MALHOTRA MANIK & ASSOCIATES.
CHARTERED ACCOUNTANTS

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INDEPENDENT AUDITOR'S REVIEW REPORT

To

The Board of Directors of
Garg Acrylics Limited

Introduction

We have reviewed the accompanying statements of consolidated unaudited financial results of Garg Acrylics Limited and its subsidiary for the quarter and half year ended 30th Sept 2018 and the unaudited balance sheet as at 30th September, 2018 ("the Statement"), 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.

The Statement includes the financial result of following entity :

Name of the Entity	Relationship
Garg International	Subsidiary Partnership Firm

Scope of Review

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.

Opinion

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 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.

Emphasis of Matter

Note (8) to the unaudited Financial Results 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 31-03-2019. Accordingly, we are unable to comment on the impact of the same on results for the quarter ended on 30th Sept 2018.

Other Matters

We did not review the interim financial results of one subsidiary included in the consolidated financial results, whose interim financial results reflect total assets of Rs. 217.80 Lacs for the Quarter ended 30th Sept, 2018 and total revenue of Rs. 53.05 Lacs as at Quarter ended 30th Sept, 2018. 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.

FOR MALHOTRA MANIK & ASSOCIATES
CHARTERED ACCOUNTANTS
(Firm Regn. No. 015848N)

MALHOTRA MANIK & ASSOCIATES
CA
CHARTERED ACCOUNTANTS
FRN: 015848N
M.No.:094604

Manik Malhotra

(CA. MANIK MALHOTRA)
PROP.
M.No.094604

Place: Ludhiana
Date: 14.11.2018

Garg Acrylics Limited
Regd. Office: A-50/1, Wazirpur Industrial Area, Delhi-52.
Corporate Identity Number (CIN): L74999DL1983PLC17001
Website www.gargltd.com Email: gargacrylics@yahoo.com

Statement of Consolidated Unaudited financial results for the quarter ended 30 Sept, 2018

(Rs. In Lacs)

Sr.No.	Particulars	Quarter Ended			Six months Ended		Year ended
		30-09-2018	30-06-2018	30-09-2017	30-09-2018	30-09-2017	31-03-2018
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Revenue from Operations	46709.91	35568.32	30340.03	82278.23	63567.53	135100.93
2	Other Operating Income	148.60	14.19	30.07	162.79	53.42	70.66
3	Total income from Operations(1+2)	46858.51	35582.51	30370.10	82441.02	63620.95	135171.59
4	Expenses						
	a) Cost of materials consumed	24638.43	21474.02	18649.54	46112.45	36668.54	78411.46
	b) Purchases of stock-in -trade	10621.23	2223.89	2442.22	12345.12	4710.96	11661.75
	c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	-568.16	887.79	-2668.50	319.63	-967.21	2324.95
	d) Employee benefits expense	1846.69	1544.56	1569.93	3391.25	3009.87	6354.84
	e) Finance Cost	1435.69	1716.05	1041.07	3151.74	2517.08	5453.74
	f) Depreciation and amortisation expense	1755.60	1695.42	1816.34	3451.02	3622.30	7150.09
	g) Power & Fuel	3250.42	2931.43	3388.20	6181.85	6552.05	11507.91
	h) Other expenses	2920.18	2672.46	2421.95	5592.64	5002.36	10352.88
	Total expenses	45900.08	35145.62	28860.75	81045.70	61115.95	133217.62
5	Profit before exceptional items and tax (3-4)	958.43	436.89	1509.35	1395.32	2505.00	1953.97
6	Exceptional items						
7	Profit before tax (5-6)	958.43	436.89	1509.35	1395.32	2505.00	1953.97
8	Tax expense						
	-Current Tax	214.87	230.85	182.51	445.72	554.51	1281.39
	-Deferred Tax Asset(Liability)	-95.13	189.11	149.85	93.98	321.16	549.96
9	Profit after tax	648.43	395.15	1476.69	1043.58	2271.65	1222.54
10	Minority Interest	0.36	0.27	0.67	0.63	1.41	0.83
11	Profit for the period after taxes and minority interest (9-10)	648.06	394.88	1476.02	1042.94	2270.24	1221.71
12	Other comprehensive income						
	a) (i) Items that will not be reclassified to profit or loss	11.24	11.25	25.84	22.49	51.68	44.98
	(ii) Income tax related to items that will not be reclassified to profit or loss	3.89	3.89	8.94	7.78	17.89	15.57
	b) (i) Items that will be reclassified to profit or loss	0.00	0.00	0.00	0.00	0.00	0.00
	(ii) Income tax related to items that will be reclassified to profit or loss	0.00	0.00	0.00	0.00	0.00	0.00
13	Total comprehensive income for the period (11+12)	655.41	402.24	1492.92	1057.65	2304.03	1251.12
14	Paid-up equity share capital (face falue of Rs. 10/- each)	664.28	664.28	83.04	664.28	83.04	664.28
15	Other equity excluding revaluation reserves as per balance sheet of previous accounting year.	--	--	--	--	--	24817.47
16	Earning per share (of Rs.10/- each) (not annualised)						
	(a) Basic	9.76	5.95	22.23 *	15.71	34.20 *	18.40
	(b) Diluted	9.76	5.95	22.23 *	15.71	34.20 *	18.40

