



General Manager,  
Department of Corporate Services,  
BSE Ltd.  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Mumbai 400 001.

November 09, 2019

Security Code: 532957  
Security ID : GOKAKTEX

**Subject: Outcome of Board Meeting held on November 09, 2019.**

Dear Sir/Madam,

Pursuant to Regulation 30 & 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we wish to inform you that the Board of Directors of the Company at their meeting held on November 09, 2019 have approved the Unaudited Standalone and Consolidated Financial Results for the quarter and half year ended September 30, 2019 along with Limited Review Report of Batliboi & Purohit, Chartered Accountants, statutory auditors of the Company in respect of the said results.

A copy of the Unaudited Financial Results for the Quarter and half year ended September 30, 2019 along with Limited Review Report dated November 09, 2019 of statutory auditors of the Company in respect of the said Results is enclosed.

The Board Meeting commenced at 01.00 PM and concluded at 04.30 PM

Kindly acknowledge receipt.

Yours faithfully,  
For Gokak Textiles Limited

Rakesh M. Nanwani  
Company Secretary & Compliance Officer  
Encl: As above





**Gokak Textiles Limited**  
Statement of Unaudited Consolidated Financial Results for Quarter and Half year ended on September 30, 2019

(Rs. in Lakhs)

Sr. No.	Particulars	Consolidated					
		Quarter ended	Quarter ended	Quarter ended	Half Year Ended	Half Year ended	Year ended
		30.09.2019	30.06.2019	30.09.2018	30.09.2019	30.09.2018	31.03.2019
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	
1	<b>Income</b>						
	a) Revenue from operations	2,933.38	3,118.63	5,368.64	6,052.01	10,089.86	17,931.62
	b) Other Income	130.21	32.92	237.02	163.13	652.99	753.54
	<b>Total Income</b>	<b>3,063.59</b>	<b>3,151.55</b>	<b>5,605.66</b>	<b>6,215.14</b>	<b>10,742.85</b>	<b>18,685.16</b>
2	<b>Expenses</b>						
	a) Cost of materials consumed	1,656.40	2,088.42	3,446.10	3,744.82	6,792.74	12,127.69
	b) Changes in inventories of finished goods and work-in-progress	367.45	60.24	295.10	427.69	(68.11)	58.60
	c) Employee benefits expense	702.62	755.03	836.67	1,457.65	1,644.80	3,255.86
	d) Finance costs	494.82	472.29	543.30	967.11	1,274.19	2,249.70
	e) Depreciation and amortisation expense	177.41	176.93	182.93	354.34	368.05	725.46
	f) Power and Fuel Expenses	230.16	500.54	223.81	730.70	965.13	1,758.38
	g) Other expenses	402.56	340.49	444.42	743.05	953.18	1,804.67
	<b>Total expenses</b>	<b>4,031.42</b>	<b>4,393.94</b>	<b>5,972.33</b>	<b>8,425.36</b>	<b>11,929.98</b>	<b>21,980.36</b>
3	<b>Profit/(Loss) from Operations before Exceptional Items (1-2)</b>	<b>(967.83)</b>	<b>(1,242.39)</b>	<b>(366.67)</b>	<b>(2,210.22)</b>	<b>(1,187.13)</b>	<b>(3,295.20)</b>
4	<b>Exceptional Items</b>						
5	<b>Profit/(Loss) from Ordinary activities Before Tax (3-4)</b>	<b>(967.83)</b>	<b>(1,242.39)</b>	<b>(366.67)</b>	<b>(2,210.22)</b>	<b>(1,187.13)</b>	<b>(3,295.20)</b>
	Current tax	-	-	-	-	-	-
	Deferred tax	-	-	-	-	-	-
6	<b>Tax expense</b>						
7	<b>Net Profit/(Loss) for the period (5-6)</b>	<b>(967.83)</b>	<b>(1,242.39)</b>	<b>(366.67)</b>	<b>(2,210.22)</b>	<b>(1,187.13)</b>	<b>(3,295.20)</b>
8	<b>Non Controlling Interest</b>						
9	<b>Net Profit or (loss) for the period (7-8)</b>						
10	<b>Other Comprehensive Income (Net of tax)</b>						
	A (i) Items that will not be reclassified to profit or loss	-	-	(1.43)	-	(1.43)	66.34
	(ii) Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-	-	-
	B (i) Items that will be reclassified to profit or loss	-	-	-	-	-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-	-
	<b>Other Comprehensive Income (Net of tax)</b>			<b>(1.43)</b>		<b>(1.43)</b>	<b>66.34</b>
11	<b>Total Comprehensive Income (9+10)</b>	<b>(967.83)</b>	<b>(1,242.39)</b>	<b>(368.10)</b>	<b>(2,210.22)</b>	<b>(1,188.56)</b>	<b>(3,228.86)</b>
12	<b>Profit for the year attributable to:</b>						
	- Owners of the Company	<b>(962.25)</b>	<b>(1,150.39)</b>	<b>(351.88)</b>	<b>(2,112.64)</b>	<b>(1,069.13)</b>	<b>(3,055.63)</b>
	- Non-Controlling Interest	<b>(5.58)</b>	<b>(92.00)</b>	<b>(14.79)</b>	<b>(97.58)</b>	<b>(118.01)</b>	<b>(239.57)</b>
13	<b>Other comprehensive income for the year attributable to:</b>						
	- Owners of the Company	-	-	-	-	(1.43)	64.42
	- Non-Controlling Interest	-	-	-	-	-	1.92
14	<b>Total Comprehensive Income for the period attributable to</b>						
	-Owners of the Company	<b>(962.25)</b>	<b>(1,150.39)</b>	<b>(351.88)</b>	<b>(2,112.64)</b>	<b>(1,070.56)</b>	<b>(2,991.20)</b>
	-Non Controlling Interest	<b>(5.58)</b>	<b>(92.00)</b>	<b>(14.79)</b>	<b>(97.58)</b>	<b>(118.01)</b>	<b>(237.66)</b>
15	<b>Paid-up equity share capital</b>	<b>649.93</b>	<b>649.93</b>	<b>649.93</b>	<b>649.93</b>	<b>649.93</b>	<b>649.93</b>
	(Face Value of Rs. 10 each)						
16	<b>Basic and diluted Earnings per share (Face Value of Rs. 10 each)</b>	<b>(14.81)</b>	<b>(17.70)</b>	<b>(5.41)</b>	<b>(32.51)</b>	<b>(16.45)</b>	<b>(47.01)</b>

