note:

1. The above results duly approved by the Audit Committee has been taken on record by the Board of Directors in their meeting held on 12.11.2014. The Statutory Auditors have carried out the Limited Review, as required by Listing agreement.
2. The Company operates in a single segment only viz. Textiles. The power generated through Wind Energy is captively consumed.
3. The exceptional items of Rs.423.00 lakhs for the year ended 31st March 2014 represents provision made on Doubtful Loans and Advances.
4. The Company cease to be under CDR mechanism with effect from 25.09.12 vide CDR letter dt. 22.10.12 due to non compliance of certain terms & conditions of CDR package. However, the financial impact in terms of interest differentials of Rs.94.00 crores as an expenditure, by virtue of such non-compliance has not been provided for in the books of accounts.
5. The Company although has provided for the interest payment on Bank loans, no payment has been made from October ' 2011, as a result of which Banks have declared the account as NPA. In view of non payment of interest, the TUF subsidy receivable has not been recognized from October 2011.
- 6a. The extraordinary item of Rs. 577.88 lakhs for the year ended 31st Mar 14 represents the impairment of Building and Plant & Machinery for the company as a whole (Historical cost Rs.43342.05 lakhs ,WDV Rs. 19085.75 lakhs and Net Realizable value Rs 18507.87 lakhs). The Net realizable value (NRV) for the core assets for impairment has been adopted based on the NRV given in the e-auction notice issued by the bankers. The timing difference arising out of impairment being Deferred tax asset is not recognized since there is no virtual certainty in realizing the same.
- 6b. The extraordinary item of Rs. 41.97 lakhs for half year ended 30.09.2014 represents the Expenditure incurred on SARFAESI Notices issued by the lenders.
7. The timing differences arising between accounting and taxable income resulted in deferred tax asset and the same was not recognized as there is no virtual certainty in realizing the same.
8. Effective 1st April 2014, the company has adapted revised depreciation based on effective useful life of depreciable assets in accordance with part C of Schedule II to Companies Act, 2013; consequently, the impact on statement of profit and loss for half year ended 30th Sep 2014 is increase in depreciation charge by Rs. 144.09 lakhs and depreciation adjustments of Rs. 113.45 lakhs on certain assets whose carrying value as on 1st April 2014 based on effective remaining useful life is nil, has been charged against opening balance of retained earnings in the Balance sheet.
9. The Lenders have served Notice under SARFAESI and taken symbolic possession.
10. Notices to treat the company as Willful Defaulter from State Bank of India & State Bank of Travancore vide its letters dt.24.12.12 and 18.01.13 respectively has been served on the company. The Company had represented vide letters dt.12.01.13 & 18.01.13 respectively.
11. There was no complaint received from investors' during the quarter ended 30.09.14. No complaint was pending at both at the beginning and at the end of the quarter.

12. Previous period figures have been regrouped and reclassified, wherever necessary.

13. The qualifications of the Statutory Auditors

13a. In our opinion, there prevails material uncertainty related to events / conditions which individually / collectively cast significant doubts on going concern assumption.

13b. The Debtors and Loans & Advances are subject to confirmation. As advance of Rs. 423 lakhs continues to be doubtful of recover. the same has been provided for in the accounts of the company during year ended 31.03.2014. However, repeated reminders are being received from lenders for the recovery of the same.

13c. The interest provisions for all loans from Banks have been worked based on the then prevailing CDR Package and not on the original sanction/revised floating rates. Consequent to the company non compliance with CDR package and reverting back to the original sanction, the differentials interest that ought to have been provided for in the accounts is estimated at Rs 94.00 Crores (from 01.07.2008 to 30.09.2014) cumulatively for the above periods. (Except for two banks relating to the year 2012-13 the revised claims of the banks have been duly accounted for by the company) The estimated loss due to the above for the quarter ended 30th Sep 2014, is understated to the extent of Rs. 4.50 Crores.

13d. The Company has changed the method of Accounting for NETTING of balance when transaction are made with the same party since March 2014. Prior to the company was not netting the debit and credit balances of the same party. However, for the half year ended 30.09.2014 the company has NETTED the debit and credit balances of the same party. Hence, Debtors and Creditors have got reduced by Rs. 18.72 Crores each as on 30.09.2014.

13e. On examination of the books of accounts and the information and explanations given to us, the internal control system is not commensurate with the nature of its business in respect of inventory and sale of goods and services.

14. Management Reply to the observations of the Auditors.

Reply to 13(a). The shortage of working capital, sale of windmills and closure of major units, confirm the opinion of auditor.

Reply to 13 (b) The due action is being taken by the management to recover the dues/confirmation.

Reply to 13 (c) On receipt of a demand from the lenders regarding the higher interest on account of company being out of CDR package, the due provision for the interest differentials will be made in the accounts.

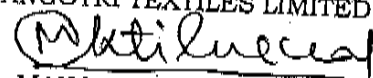
Reply to 13 (d) In the opinion of the Management, in order to reflect the actual position of Debtors and creditors, netting of Debit and Credit balance of the same party has been resorted to.

Reply to 13 (e) The management has taken earnest efforts to strengthen the internal controls.

COIMBATORE

12.11.2014

For GANGOTRI TEXTILES LIMITED



MANOJ KUMAR TIBREWAL

(MANAGING DIRECTOR)



THAKKER & SANGHANI
CHARTERED ACCOUNTANTS
COIMBATORE & MUMBAI

LIMITED REVIEW REPORT

We have reviewed the accompanying statement of un-audited financial results of M/s Gangotri Textiles Limited for the period ended 30th September, 2014 except for the disclosures regarding "Public Shareholding" and "Promoter and Promoter Group" 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 / Committee of 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 provides 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, nothing has come to our attention that causes us to believe that the accompanying statement on un-audited financial results prepared in accordance with applicable accounting standards 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.

Coimbatore
12-11-2014

For THAKKER & SANGHANI
CHARTERED ACCOUNTANTS

ASWIN.C
PARTNER

Membership No 22204