DASS KHANNA & CO.
CHARTERED ACCOUNTANTS

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

INDEPENDENT AUDITOR'S REVIEW REPORT

To

The Board of Directors of
Garg Acrylics Limited

1. We have reviewed the accompanying statements of consolidated unaudited financial results of Garg Acrylics Limited and its subsidiary for the quarter ended 30th June, 2017 being submitted by the company pursuant to the requirement of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, as modified by Circular No. CIR/CFD/FAC/62/ 2016 dated July 5, 2016.

   This statement, which is the responsibility of the Company's Management and approved by the 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 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on these financial statements based on our review.

2. 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 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. The Statement includes the results of following entity:

Name of the Entity	Relationship
Garg International	Subsidiary Partnership Firm

4. Note (vi) 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 Indian accounting standard IND AS-19 Employee benefits would be made in the audited accounts for the year ended 31-03-2018. Accordingly, we are unable to comment on the impact of the same on results for the quarter ended on 30th June, 2017.

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5. We did not review the interim financial results of one subsidiary included in the consolidated financial results, whose interim financial results reflect consolidated interim financial statements reflect total assets of Rs. 5.13 Crore as at quarter ended 30th June, 2017 and total revenue of Rs. 4.50 Crore as at quarter ended 30th June, 2017. These interim financial results are unaudited and have been furnished to us by the management and our opinion on the consolidated financial results in so far as it relates to the amounts and disclosures included in respect of the said subsidiary is based solely on such unaudited financial results.
   Our report on the statement is not modified in respect of these matters.

6. Based on our review conducted as above, subject to our comment appearing in paragraph 4 above regarding inclusion of interim financial statement of one subsidiary for which review report have not been received by us and are included in the statement based on management accounts, nothing has come to our attention that causes us to believe that the accompanying statement, prepared in accordance with aforesaid Indian Accounting Standards and other accounting principles 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) Regulation, 2015 as modified by 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 DASS KHANNA & CO.
CHARTERED ACCOUNTANTS
Firm Reg. No. 000402N

DASS KHANNA & CO. LUDHIANA CHARTERED ACCOUNTANTS

Rakesh Soni

PLACE: LUDHIANA
DATED: 14.08.2017

CA RAKESH SONI
(PARTNER)
M. No. 83142

Garg Acrylics Limited

Statement of unaudited consolidated financial results for the quarter ended 30 June, 2017

(Rs. In Lacs)

Sr. No.		Particulars (Refer Notes below)	3 months ended 30 June 2017	Corresponding 3 months ended 30 June 2016
1		Revenue from Operations	33227.50	28990.02
2		Other Income	23.35	67.09
3		Total income (1+2)	33250.85	29057.11
4		Expenses		
	a)	Cost of materials consumed	17819.00	17010.14
	b)	Purchases of stock-in -trade	2268.74	1459.69
	c)	Changes in inventories of finished goods, work-in-progress and stock-in-trade	1701.29	-342.96
	d)	Employee benefits expense	1439.94	1209.99
	e)	Finance Cost	1476.01	1479.62
	f)	Excise Duty	22.29	14.62
	g)	Depreciation and amortisation expense	1805.96	2139.44
	h)	Power & Fuel	3163.85	3276.78
	i)	Other expenses	2558.12	2266.38
		Total expenses	32255.20	28513.70
5		Profit before exceptional items, corporate social responsibility expenditure and tax (3-4)	995.65	543.40
6		Exceptional items	0.00	0.00
7		Profit before tax (5-6)	995.65	543.40
8		Tax expense		
		-Current Tax	372.00	121.00
		-Deferred Tax Asset(Liability)	171.31	109.01
9		Profit for the period (7-8)	794.96	531.41
10		Minority Interest	0.75	0.09
11		Profit for the period after taxes and minotity interest (9-10)	794.21	531.32
12		Other comprehensive income		
	a)	(i) Items that will not be reclassified to profit or loss	25.84	25.84
		(ii) Income tax related to items that will not be reclassified to profit or loss	8.94	8.94
	b)	(i) Items that will be reclassified to profit or loss		
		(ii) Income tax related to items that will be reclassified to profit or loss		
13		Total comprehensive income for the period (11+12)	811.11	548.22
14		Paid-up equity share capital (face falue of Rs. 10/- each)	83.04	83.04
15		Other equity excluding revaluation reserves as per balance sheet of previous accounting year.	--	--
16		Earning per share (of Rs.10/- each) (not annualised)		
	(a)	Basic	97.68	66.02
	(b)	Diluted	97.68	66.02