See accompanying notes to the financial results.

1) The above consolidated financial results for quarter and half year ended September 30, 2019 ('the results') of Gokak Textiles Limited (The Company) which are published in accordance with Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements), 2015 have been reviewed by the Audit Committee of the Board and subsequently taken on record by the Board of Directors of the Company at their meeting held on November 09, 2019. The standalone financial results are in accordance with the Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Companies Act, 2013. The statutory Auditors have conducted limited review of the results and expressed unmodified review conclusion.

2) The statement of consolidated cash flows for the corresponding half year ended September 30, 2018 as reported in the results have been approved by the board of directors of the Company, but have not been subjected to limited review by the statutory auditors of the Company

3) The Company has consolidated accumulated losses of Rs.30,451.11 lakhs and its current liabilities exceeded current assets by Rs.12,238.82 lakhs as at the September 30, 2019. However, current liabilities of Rs.12636.72 lakhs are loans repayable to Shapoorji Pallonji and Company Private Limited ('the Holding Company') and as at September 30, 2019, the Company has a negative net worth of Rs.829.33 lakhs. The continuity of the operations of the Company is dependent upon the continued operational and financial support of the Holding Company. Based on the reasons stated above and operational and financial support from the Holding Company, the above financial results have been prepared on a going concern basis

4) The Company has adopted modified retrospective approach under Ind AS 116 - Leases, with effect from April 01, 2019. Accordingly the Company has recognized 'Right of use' assets of Rs. 15.18 lakhs (including reclassification of leasehold land of Rs 1.50 lakhs) and present value of lease liabilities of Rs. 21.22 lakhs as on April 01, 2019. In the statement of profit and loss for the current period, instead of rent expenses (as accounted under previous periods), amortization of right of use has been accounted under depreciation and amortization expenses and unwinding of discount on lease liabilities has been accounted under finance cost. Accordingly, current period's figures are not comparable with previous periods to that extent. The net impact of adopting the standard on the results and earnings per share is not material.

5) On August 3, 2019, there was a ransom-ware attack on the computer servers of the Company and accounting software of the company was affected and due to which the company had to shift its books of account to a new accounting software using the back up of the data available in the servers. The Management of the company has taken appropriate steps and due care regarding the completeness and accuracy of the data while transferring the data to the new software and no significant data was lost due to the said ransom ware attack

In addition to the damage of the plant and machinery of the power plant, the canal system was also damaged due to deluge of floods. The flooding/water levels still continue and we expect the floods to recede with passage of monsoon and the extent of damage will be assessed only after the reduction of water levels. The canal system is insured with The Oriental Insurance Company under a Fire, Flood and Earthquake policy and the quantum of claim versus the expenses and the impact on the accounts will be known over the next few months and will be reported then, though the management expects limited or no impact on the profit and loss accounts.

