DASS KHANNA & CO.
CHARTERED ACCOUNTANTS

B-XX-2815, GURDEV NAGAR,
PAKHOWAL ROAD,
LUDHIANA - 141 001
Tele. No. 0161-2402492
E-Mail:dasskhannaco@yahoo.com
PAN: AABFD 5151 G

LIMITED REVIEW REPORT

To

The Board of Directors
Garg Acrylics Limited,
Ludhiana

1. **Introduction**

We have reviewed the accompanying statements of unaudited financial results of Garg Acrylics Limited (the company) for the quarter and six months period ended 30th September, 2016. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on these financial statements based on our review.

2. **Scope of Review**

We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditors 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 provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

3. **Emphasis of Matter**

We draw your attention to the following matters in the notes to unaudited Financial Results :

i. Note (iii) to the unaudited Financial Results which describes that Deferred Tax Asset/Deferred Tax Liability has not been provided in the quarter and six months ended on September 30, 2016. The same will be calculated and provided at the year end. Accordingly, we are unable to comment on the impact of the same on results for the quarter and six months ended on September 30, 2016.

ii. Note (iv) to the unaudited Financial Results which describes that Provision for gratuity liability to employees has been made on estimated basis. The short/excess if any on the basis of actuarial valuation as per revised accounting standard AS-15 "Retirement Benefits" would be made in the audited accounts for the year ended 31-03-2017. Accordingly, we are unable to comment on the impact of the same on results for the quarter and six months ended on September 30, 2016.

Our Conclusion is not modified in respect of these matters.

DASS KHANNA & CO. LUDHIANA

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4. **Conclusion**

Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results, prepared in accordance with the applicable Accounting Standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

For DASS KHANNA & CO.
CHARTERED ACCOUNTANTS
Firm Reg. No. 000402N

LUDHIANA

Rakesh Soni

CA RAKESH SONI
(PARTNER)
M. No. 83142

PLACE: LUDHIANA
DATED: 14.11.2016

GARG ACRYLICS LIMITED, LUDHIANA

Part- 1: Statement of Unaudited Financial Results for the Quarter/ Six Months Period ended 30th Sept,2016

(Rs. in Crores)

