

Mill Address :

Gokak Falls - 591 308, Dist. Belagavi,
Karnataka, India
Tel. No. : +91-8332-285367
CIN : L17116KA2006PLC038839
GSTIN : 29AACCG8244P1ZX


Registered Office :

#1, 2nd Floor, 12th Cross, Ideal Homes,
Near Jayanna Cricle, Rajarajeshwari Nagar,
Bengaluru - 560 098
Tel. : +91 80 297 44 077 / 297 44 078
Website : www.gokakmills.com
Visit Online : https://gokaktrends.com

Gokak Textiles Limited
Statement of Unaudited Standalone Financial Results for the Quarter ended June 30, 2023

Particulars	(Rs. in Lakhs)			
	Quarter ended	Quarter ended	Quarter ended	Year ended
	30.06.2023	31.03.2023	30.06.2022	31.03.2023
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
1 Income				
a) Revenue from operations	2,825.83	2,185.26	2,044.32	7,902.73
b) Other Income	41.70	100.00	35.26	361.94
Total Income	2,867.53	2,285.27	2,079.58	8,264.67
2 Expenses				
a) Cost of materials consumed	2,078.57	1,367.47	1,035.98	5,251.22
b) Changes in inventories of finished goods and work-in-progress	(92.94)	35.20	7.29	61.45
c) Employee benefits expense	738.32	751.04	665.83	2,707.72
d) Finance costs (Refer Note 5 below)	145.04	(621.21)	392.52	448.99
e) Depreciation and amortisation expense	117.95	132.04	124.08	503.50
f) Power and Fuel Expenses	425.90	349.76	292.15	1,169.46
g) Other expenses	228.41	242.36	215.82	854.56
Total expenses	3,641.25	2,256.67	3,033.67	10,996.91
3 Profit/(Loss) before Exceptional Items (1-2)	(773.72)	28.60	(954.09)	(2,732.24)
4 Exceptional Items - Income (Refer Note 6 below)	-	3,091.06	-	3,091.06
5 Profit/(Loss) before Tax (3-4)	(773.72)	3,119.66	(954.09)	358.82
Current tax	-	-	-	-
Deferred tax	-	-	-	-
6 Tax expense	-	-	-	-
7 Net Profit/(Loss) for the period/year (5-6)	(773.72)	3,119.66	(954.09)	358.82
8 Other Comprehensive Income				
A (i) Items that will not be reclassified to profit or loss	-	66.60	-	66.60
(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	-	-	-	-
Other Comprehensive Income (Net of tax)	-	66.60	-	66.60
9 Total Comprehensive Income (7+8)	(773.72)	3,186.26	(954.09)	425.42
10 Paid-up equity share capital (Face Value of Rs. 10 each)	649.93	649.93	649.93	649.93
11 Instruments entirely equity in nature	-	-	-	10,922.27
12 Other Equity	-	-	-	(10,246.76)
13 Basic and diluted Earnings per share (In Rupees per share)	(11.90)	48.00	(14.68)	5.52
See accompanying notes to the standalone financial results.				

1) The above standalone financial results for quarter ended June 30, 2023 ("the Results") of Gokak Textiles Limited ("the Company") which are published in accordance with Regulation 33 of the SEBI (Listing Obligations & Disclosure Requirements), 2015 have been reviewed by the Audit Committee of the Board and are subsequently, taken on record by the Board of Directors of the Gokak Textiles Limited ("the Company") at their meeting held on August 11, 2023. The Results are in accordance with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013. The statutory auditors have reviewed the above results and have expressed an unmodified conclusion thereon.

2) The Company has incurred net loss of Rs. 773.72 lakhs during the quarter, its standalone accumulated losses were Rs. 33,598.05 lakhs as at June 30, 2023. The continuity of the operations of the Company is dependent upon the continued operational and financial support of Shapoorji Pallonji & Company Private Limited (the Ultimate Holding Company).