6) During the quarter ended September 30, 2019, hydro power plant of the subsidiary Company (Gokak Power and Energy Limited) situated at Gokak Falls having total capacity of 8 MW was submerged in the flood water due to heavy rains and the power generation has been suspended since August 07, 2019. The Subsidiary Company has estimated the repair and replacement cost of approximately Rs. 3.29 Crores and the said plant is expected to be in operation on or before December 31, 2019. The management is of the opinion that significant portion of the repairs and replacement cost will be recovered through insurance claim and no impairment provision for the said plant is required for the damages incurred.

7) The consolidated figures for the quarter and half year ended September 30, 2018, have been approved by the board of directors of the Company but have not been subjected to limited review by statutory auditors

8) The figures for the corresponding periods have been regrouped and rearranged wherever necessary, to make them comparable.

Date: November 09, 2019  
Place: Mumbai



*R R Patil*  
R R Patil  
(CEO & MD)  
(DIN: 07568951)

IS / ISO 9001 : 2015



**GOKAK TEXTILES LIMITED**

Registered Office : # 1, 2nd Floor, 12th Cross, Ideal Homes, Near Jayanna Circle,  
Rajarajeshwari Nagar, Bengaluru - 560 098  
Telephone No. : +91 80 29744077 / 29744078 / 29744066, www.gokakmills.com

GSTIN : 29AACCG8244P1ZX  
CIN L17116KA2006PLC038839



Annexure to the consolidated financial results of the Company for the quarter and half year ended September 30,2019

Segment reporting under consolidated financial statements of the Company:

Operating segments are reported in a manner consistent with internal reporting provided to the chief operating decision maker. The managing director and chief executive officer of the Company who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the chief operating decision maker.

Segment wise information:

No.	Particulars	Quarter ended 30.09.2019 (Unaudited)	Quarter ended 30.06.2019 (Unaudited)	Quarter ended 30.09.2018 (Unaudited)	Half Year ended 30.09.2019 (Unaudited)	Half Year ended 30.09.2018 (Unaudited)	Year ended 31.03.2019 (Audited)
<b>1</b>	<b>segment revenue</b>						
	textile	2,790.91	3,073.49	5,279.43	5,864.40	10,343.43	18,001.66
	electricity and power	439.97	139.23	722.88	579.20	919.56	1,536.26
	inter segment	(167.29)	(61.17)	(396.65)	(228.46)	(520.14)	(852.76)
	<b>Consolidated Revenue</b>	<b>3,063.59</b>	<b>3,151.55</b>	<b>5,605.66</b>	<b>6,215.14</b>	<b>10,742.85</b>	<b>18,685.16</b>
<b>2</b>	<b>segment result (Profit before tax)</b>						
	textile	(1,117.73)	(1,109.82)	(750.75)	(2,227.55)	(1,478.75)	(3,631.05)
	electricity and power*	149.90	(132.57)	384.07	17.33	291.62	335.85
	<b>Consolidated profit before tax</b>	<b>(967.83)</b>	<b>(1,242.39)</b>	<b>(366.68)</b>	<b>(2,210.22)</b>	<b>(1,187.13)</b>	<b>(3,295.20)</b>
	<i>*after adjustment of depreciation on inter segment assets.</i>						
<b>3</b>	<b>segment assets</b>						
	textile	14,790.63	14,941.94	16,744.95	14,790.63	16,744.95	15,293.59
	electricity and power*	1,786.45	1,502.57	1,616.74	1,786.45	1,616.74	1,453.77
	inter segment	(217.89)	95.74	(343.01)	(217.89)	(343.01)	(138.09)
	<b>Consolidated total assets</b>	<b>16,359.19</b>	<b>16,540.25</b>	<b>18,018.68</b>	<b>16,359.19</b>	<b>18,018.68</b>	<b>16,609.27</b>
	<i>* after adjustment of revaluation of intersegment fixed assets.</i>						
<b>4</b>	<b>segment liabilities</b>						
	textile	15,619.96	14,653.57	16,318.09	15,619.96	16,318.09	13,887.85
	electricity and power	8,771.29	8,654.60	8,666.67	8,771.29	8,666.67	8,455.98
	inter segment	(217.89)	95.74	(343.01)	(217.89)	(343.01)	(138.09)
	<b>Consolidated total liabilities</b>	<b>24,173.36</b>	<b>23,403.91</b>	<b>24,641.75</b>	<b>24,173.36</b>	<b>24,641.75</b>	<b>22,205.74</b>
<b>5</b>	<b>Capital employed</b>						
	textile	(829.33)	288.37	426.86	(829.33)	426.86	1,405.74
	electricity and power	(6,984.84)	(7,152.03)	(7,049.93)	(6,984.84)	(7,049.93)	(7,002.21)
	<i>* The Company has presented capital employed during the period as segment assets less segment liabilities as on reporting date as against previously disclosed as gross equity and long term debts of the company, accordingly previous period figures have been also been represented to match current period method.</i>						
<b>6</b>	<b>Capital expenditures</b>						
	textile	4.29	6.40	18.39	10.69	24.79	39.57
	electricity and power	12.80	-	-	12.80	0	0.63
	<b>Total capital expenditure</b>	<b>17.09</b>	<b>6.40</b>	<b>18.39</b>	<b>23.49</b>	<b>24.79</b>	<b>40.20</b>
<b>7</b>	<b>Depreciation and amortisation</b>						
	textile	151.25	151.06	156.76	302.31	315.76	621.55
	electricity and power	26.16	25.87	26.17	52.03	52.29	103.90
	<b>Total depreciation and amortisation</b>	<b>177.41</b>	<b>176.93</b>	<b>182.93</b>	<b>354.34</b>	<b>368.05</b>	<b>725.45</b>
	<i>*after adjustment of depreciation on inter segment assets.</i>						