Particulars	Sr. No.	Quarter ended			Period ended		Year ended
		30.09.2016	30.06.2016	30.09.2015	30.09.2016	30.09.2015	31.03.2016
		(Unaudited)			(Unaudited)		(Audited)
INCOME FROM OPERATIONS							
a) NET SALES / INCOME FROM OPERATIONS (Net of Excise Duty)	1	310.72	289.32	355.59	600.04	644.76	1258.05
b) OTHER OPERATING INCOME	2	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL INCOME FROM OPERATIONS (Net) (1+2)	3	**310.72**	**289.32**	**355.59**	**600.04**	**644.76**	**1258.05**
EXPENSES							
a) Cost of materials consumed		180.71	170.10	180.75	350.81	335.65	678.10
b) Purchases of stock-in -trade		16.97	13.47	60.21	30.44	94.73	184.79
c) Changes in inventories of finished goods, work-in-progress and stock-in-trade		-1.96	-3.42	4.36	-5.38	4.83	-10.64
d) Employee benefits expense		14.43	11.83	12.41	26.26	22.65	49.02
e) Depreciation and amortisation expense		21.71	21.27	18.78	42.98	36.89	74.27
f) Other expenses		57.47	56.15	59.30	113.62	109.72	208.08
TOTAL EXPENSES	4	**289.33**	**269.40**	**335.81**	**558.73**	**604.47**	**1183.62**
PROFIT/(LOSS) FROM OPERATIONS BEFORE OTHER INCOME, FINANCE COSTS & EXCEPTIONAL ITEMS (3-4)	5	**21.39**	**19.92**	**19.78**	**41.31**	**40.29**	**74.43**
OTHER INCOME	6	0.61	0.57	0.51	1.18	0.82	3.45
PROFIT/(LOSS) FROM ORDINARY ACTIVITIES BEFORE FINANCE COSTS & EXCEPTIONAL ITEMS(5+6)	7	**22.00**	**20.49**	**20.29**	**42.49**	**41.11**	**77.88**
FINANCE COSTS	8	**14.59**	**14.48**	**16.06**	**29.07**	**33.15**	**63.86**
PROFIT/(LOSS) FROM ORDINARY ACTIVITIES AFTER FINANCE COSTS BUT BEFORE EXCEPTIONAL ITEMS(7-8)	9	**7.41**	**6.01**	**4.23**	**13.42**	**7.96**	**14.02**
EXCEPTIONAL ITEMS	10	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**
PROFIT/(LOSS) FROM ORDINARY ACTIVITIES (9-10)	11	**7.41**	**6.01**	**4.23**	**13.42**	**7.96**	**14.02**
TAX EXPENSE	12	**1.49**	**1.21**	**0.89**	**2.70**	**1.64**	**-0.16**
NET PROFIT FOR THE PERIOD (11-12)	13	**5.92**	**4.80**	**3.34**	**10.72**	**6.32**	**14.18**
PAID UP EQUITY SHARE CAPITAL	14	**0.83**	**0.83**	**0.83**	**0.83**	**0.83**	**0.83**
(Ordinary shares of Rs. 10/- each)							
RESERVES EXCLUDING REVALUATION RESERVES	15	--	--	--	--	--	**220.89**
EARNINGS PER SHARE (of Re. 10/- each) (not annualised):	16						
(a) Basic (Rs.)		**71.30**	**57.81**	**40.22**	**129.10**	**76.11**	**170.88**
(b) Diluted (Rs.)		**71.30**	**57.81**	**40.22**	**129.10**	**76.11**	**170.88**

PART II: Select information for the Quarter/ Six Months Period ended 30th Sept,2016

A. Particulars of Shareholding	Quarter ended			Period ended		Year ended
	30.09.2016	30.06.2016	30.09.2015	30.09.2016	30.09.2015	31.03.2016
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)		(Audited)
1. PUBLIC SHAREHOLDING						
- NUMBER OF SHARES	**362940**	**362940**	**362940**	**362940**	**362940**	**362940**
- PERCENTAGE OF SHAREHOLDING	**43.71%**	**43.71%**	**43.71%**	**43.71%**	**43.71%**	**43.71%**
2. PROMOTERS AND PROMOTER GROUP SHAREHOLDING						
a) Pledged / Encumbered	**N.A.**	**N.A.**	**N.A.**	**N.A.**	**N.A.**	**N.A.**
b) Non - encumbered						
- NUMBER OF SHARES	**467410**	**467410**	**467410**	**467410**	**467410**	**467410**
- PERCENTAGE OF SHAREHOLDING	**56.29%**	**56.29%**	**56.29%**	**56.29%**	**56.29%**	**56.29%**

DASS KHANNA & CO. CA LUDHIANA CHARTERED ACCOUNTANTS

GARG ACRYLICS LTD. SIGNATURE

B. Investor Complaints	Qtr Ended 30.09.2016
Pending at the beginning of the quarter	Nil
Received during the quarter	Nil
Disposed off during the quarter	Nil
Remaining unresolved at the end of the quarter	Nil

Segment-wise Revenue for the Quarter/ Six Months Period ended 30th Sept,2016

The company is mainly engaged in the business of manufacturing of textiles consisting of yarn and garments. Considering the nature of business and financial reporting of the Company, the Company has only one segment textile as reportable segment. The Company operates in Local & Export segments geographically. The sale for both is separately given, but due to the nature of business, the assets/liabilities and expenses for these activities cannot be bifurcated separately.