For and on behalf of Board of Directors

Place: Ludhiana
Date: 14-08-2017

DASS KHANNA & CO. CHARTERED ACCOUNTANTS LUDHIANA

Sanjiv Garg
Managing Director
DIN:00217156

Notes:

1	The above consolidated financial results includes result of its subsidiary Garg International.
2	The above consolidated financial results were reviewed by the Audit Committee and approved at the meeting of the Board of Directors of the Company held on 14 August, 2017. The statutory auditors have carried the Limited Review Report.
3	The company has adopted Indian Accounting Standard ('IND AS') from 1 April, 2017 (transition date being 1 April 2016) and accordingly, these financial results have been prepared in accordance with Companies (Indian Accounting Standards) Rules, 2015 as amended by Companies (Indian Accounting Standards) Rules, 2016. These financial results have been prepared in accordance with recognition and measurement principles in Ind AS 34, Interim Financial Reporting, prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder and the other accounting principles generally accepted in India.
4	Figures for the previous periods are re-classified / re-arranged / re-grouped, wherever necessary, to correspond with the current period's classification / disclosure.
5	Business segments have been identified based on the nature and class of products and services, assessment of differential risks and returns. Accordingly, the Company is a single segment company operating in textile business and disclosure requirements as contained in Ind AS-108 "Operating Segments" are not required in the standalone financial statements.
6	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 Indian accounting standard IND AS-19 Employee benefits would be made in the audited accounts for the year ended 31-03-2018
7	Reconciliation of net profit after tax as previously reported under Indian GAAP and IND AS for the quarter under 30 June 2016 is given below. The management has also provided a reconciliation of net profit after tax that would have been determined under the previous applicable Indian GAAP with net profit after tax under IND AS.

(Rs. In Lacs)

Particulars	Notes		Qtr ended 30 June 2016
Net profit as per previous Indian GAAP			481.83
Deferred tax impact not reported earlier			94.78
Adjusted Net Profits as per Previous Indian GAAP			576.61
Adjustments on account of			
1. Measurement of financial assets and liabilitiies at amortised cost	7a		-9.22
2. Reclassification of acturial gain (loss) arising in respect of defined benefit plan to "Other comprehensive income".	7b		-25.84
3. Fair value measurement of investments through FVTPL	7c		0.02
4. Financial Impact of Compound Financial Instruments			-15.92
5. Other adjustments			-8.56
6. Deferred Tax impact on above adjustments			14.22
Profit for the period			531.31
Other comprehensive income	7b		16.90
Net profit for the period under IND AS			**548.22**

a. Under previous Indian GAAP, all financial assets and liabilities were carried at costs. Under IND AS, certain financial assets and liabilities are intitially recognised at fair value and subsequently measured at amortised cost.

b. Under previous Indian GAAP, acturial gains and losses were recognised in the statement of profit and loss. Under Ind AS, the acturial gains and losses are recognized in other comprehensive income.

c. Under previous Indian GAAP, the Company's investments in equity shares were being valued at lower of cost or net realisable value. As per Ind AS 109, Financial Instruments, these investment in equity shares are to be classified through fair value profit or loss (FVPL). Pursuant to requirement of Ind AS 109, Financial Instruments, the Company has valued its investments in equityshares at fair value and resultant impact is recognized in operating reserves as on the date of transition i.e. 1 April, 2016 and changes thereafter have been recognized in statement of profit and loss for the respective accounting periods.

Place: Ludhiana
Date: 14.08.2017

DASS KHANNA & CO. CHARTERED ACCOUNTANTS LUDHIANA

For and on behalf of Board of Directors

Sanjiv Garg
Managing Director
DIN:00217156