RR Patil





**Gokak Textiles Limited**  
Statement of Assets and Liabilities as at September 30, 2019

Rs. In Lakhs

Consolidated		Statement of Assets and Liabilities	Standalone	
As at 30.09.2019 Unaudited	As at 31.03.2019 Audited		As at 30.09.2019 Unaudited	As at 31.03.2019 Audited
		<b>Assets</b>		
		<b>1 Non-current assets</b>		
9,638.62	9,977.39	a) Property, Plant and Equipment	7,057.95	7,349.67
7.85	10.11	b) Capital work-in-progress	-	-
11.35	11.35	c) Investment Property	11.35	11.35
-	0.28	d) Intangible Assets	-	0.28
14.09	-	e) Right of Use Assets	14.09	-
		<b>f) Financial Assets:</b>		
		i) Investments		
		a) Investments in Subsidiary	2,499.00	2,499.00
0.03	0.03	b) Other Investments	0.03	0.03
142.38	142.38	iii) Other financial assets	242.38	242.38
		<b>g) Tax assets</b>		
		i) Deferred tax assets (net)	-	-
85.44	83.85	ii) Income tax assets (net)	68.48	64.57
1,057.20	1,173.41	h) Other non-current assets	1,052.71	1,161.23
<b>10,956.96</b>	<b>11,398.80</b>	<b>Total Non-current assets</b>	<b>10,945.99</b>	<b>11,328.51</b>
		<b>2 Current assets</b>		
2,032.37	2,485.05	a) Inventories	2,017.40	2,472.21
		<b>b) Financial Assets:</b>		
1,121.02	1,130.00	i) Trade receivables	694.59	868.44
665.83	31.68	ii) Cash and cash equivalents	523.38	20.08
955.55	921.50	iii) Bank balances other than (ii) above	8.16	4.00
273.61	241.72	iv) Other financial assets	273.61	241.72
333.81	332.38	c) Other current assets	307.46	290.48
20.04	68.15	d) Assets classified as held for sale	20.04	68.15
<b>5,402.23</b>	<b>5,210.48</b>	<b>Total Current assets</b>	<b>3,844.64</b>	<b>3,965.08</b>
<b>16,359.19</b>	<b>16,609.28</b>	<b>Total Assets</b>	<b>14,790.63</b>	<b>15,293.59</b>
		<b>Equity and Liabilities</b>		
		<b>Equity</b>		
649.93	649.93	a) Equity share capital	649.93	649.93
(7,783.48)	(5,663.34)	b) Other equity	(1,479.26)	755.81
(680.62)	(583.05)	c) Non Controlling Interest	-	-
<b>(7,814.17)</b>	<b>(5,596.46)</b>	<b>Total Equity</b>	<b>(829.33)</b>	<b>1,405.74</b>
		<b>Liabilities</b>		
		<b>1 Non-current liabilities</b>		
		<b>a) Financial liabilities:</b>		
5,278.62	5,738.90	i) Borrowings	2,700.37	2,556.15
18.75		ii) Lease Liabilities	18.75	
21.11		iii) Other financial liabilities	21.12	19.30
1,213.83	1,189.25	b) Provisions	1,209.94	1,186.53
<b>6,532.31</b>	<b>6,928.15</b>	<b>Total Non-current liabilities</b>	<b>3,950.18</b>	<b>3,761.98</b>
		<b>2 Current liabilities</b>		
		<b>a) Financial liabilities:</b>		
12,636.74	10,475.64	i) Borrowings	7,786.68	6,481.73
1.73	-	ii) Lease Liabilities	1.73	-
3,033.30	2,952.64	iii) Trade payables	3,133.65	2,982.31
1,877.22	1,757.92	iv) Other financial liabilities	667.27	578.30
18.59	11.03	b) Provisions	18.59	10.76
73.47	80.36	d) Other current liabilities	61.86	72.77
<b>17,641.05</b>	<b>15,277.59</b>	<b>Total Current Liabilities</b>	<b>11,669.78</b>	<b>10,125.87</b>
<b>24,173.36</b>	<b>22,205.74</b>	<b>Total Liabilities</b>	<b>15,619.96</b>	<b>13,887.85</b>
<b>16,359.19</b>	<b>16,609.28</b>	<b>Total Equity and Liabilities</b>	<b>14,790.63</b>	<b>15,293.59</b>