Consequent to the overall slowdown in the textile industry, the Company also witnessed slowdown for demand of its yarns during the current year and the Management believes that this slowdown is temporary and market situation will improve in the coming months. Further the Company anticipates cost savings on raw materials and other operating expenses in the coming period due to alternative options available and also additional power supply from solar power plant of a fellow subsidiary at a reduced cost. Currently, the Company does not have any external borrowings and is awaiting the NCLT order for the Scheme of merger and restructuring as detailed in Note 4 below. Based on these reasons, the financial results of the Company have been prepared on a going concern basis.

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

4) The Board of Directors of the Company, at their Board Meeting held on November 12, 2021, has inter alia, approved the Composite Scheme of Arrangement ("the scheme") under Section 230 to 232 read with Section 66 and other applicable provisions of the Companies Act, 2013 and the rules and regulations made thereunder. The Scheme, inter alia, provides for:

- Amalgamation by way of absorption of Suryoday One Energy Private Limited ("Suryoday") with and into the Company and;
- Reduction of Share Capital and Re-organisation of reserves of the Company in a manner as set out in the Scheme.

The "Appointed Date" as per the scheme is April 01, 2021 or such other date as may be approved by the Honourable National Company Law Tribunal ("the NCLT"), for the purposes of this Scheme.

The Scheme has been approved by the shareholders of the Company in their meeting held on December 26, 2022. Subsequently, the petition has been admitted by the NCLT on February 06, 2022 which has directed notice to the statutory authorities and publication of the notice in newspapers. Next hearing of the petition will be on August 17, 2023. Pending the final approval of the Scheme, the financial results of the Company have been prepared without giving any

5) Finance cost for the quarter ended March 31, 2023 was negative due to reversal of interest expense of Rs. 732.84 lakhs on inter corporate deposit (ICD), from the Ultimate Holding Company, accounted up to nine months ended December 31, 2022 which was reversed on account of revised terms agreed with the Ultimate Holding Company on February 28, 2023 to convert the principal amount of said ICD of Rs.8,457.00 lakhs into Perpetual Loan with effect from April 01, 2022.

6) Exceptional item of Rs. 3,091.06 lakhs during the quarter and year ended March 31, 2023, was pertaining to full waiver of the interest accrued on Inter Corporate Deposits upto March 31, 2022 by the Ultimate Holding Company.

7) The figures for the quarter ended March 31, 2023 are balancing figures between the audited figures in respect of the full financial years and the published year to date unaudited figures for the nine months ended December 31, 2022 for which auditors has performed limited review.

Place: Gokak Falls, Gokak
Date: August 11, 2023



R R Patil
R R PATIL
CEO & Managing Director
(DIN: 07568951)



BATLIBOI & PUROHIT

Chartered Accountants

Independent Auditor's Review Report on review of standalone unaudited interim financial results

To the Board of Directors of Gokak Textiles Limited

1. We have reviewed the accompanying statement of Standalone unaudited financial results of **Gokak Textiles Limited** ('the Company') for the quarter ended June 30, 2023 ('the Statement') being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('the Listing Regulations').
2. The 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 ('the Act'), and other accounting principles generally accepted in India and is in compliance with Regulation 33 of the Listing Regulations. 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. 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 the Standards on Auditing specified under Section 143(10) of the Act, 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.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Ind AS 34 and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in accordance with the requirements of Regulation 33 of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. We draw attention to Note 2 of the Statement which states that the Company has incurred net loss during the quarter ended June 30, 2023, it has accumulated losses and its net worth is negative as at June 30, 2023. The Management's statement in respect of going concern assessment is set out in the said Note of the Statement. Accordingly, the Company's unaudited standalone financial results have been prepared on a going concern basis.

Our conclusion is not modified in respect of this matter.

6. We draw attention to Note 4 of the Statement in respect the Composite Scheme of Arrangement ('the Scheme') approved by the Board of Directors of the Company on November 12, 2021 and subsequently, by the shareholders of the Company on December 26, 2022, having proposed 'Appointed Date' of April 01, 2021 or any other date as approved by National Company law Tribunal ("NCLT"). Pending the approval of the Scheme by the NCLT, as stated in the said Note, the unaudited standalone financial results of the Company are prepared without giving effect to the said Scheme.

Our conclusion is not modified in respect of this matter.