The financial information about geographical segment is presented below: **(Rs. in Crores)**

		Quarter ended			Period ended		Year ended
		30.09.2016	30.06.2016	30.09.2015	30.09.2016	30.09.2015	31.03.2016
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)		(Audited)
1	**Segment Revenue**						
	Textiles						
	-with in India	189.17	157.15	221.17	346.32	375.03	761.58
	-outside India	121.55	132.17	134.42	253.72	269.73	496.47
	Total Revenue	**310.72**	**289.32**	**355.59**	**600.04**	**644.76**	**1258.05**

Notes :

(i) The Audited Financial Results was reviewed by the Audit Committee and approved at the meeting of the Board of Directors of the Company held on 14th November, 2016. The statutory Auditor have carried out the Limited Review Report.

(ii) Figures for the previous periods are re-classified / re-arranged / re-grouped, wherever necessary, to correspond with the current period's classification / disclosure.

(iii) Deferred tax Assets/Deferred Tax liability for the year ended 31-03-2017 will be made at the year end. No provision/adjustment for the same has been made in the quarterly/year to date results ended 30-09-2016.

(iv) Provision for gratuity liability to employees has been made on estimated basis. The short/excess if any on the basis of actuarial valuation as per revised accounting standard AS-15 Retirement benefits would be made in the audited accounts for the year ended 31-03-2017

(v) Status of Investors Letters/ Complaints during the quarter ended 30th Sept 2016:-pending as on 01.07.2016-Nil, Received and Resolved during the Quarter-Nil; Pending as on 30.09.2016 -Nil.

For and on behalf of the Board

Dass Khanna & Co. Chartered Accountants Ludhiana

Garg Acrylics Ltd. Signature

Managing Director

Dated : 14th November, 2016

Place : Ludhiana

GARG ACRYLICS LIMITED

STATEMENT OF ASSETS AND LIABILITIES

(Rs in crores)

	Particulars		AS AT Sept 30, 2016 (Unaudited)	AS AT March 31, 2016 (Audited)
I	**EQUITY AND LIABILITIES**			
	1	**Shareholders' Funds**		
		Share Capital	20.83	20.83
		Reserves and Surplus	263.00	252.28
		Subtotal-Shareholders' funds	**283.83**	**273.11**
	2	**Non-Current Liabilities**		
		Long-term borrowings	294.03	347.71
		Deferred tax liabilities (Net)	15.18	15.18
		Long-term provisions	2.09	2.09
		Subtotal-Non-Current Liabilities	**311.30**	**364.98**
	3	**Current Liabilities**		
		Short-term borrowings	295.34	317.57
		Trade Payables	61.41	80.99
		Other current liabilities	89.58	89.85
		Short-term provisions	3.53	2.40
		Subtotal-Current Liabilities	**449.86**	**490.81**
		TOTAL-EQUITY AND LIABILITIES	**1044.99**	**1128.90**
II	**ASSETS**			
	1	**Non-current assets**		
		Fixed assets		
		i) Tangible assets	528.50	544.19
		ii) Intangible assets	0.06	0.06
		iii) Capital Work-in-Progress	3.43	5.70
		Non-current investments	0.04	0.04
		Long term loans and advances	8.96	8.96
		Subtotal-Non-current assets	**540.99**	**558.95**
	2	**Current assets**		
		Current investments	0.20	0.20
		Inventories	205.38	314.84
		Trade receivables	203.25	154.47
		Cash and Cash Equivalents	13.14	9.44
		Short Term Loans and advances	51.40	56.27
		Other Current Assets	30.63	34.73
		Subtotal-current assets	**504.00**	**569.95**
		TOTAL- ASSETS	**1044.99**	**1128.90**

For and on behalf of the Board

For GARG ACRYLICS LTD.

Sanjeev

Auth. Sign./Director

Managing Director

DASS KHANNA & CO. CA LUDHIANA CHARTERED ACCOUNTANTS

Dated : 14th Nov, 2016

Place : Ludhiana