*R.R.P. 21*





Gokak Textiles Limited				
Statement of Cash flows for the half year ended September 30, 2019				
Consolidated (Unaudited)		Particulars	Standalone (Unaudited)	
Half Year ended September 30, 2019	Half Year ended September 30, 2018		Half Year ended September 30, 2019	Half Year ended September 30, 2018
Rs. in lakhs	Rs. in lakhs		Rs. in lakhs	Rs. in lakhs
(2,210.22)	(1,187.13)	Net profit before Tax	(2,227.53)	(1,478.74)
(959.16)	274.29	Operating profit before changes in assets and liabilities	(1,425.29)	(486.70)
(209.66)	381.48	Cash flows From operating activities (a)	(488.39)	(88.58)
111.96	65.95	Cash flows from investing activities (b)	94.86	35.34
731.86	(518.24)	Cash flows from financing activities (c)	896.83	34.25
<b>634.16</b>	<b>(70.81)</b>	<b>Net increase / (decrease) in cash and cash equivalents (a+b+c)</b>	<b>503.30</b>	<b>(18.99)</b>
31.68	105.68	add: Cash and Cash equivalents at the beginning of the year	20.08	46.38
<b>665.84</b>	<b>34.87</b>	<b>Cash and Cash equivalents at the end of the year</b>	<b>523.38</b>	<b>27.39</b>

RRS



# BATLIBOI & PUROHIT

## Chartered Accountants

**Independent Auditor's Report on the Quarterly and Year to date Unaudited Consolidated Financial Results of Gokak Textiles Limited pursuant to Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended**

**To Board of Directors of Gokak Textiles Limited**

1. We have reviewed the unaudited consolidated financial results of **Gokak Textiles Limited** (hereinafter referred to as the "Holding Company") and its subsidiary (collectively referred to as "the Group") for the quarter and half year ended September 30, 2019 ("Consolidated Statement"), attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").
2. This Consolidated Statement, which is the responsibility of the Company's management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Consolidated Statement based on our review.
3. We conducted our review of the Consolidated Statement in accordance with the Standard on Review Engagements (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 of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

4. This Consolidated Statement includes the results of Holding Company and its Subsidiary i.e. **Gokak Power and Energy Limited**.



5. Based on our review conducted and procedures performed as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Consolidated Statement of unaudited financial results has not been prepared in all material respects in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India and has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. We draw attention to below mentioned notes to the accompanying Consolidated Statement:
- a. We draw attention to Note 3 of the Consolidated Statement which indicates that the Company has accumulated losses of Rs. 30,451.11 lakhs as on September 30, 2019 and its current liabilities exceed its current assets by Rs. 12,238.82 lakhs as on that date. However, the Consolidated Statement has been prepared on a going concern basis for the reasons stated in the said Note of the Consolidated Statement. Our opinion is not modified in respect of this matter.
- b. Attention is drawn to Note 7 of the Consolidated Statement which states that the consolidated figures for the quarter and half year ended September 30, 2018, as replied in the Consolidated Statement have been approved by the Holding Company's Board of Directors, but have not been subjected to review for the reason explained in the said note.
- c. We draw attention to the Note 2 of the Consolidated Statement of Cash Flows for the corresponding half year ended September 30, 2018, as reported in the accompanying Consolidated Statement have been approved by the Company's Board of Directors, but have not been subjected to review.