For BATLIBOI & PUROHIT

Chartered Accountants

Firm Reg No. 101048W



N. S. Gaur

Membership No. 137138

Date: August 11, 2023

Place: Gokak

ICAI UDIN: 23137138BGYKYB9902





Mill Address :
Gokak Falls - 591 308, Dist. Belagavi,
Karnataka, India
Tel. No. : +91-8332-285367
CIN : L17116KA2006PLC038839
GSTIN : 29AACCG8244P1ZX

Registered Office :
#1, 2nd Floor, 12th Cross, Ideal Homes,
Near Jayanna Cricle, Rajarajeshwari Nagar,
Bengaluru - 560 098
Tel. : +91 80 297 44 077 / 297 44 078
Website : www.gokakmills.com
Visit Online : https://gokaktrends.com

Gokak Textiles Limited
Statement of Unaudited Consolidated Financial Results for Quarter ended June 30, 2023

Sr. No.	Particulars	Consolidated			
		Quarter ended	Quarter ended	Quarter ended	Year ended
		30.06.2023 (Unaudited)	31.03.2023 (Audited)	30.06.2022 (Unaudited)	31.03.2023 (Audited)
1	Income				
	a) Revenue from operations	2,847.50	2,173.77	2,182.70	8,422.65
	b) Other Income	41.73	100.06	36.38	367.50
	Total Income	2,889.23	2,273.83	2,219.08	8,790.15
2	Expenses				
	a) Cost of materials consumed	2,078.57	1,367.46	1,335.98	5,251.22
	b) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(92.94)	35.20	7.29	61.45
	c) Employee benefits expense	756.99	786.68	863.80	2,781.35
	d) Finance cost (Refer Note 5 below)	275.73	(492.06)	550.17	999.34
	e) Depreciation and amortisation expense	144.59	157.89	150.22	608.36
	f) Power and fuel expenses	368.10	227.19	229.09	733.75
	g) Other expenses	265.04	294.90	212.56	1,032.13
	Total expenses	3,796.08	2,357.25	3,209.11	11,467.60
3	Profit/(Loss) from Operations before Exceptional Items (1-2)	(906.85)	(83.42)	(990.03)	(2,677.45)
4	Exceptional Items (Refer Note 3(a) and 3(b))	-	3,091.06	212.35	3,303.42
5	Profit/(Loss) from Ordinary activities Before Tax (3-4)	(906.85)	3,007.64	(777.68)	625.97
	Current tax	-	-	-	-
	Deferred tax	-	-	-	-
6	Tax expense	-	-	-	-
7	Net Profit/(Loss) for the period (5-5)	(906.85)	3,007.64	(777.68)	625.97
8	Other Comprehensive Income (Net of tax)				
	A (i) Items that will not be reclassified to profit or loss	-	64.69	-	64.69
	(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	-	-	-	-
	Other Comprehensive Income (Net of tax)	-	64.69	-	64.69
9	Total Comprehensive Income (9+10)	(906.85)	3,072.33	(777.68)	690.66
10	Profit for the year attributable to:				
	- Owners of the Company	(813.17)	2,892.65	(834.69)	543.18
	- Non-Controlling Interest	(93.68)	114.99	57.00	82.79
		(906.85)	3,007.64	(777.69)	625.97
11	Other comprehensive income for the year attributable to:				
	- Owners of the Company	-	65.63	-	65.63
	- Non-Controlling Interest	-	(0.94)	-	(0.94)
		-	64.69	-	64.69
12	Total comprehensive income for the year attributable to:				
	-Owners of the Company	(813.17)	2,958.28	(834.69)	608.81
	-Non Controlling Interest	(93.68)	114.95	57.00	81.85
		(906.85)	3,073.23	(777.69)	690.66
13	Paid-up equity share capital (Face Value of Rs. 10 each)	649.93	649.93	649.93	649.93
14	Basic and diluted Earnings per share (In Rupees per share)	(12.51)	44.51	(12.84)	8.36

See accompanying notes to the unaudited consolidated financial results.