*After considering allotment of Bonus Equity Shares

For and on behalf of Board of Directors

Sanjiv Garg
Managing Director
DIN:00217156

Place: Ludhiana
Date: 14-11-2018

MALHOTRA MANIK & ASSOCIATES
CHARTERED ACCOUNTANTS
FRN: 015848N
M.No.:094604
LUDHIANA

Notes:

1	The above consolidated financial results includes result of 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 November, 2018. These results have been subjected to Limited Review by the Statutory Auditors of the Company.
3	The above consolidated financial results have been prepared in accordance with the Companies (Indian Accounting Standards), Rules, 2015 (Ind AS) prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, Companies (Indian Accounting Standards) amendment Rules 2016.
4	The format for quarterly results as prescribed in SEBI circular CIR/CFD/CMD/15/2015 dated November 30, 2015 has been modified to comply with the requirements of SEBI's circular dated June 05, 2016 and Schedule III (Division II) of the Companies Act, 2013 applicable to companies that are required to comply with Ind AS.
5	Revenue from operations for the period upto 30th June, 2017 is inclusive of Excise Duty and revenue from operations for subsequent periods are net of Goods and Service Tax (GST).Accordingly, the revenue from operations for the six months period ended 30 Sept, 2017 are not comparable to the extent of excise duty amount with the previous periods presented in financial results.
6	Figures for the previous periods are re-classified / re-grouped, wherever necessary, to correspond with the current period's classification / disclosure.
7	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 consolidated consolidated financial statements.
8	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 31-03-2019.

For and on behalf of Board of Directors

Place: Ludhiana
Date: 14-11-2018

Sanjiv Garg
Managing Director
DIN:00217156

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GARG ACRYLICS LIMITED

CONSOLIDATED UNAUDITED STATEMENT OF ASSETS AND LIABILITIES

Particulars	AS AT Sept 30, 2018 (Unaudited) (Rs. In Lacs)	AS AT Mar 31, 2018 (Audited) (Rs. In Lacs)
ASSETS		
1 **Non-Current Assets**		
a) Property, Plant and Equipment	43,844.16	41,557.89
b) Capital Work-in-Progress	790.60	1,176.05
c) Other Intangible assets	8.94	9.50
d) Financial Assets		
-Investments	3.88	3.86
-Other Financial Assets	211.97	249.28
e) Other Non Current Assets	1,129.75	1,194.28
	45989.30	**44190.86**
2 **Current Assets**		
a) Inventories	23,288.76	33,871.47
b) Financial Assets		
-Investments	-	-
-Trade receivables	20,579.53	17,775.43
-Cash and Cash Equivalents	69.38	145.16
-Bank Balance other than above	362.75	583.27
-Loans to Employees	383.52	589.56
-Other Financial Assets	2,116.50	2,581.31
c) Other Current Assets	6,235.54	5,736.82
	53035.99	**61283.02**
TOTAL	**99025.29**	**105473.88**
I **EQUITY AND LIABILITIES**		
1 **Shareholders' Funds**		
a) Equity Capital	664.28	664.28
b) Other Equity	25,874.14	24,817.47
c) Non Controling Interrest	2.59	2.82
	26541.01	**25484.57**
2 **Non-Current Liabialities**		
(a) Financial Liabilities		
- Borrowings	24,202.86	24,192.22
(b) Provisions	276.64	254.80
(c) Deferred Tax Liabilities (Net)	1,777.91	1,864.11
(d) Other Non Current Liabilities	49.14	42.71
Total-Non-Current Liabilities	**26306.56**	**26353.84**
3 **Current Liabilities**		
(a) Financial Liabilities		
- Borrowings	29,179.51	35,607.26
- Trade Payables	7,299.38	9,188.03
- Other Financial Liabilities	8,382.21	8,122.73
(b) Provisions	385.57	299.48
(c) Other Current Liabilities	931.06	417.97
Total-Current Liabilities	**46177.72**	**53635.47**
TOTAL	**99025.29**	**105473.88**

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