**For Batliboi & Purohit**  
Chartered Accountants  
ICAI Firm Reg. No. 101048W

*Kaushal Mehta*

**Kaushal Mehta**

Partner

Membership No. 111749

Place: Mumbai

Date: November 09, 2019

ICAI UDIN: 19111749AAAEN6643





**Gokak Textiles Limited**  
**Statement of Unaudited Standalone Financial Results for Quarter and Half year ended on September 30, 2019**

(Rs. in Lakhs)

Sr. No.	Particulars	Standalone					
		Quarter ended	Quarter ended	Quarter ended	Half Year Ended	Half Year ended	Year ended
		30.09.2019	30.06.2019	30.09.2018	30.09.2019	30.09.2018	31.03.2019
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
<b>1</b>	<b>Income</b>						
	a) Revenue from operations	2,672.73	3,052.44	5,056.49	5,725.17	9,715.49	17,300.46
	b) Other Income	118.18	21.05	222.94	139.23	627.94	701.20
	<b>Total Income</b>	<b>2,790.91</b>	<b>3,073.49</b>	<b>5,279.43</b>	<b>5,864.40</b>	<b>10,343.43</b>	<b>18,001.66</b>
<b>2</b>	<b>Expenses</b>						
	a) Cost of materials consumed	1,656.40	2,088.40	3,446.10	3,744.80	6,793.10	12,127.69
	b) Changes in inventories of finished goods and work-in-progress	367.45	60.24	295.10	427.69	(67.90)	58.61
	c) Employee benefits expense	686.80	741.57	814.59	1,428.37	1,608.59	3,192.30
	d) Finance costs	284.06	266.44	307.48	550.50	826.48	1,406.96
	e) Depreciation and amortisation expense	151.25	151.06	156.76	302.31	315.76	621.55
	f) Power and Fuel Expenses	394.45	558.71	617.46	953.16	1,479.46	2,598.79
	g) Other expenses	368.23	316.87	392.69	685.10	866.69	1,626.81
	<b>Total expenses</b>	<b>3,908.64</b>	<b>4,183.29</b>	<b>6,030.18</b>	<b>8,091.93</b>	<b>11,822.18</b>	<b>21,632.71</b>
<b>3</b>	<b>Profit/ (Loss) from Operations before Exceptional Items ( 1-2)</b>	<b>(1,117.73)</b>	<b>(1,109.80)</b>	<b>(750.75)</b>	<b>(2,227.53)</b>	<b>(1,478.75)</b>	<b>(3,631.05)</b>
<b>4</b>	<b>Exceptional Items</b>						
<b>5</b>	<b>Profit/ (Loss) from Ordinary activities Before Tax (3-4)</b>	<b>(1,117.73)</b>	<b>(1,109.80)</b>	<b>(750.75)</b>	<b>(2,227.53)</b>	<b>(1,478.75)</b>	<b>(3,631.05)</b>
	Current tax	-	-	-	-	-	-
	Deferred tax	-	-	-	-	-	-
<b>6</b>	<b>Tax expense</b>						
<b>7</b>	<b>Net Profit/(Loss) for the period (5-6)</b>	<b>(1,117.73)</b>	<b>(1,109.80)</b>	<b>(750.75)</b>	<b>(2,227.53)</b>	<b>(1,478.75)</b>	<b>(3,631.05)</b>
<b>8</b>	<b>Non Controlling Interest</b>						
<b>9</b>	<b>Net Profit or (loss) for the period (7-8)</b>						
<b>10</b>	<b>Other Comprehensive Income (Net of tax)</b>						
	A (i) Items that will not be reclassified to profit or loss	-	-	(2.87)	-	(2.87)	62.43
	(ii) Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-	-	-
	B (i) Items that will be reclassified to profit or loss	-	-	-	-	-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-	-
	<b>Other Comprehensive Income (Net of tax)</b>			<b>(2.87)</b>		<b>(2.87)</b>	<b>62.43</b>
<b>11</b>	<b>Total Comprehensive Income (9+10)</b>	<b>(1,117.73)</b>	<b>(1,109.80)</b>	<b>(753.62)</b>	<b>(2,227.53)</b>	<b>(1,481.62)</b>	<b>(3,568.62)</b>
<b>12</b>	<b>Paid-up equity share capital</b>	<b>649.93</b>	<b>649.93</b>	<b>649.93</b>	<b>649.93</b>	<b>649.93</b>	<b>649.93</b>
	(Face Value of Rs. 10 each)						
<b>13</b>	<b>Basic and diluted Earnings per share (Face Value of Rs. 10 each)</b>	<b>(17.20)</b>	<b>(17.08)</b>	<b>(11.55)</b>	<b>(34.27)</b>	<b>(22.75)</b>	<b>(55.87)</b>
	See accompanying notes to the financial results.						

1) The above standalone financial results for quarter and half year ended September 30, 2019 ('the results') of Gokak Textiles Limited (The Company) which are published in accordance with Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements), 2015 have been reviewed by the Audit Committee of the Board and subsequently taken on record by the Board of Directors of the Company at their meeting held on November 09, 2019. The standalone financial results are in accordance with the Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Companies Act, 2013. The statutory Auditors have conducted limited review of the results and expressed unmodified review conclusion.