1) The above unaudited consolidated financial results for quarter ended June 30, 2023 ('the Results') of Gokak Textiles Limited ('the Company') and its subsidiary (collectively referred to as 'the Group') which are published in accordance with Regulation 33 of the SEBI (Listing Obligations & 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 August 11, 2023. The consolidated 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 reviewed the above results and have expressed an unmodified conclusion thereon.

2) The Group incurred net consolidated loss of Rs. 906.85 lakhs for the quarter ended June 30, 2023 and has accumulated losses of Rs. 39049.55 lakhs as at June 30, 2023. Further, the Group's net worth is negative as at June 30, 2023. The continuity of the operations of the Group is dependent upon the continued operational and financial support of the Shapoorji Pallonji and Company Private Limited (the Holding Company). The Company has witnessed demand for its yarns during the current period and the Management believes that it is likely to continue. Due to adequate labour available at the Plant the Company will be able to meet the demand. Further the Company anticipates cost savings on raw materials and other operating expenses in the current year due to alternative options available. Currently, the Company does not have any external borrowings. The Board of Directors of the Company has also approved a Composite Scheme of Arrangement (Refer Note 4) to improve the position of the Company. Accordingly, the Results of the Group have been prepared on a going concern basis.

3) (a) Gokak Power & Energy Ltd, the subsidiary company, had filed the full and final insurance claim on May 06, 2021 relating to the damages to its hydro power plant due to floods, in the year 2019-20. The said claim was approved and remaining final settlement amount of Rs. 212.35 lakhs has been received on June 28, 2022.

(b) Exceptional item of Rs. 3,091.06 lakhs during the quarter and year ended March 31, 2023, was pertaining to full waiver of the interest accrued on Inter Corporate Deposits upto March 31, 2022 by the Ultimate Holding Company.

4) The Board of Directors of the Company, at their Board Meeting held on November 12, 2021, has inter alia, approved the Composite Scheme of Arrangement ('the scheme') under Section 230 to 232 read with Section 68 and other applicable provisions of the Companies Act, 2013 and the rules and regulations made thereunder. The Scheme, inter alia, provides for:

- Amalgamation by way of absorption and vesting of Suryoday One Energy Private Limited ('Suryoday') with and into the Company and;
- Reduction of Share Capital and Re-organisation of reserves of the Company in a manner as set out in the Scheme.

The 'appointed date' as per the scheme is April 01, 2021 or such other date as may be approved by the Honourable National Company Law Tribunal(s), for the purposes of this Scheme. The Scheme as aforesaid shall be subject to necessary approvals by the Stock Exchanges, Securities and Exchange Board of India, Shareholders, applicable Jurisdictional Bench of National Company Law Tribunal ('NCLT') and such other statutory and regulatory approvals as may be required. Pending such approvals, the Results have been prepared without giving any effect to the said Scheme.

5) Finance cost for the quarter ended March 31, 2023 was negative due to reversal of interest expense of Rs. 732.84 lakhs on inter corporate deposit (ICD), from the Ultimate Holding Company, accounted up to nine months ended December 31, 2022 which was reversed on account of revised terms agreed with the Ultimate Holding Company on February 28, 2023 to convert the principal amount of said ICD of Rs. 8,457.00 lakhs into Perpetual Loan with effect from April 01, 2022.

6) The figures for the quarter ended March 31, 2023 are the balancing figures between the audited figures in respect of full financial year and the unaudited published year to date figures up to the quarter ended December 31, 2022, for which auditors had performed limited review.

7) Segment disclosures have been attached as an annexure to the Results.

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

Date:
Place: Gokak



R R Patil

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



Mill Address :
Gokak Falls - 591 308, Dist. Belagavi,
Karnataka, India
Tel. No. : +91-8332-285367
CIN : L17116KA2006PLC038839
GSTIN : 29AACCG8244P1ZX



Registered Office :
#1, 2nd Floor, 12th Cross, Ideal Homes,
Near Jayanna Cricle, Rajarajeshwari Nagar,
Bengaluru - 560 098
Tel. : +91 80 297 44 077 / 297 44 078
Website : www.gokakmills.com
Visit Online : https://gokaktrends.com

Annexure to the unaudited consolidated financial results

Segment reporting:

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 30.06.2023 (Unaudited)	Quarter ended 31.03.2023 (Audited)	Quarter ended 30.06.2022 (Unaudited)	Year ended 31.03.2023 (Audited)
1	segment revenue				
	textile	2,867.53	2,285.27	2,079.58	8,264.67
	electricity and power	79.75	111.31	205.56	961.79
	inter segment	(58.05)	(122.75)	(66.06)	(436.31)
	Consolidated Revenue	2,889.22	2,273.83	2,219.08	8,790.15
2	segment result (Profit before tax)				
	textile	(773.72)	3,119.65	(954.09)	358.82
	electricity and power*	(133.13)	(112.01)	176.41	267.15
	Consolidated profit before tax	(906.86)	3,007.64	(777.68)	625.97
	<i>*after adjustment of depreciation on inter segment assets.</i>				
3	segment assets				
	textile	8,085.65	8,000.85	8,635.35	8,000.85
	electricity and power*	2,809.36	2,863.79	2,489.52	2,863.79
	inter segment	(532.32)	(579.22)	(89.70)	(579.22)
	Consolidated total assets	10,362.69	10,285.42	11,035.17	10,285.42
	<i>* after adjustment of revaluation of intersegment fixed assets.</i>				
4	segment liabilities				
	textile	10,033.20	9,174.67	22,093.47	9,174.67
	electricity and power	7,403.35	7,324.65	7,119.20	7,324.65
	inter segment	(532.32)	(579.22)	(89.70)	(579.22)
	Consolidated total liabilities	16,904.23	15,920.10	29,122.97	15,920.10
5	Capital employed*				
	textile	4,676.00	15,488.36	18,312.18	15,488.36
	electricity and power	4,900.00	4,980.00	4,900.00	4,980.00
	<i>*Invested Capital (before losses) and long term borrowings.</i>				
6	Capital expenditures				
	textile	-	25.99	-	25.99
	electricity and power	-	1.66	-	1.66
	Total capital expenditure	-	27.65	-	27.65
7	Depreciation and amortisation				
	textile	117.95	132.04	124.08	503.50
	electricity and power	26.64	25.86	26.14	104.86
	Total depreciation and amortisation	144.59	157.90	150.22	608.36
	<i>*after adjustment of depreciation on inter segment assets.</i>				



BATLIBOI & PUROHIT

Chartered Accountants

Independent Auditor's Review Report on review of unaudited consolidated interim financial results

To the Board of Directors of Gokak Textiles Limited

1. We have reviewed the accompanying statement of 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 ended June 30, 2023 ('the Consolidated Statement'), being submitted by the Holding Company pursuant to the requirements of Regulation 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('the Listing Regulations').
2. This Consolidated Statement, which is the responsibility of the Holding Company's management and approved by the Holding 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 and in compliance with Regulation 33 of the Listing Regulations. 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 Listing Regulations to the extent applicable.

4. This Consolidated Statement includes the results of Holding Company and its subsidiary i.e. Gokak Power & 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 prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. We draw attention to Note 2 of the Statement which states that the Group has incurred consolidated net loss during the quarter ended June 30, 2023, it has accumulated losses and its consolidated net worth is negative as at June 30, 2023. The Management's statement in respect of going concern assessment is set out in the said Note of the Statement. Accordingly, the unaudited consolidated financial results have been prepared on a going concern basis.

Our conclusion is not modified in respect of this matter.

7. We draw attention to Note 4 of the Statement in respect the Composite Scheme of Arrangement ('the Scheme') approved by the Board of Directors of the Holding Company on November 12, 2021 and subsequently, by the shareholders of the Holding Company on December 26, 2022, having proposed 'Appointed Date' of April 01, 2021 or any other date as approved by National Company law Tribunal ("NCLT"). Pending the approval of the Scheme by the NCLT, as stated in the said Note, the unaudited consolidated financial results of the Group are prepared without giving effect to the said Scheme.

Our conclusion is not modified in respect of this matter.

For BATLIBOI & PUROHIT

Chartered Accountants

Firm Reg No. 101048W



N. S. Gaur

Membership No. 137138

Date: August 11, 2023

Place: Gokak

ICAI UDIN: 23137138BGYKYC4586