2) The statement of standalone cash flows for the corresponding half year ended September 30, 2018 as reported in the results have been approved by the board of directors of the Company, but have not been subjected to limited review by the statutory auditors of the Company

3) The Company operates in one segment only at standalone level, namely Textiles.

4) The Company has standalone accumulated losses of Rs.24,056.81 lakhs and its current liabilities exceeded current assets by Rs. 7,825.14 lakhs as at the September 30, 2019. However, current liabilities of Rs. 7786.68 lakhs are loans repayable to Shapoorji Pallonji and Company Private Limited ("the Holding Company") and as at September 30, 2019, the Company has a negative net worth of Rs.829.33 lakhs. The continuity of the operations of the Company is dependent upon the continued operational and financial support of the Holding Company. Based on the reasons stated above and operational and financial support from the Holding Company, the above financial results have been prepared on a going concern basis.

5) On August 3, 2019, there was a ransomware attack on the Computer servers of the Company and accounting software of the company was affected and due to which the company had to shift its books of account to a new accounting software using the back up of the data available in the servers. The Management of the company has taken appropriate steps and due care regarding the completeness and accuracy of the data while transferring the data to the new software and no significant data was lost due to the said ransomware attack

6) The Company has adopted modified retrospective approach under Ind AS 116 - Leases, with effect from April 01, 2019. Accordingly the Company has recognized 'Right of use' assets of Rs. 15.18 lakhs (including reclassification of leasehold land of Rs 1.50 lakhs) and present value of lease liabilities of Rs. 21.22 lakhs as on April 01, 2019. In the statement of profit and loss for the current period, instead of rent expenses (as accounted under previous periods), amortization of right of use has been accounted under depreciation and amortization expenses and unwinding of discount on lease liabilities has been accounted under finance cost. Accordingly, current period's figures are not comparable with previous periods to that extent. The net impact of adopting the standard on the results and earnings per share is not material.

7) The figures for the corresponding periods have been regrouped and rearranged wherever necessary, to make them comparable

Date: November 09, 2019  
Place: Mumbai

*R R Patil*  
R R Patil  
(CEO & MD)  
(DIN: 07568951)





**Gokak Textiles Limited**  
Statement of Assets and Liabilities as at September 30, 2019

Rs. In Lakhs

Consolidated		Statement of Assets and Liabilities	Standalone	
As at 30.09.2019 Unaudited	As at 31.03.2019 Audited		As at 30.09.2019 Unaudited	As at 31.03.2019 Audited
		<b>Assets</b>		
		<b>1 Non-current assets</b>		
9,638.62	9,977.39	a) Property, Plant and Equipment	7,057.95	7,349.67
7.85	10.11	b) Capital work-in-progress	-	-
11.35	11.35	c) Investment Property	11.35	11.35
-	0.28	d) Intangible Assets	-	0.28
14.09	-	e) Right of Use Assets	14.09	-
		<b>f) Financial Assets:</b>		
		i) Investments		
		a) Investments in Subsidiary	2,499.00	2,499.00
0.03	0.03	b) Other Investments	0.03	0.03
142.38	142.38	iii) Other financial assets	242.38	242.38
		<b>g) Tax assets</b>		
		i) Deferred tax assets (net)	-	-
85.44	83.85	ii) Income tax assets (net)	68.48	64.57
1,057.20	1,173.41	h) Other non-current assets	1,052.71	1,161.23
<b>10,956.96</b>	<b>11,398.80</b>	<b>Total Non-current assets</b>	<b>10,945.99</b>	<b>11,328.51</b>
		<b>2 Current assets</b>		
2,032.37	2,485.05	a) Inventories	2,017.40	2,472.21
		<b>b) Financial Assets:</b>		
1,121.02	1,130.00	i) Trade receivables	694.59	868.44
665.83	31.68	ii) Cash and cash equivalents	523.38	20.08
955.55	921.50	iii) Bank balances other than (ii) above	8.16	4.00
273.61	241.72	iv) Other financial assets	273.61	241.72
333.81	332.38	c) Other current assets	307.46	290.48
20.04	68.15	d) Assets classified as held for sale	20.04	68.15
<b>5,402.23</b>	<b>5,210.48</b>	<b>Total Current assets</b>	<b>3,844.64</b>	<b>3,965.08</b>
<b>16,359.19</b>	<b>16,609.28</b>	<b>Total Assets</b>	<b>14,790.63</b>	<b>15,293.59</b>
		<b>Equity and Liabilities</b>		
		<b>Equity</b>		
649.93	649.93	a) Equity share capital	649.93	649.93
(7,783.48)	(5,663.34)	b) Other equity	(1,479.26)	755.81
(680.62)	(583.05)	c) Non Controlling Interest	-	-
<b>(7,814.17)</b>	<b>(5,596.46)</b>	<b>Total Equity</b>	<b>(829.33)</b>	<b>1,405.74</b>
		<b>Liabilities</b>		
		<b>1 Non-current liabilities</b>		
5,278.62	5,738.90	a) <b>Financial liabilities:</b>		
18.75		i) Borrowings	2,700.37	2,556.15
21.11		ii) Lease Liabilities	18.75	-
1,213.83	1,189.25	iii) Other financial liabilities	21.12	19.30
6,532.31	6,928.15	b) Provisions	1,209.94	1,186.53
		<b>Total Non-current liabilities</b>	<b>3,950.18</b>	<b>3,761.98</b>
		<b>2 Current liabilities</b>		
12,636.74	10,475.64	a) <b>Financial liabilities:</b>		
1.73	-	i) Borrowings	7,786.68	6,481.73
3,033.30	2,952.64	ii) Lease Liabilities	1.73	-
1,877.22	1,757.92	iii) Trade payables	3,133.65	2,982.31
18.59	11.03	iv) Other financial liabilities	667.27	578.30
73.47	80.36	b) Provisions	18.59	10.76
17,641.05	15,277.59	d) Other current liabilities	61.86	72.77
		<b>Total Current Liabilities</b>	<b>11,669.78</b>	<b>10,125.87</b>
<b>24,173.36</b>	<b>22,205.74</b>	<b>Total Liabilities</b>	<b>15,619.96</b>	<b>13,887.85</b>
<b>16,359.19</b>	<b>16,609.28</b>	<b>Total Equity and Liabilities</b>	<b>14,790.63</b>	<b>15,293.59</b>



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Gokak Textiles Limited Statement of Cash flows for the half year ended September 30, 2019				
Consolidated (Unaudited)		Particulars	Standalone (Unaudited)	
Half Year ended September 30, 2019	Half Year ended September 30, 2018		Half Year ended September 30, 2019	Half Year ended September 30, 2018
Rs. in lakhs	Rs. in lakhs		Rs. in lakhs	Rs. in lakhs
(2,210.22)	(1,187.13)	Net profit before Tax	(2,227.53)	(1,478.74)
(959.16)	274.29	Operating profit before changes in assets and liabilities	(1,425.29)	(486.70)
(209.66)	381.48	Cash flows From operating activities (a)	(486.39)	(88.58)
111.96	65.95	Cash flows from investing activities (b)	94.86	35.34
731.86	(518.24)	Cash flows from financing activities (c)	896.83	34.25
634.16	(70.81)	Net increase / (decrease) in cash and cash equivalents (a+b+c)	503.30	(18.99)
31.68	105.68	add: Cash and Cash equivalents at the beginning of the year	20.08	46.36
665.84	34.87	Cash and Cash equivalents at the end of the year	523.38	27.39

RRS at



# BATLIBOI & PUROHIT

## Chartered Accountants

### Independent Auditor's Report on the Quarterly and Year to date Unaudited Standalone Financial Results of Gokak Textiles Limited pursuant to Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

#### Review Report to The Board of Directors of Gokak Textiles Limited

1. We have reviewed the accompanying statement of unaudited standalone financial results of **Gokak Textiles Limited** ("the Company") for the quarter and half year ended September 30, 2019 ("the Statement"), attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").
2. This Statement, which is the responsibility of the Company's management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), specified under Section 133 of the Companies Act, 2013, as amended read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (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 Statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and an analytical procedure 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.
4. Based on our review conducted and procedures performed as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Standalone Statement of unaudited financial results has not been prepared in all material respects in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India and has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.



5. We draw attention to Note 3 of the Statement which indicates that the Company has accumulated losses of Rs. 24,056.81 lakhs as on September 30, 2019 and its current liabilities exceed its current assets by Rs. 7,825.14 lakhs as on that date. However, the Standalone Statement has been prepared on a going concern basis for the reasons stated in the said note of the Statement. Our opinion is not modified in respect of this matter.
6. We draw attention to Note 2 of the Statement that the figures of Statement of Standalone Cash Flows for the corresponding half year ended September 30, 2018, as reported in the accompanying Statement have been approved by the Company's Board of Directors, but have not been subjected to review.

**For Batliboi & Purohit**  
Chartered Accountants  
ICAI Firm Reg. No. 101048W



**Kaushal Mehta**  
Partner  
Membership No. 111749



Place: Mumbai  
Date: November 9, 2019  
ICAI UDIN: 19111749AAAAEC 1045