

Mills Division :

Gokak Falls - 591 308, Dist. Belagavi,
Karnataka, India
Tel. No. : +91-8332-285367 / 225154
CIN L17116KA2006PLC038839


Registered Office :

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Rajarajeshwari Nagar, Bengaluru - 560 098
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www.gokakmills.com

Gokak Textiles Limited
Statement of Standalone Financial Results for the Quarter and Year ended on 31st March, 2022

(Rs. in Lakhs)

		Quarter ended	Quarter ended	Quarter ended	Year ended	Year ended
		31.03.2022	31.12.2021	31.03.2021	31.03.2022	31.03.2021
		(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
1	Income					
	a) Revenue from operations	3,068.87	2,947.86	3,294.64	12,008.89	10,670.66
	b) Other Income	60.47	123.08	106.79	402.64	236.69
	Total Income	3,129.34	3,070.94	3,401.43	12,411.53	10,907.35
2	Expenses					
	a) Cost of materials consumed	1,937.80	1,970.42	2,135.64	7,703.63	6,630.41
	b) Changes in inventories of finished goods, work-in-progress	3.37	40.76	(53.05)	184.91	145.37
	c) Employee benefits expense	769.32	718.99	873.34	3,050.16	3,206.67
	d) Finance costs	348.60	382.77	332.06	1,452.25	1,336.36
	e) Depreciation and amortisation expense	124.48	130.29	148.30	540.74	605.54
	f) Power & Fuel Expenses	442.58	326.22	462.06	1,539.69	1,537.49
	g) Other expenses	272.20	340.28	324.91	1,198.78	1,132.74
	Total expenses	3,898.34	3,909.73	4,223.26	15,670.16	14,594.58
3	Profit/(Loss) from Operations before Exceptional Items (1-2)	(769.00)	(838.79)	(821.83)	(3,258.63)	(3,687.23)
4	Exceptional Items	-	-	-	-	-
5	Profit/(Loss) from Ordinary activities Before Tax (3-4)	(769.00)	(838.79)	(821.83)	(3,258.63)	(3,687.23)
6	Current tax	-	-	-	-	-
	Deferred tax	-	-	-	-	-
	Tax expense	-	-	-	-	-
7	Net Profit/(Loss) for the period (5-6)	(769.00)	(838.79)	(821.83)	(3,258.63)	(3,687.23)
8	Other Comprehensive Income (Net of tax)					
	A (i) Items that will not be reclassified to profit or loss	27.71	-	(24.84)	27.71	(24.84)
	(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)	27.71	-	(24.84)	27.71	(24.84)
9	Total Comprehensive Income (7+8)	(741.29)	(838.79)	(846.67)	(3,230.92)	(3,712.07)
10	Paid-up equity share capital (Face Value of Rs. 10 each)	649.93	649.93	649.93	649.93	649.93
11	Other Equity				(10,672.19)	(7,441.31)
12	Basic and diluted Earnings per share (Face Value of Rs. 10 each)	(11.83)	(12.91)	(12.64)	(50.14)	(56.73)
	See accompanying notes to the financial results.					

1) The above standalone financial results for quarter and year ended March 31, 2022 ("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 subsequently taken on record by the Board of Directors of the Company at their meeting held on May 26, 2022. 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 expressed an unmodified opinion on the above results.

2) The Company has standalone accumulated losses of Rs.33,249.74 lakhs as at March 31, 2022 and the Company has a negative net worth of Rs.10,022.26 lakhs. The continuity of the operations of the Company is dependent upon the continued operational and financial support of 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. 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 Gokak Textiles Ltd ("Gokak" or the Transferee Company") at their Board Meeting held on November 12, 2021, have 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:

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

The "appointed date" as per the scheme is the 1st day of April, 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.

5) The figures for the quarter ended March 31, 2022 and March 31, 2021 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, 2021 and December 31, 2020 respectively, being the dates of the end of the third quarter of the financial year which were subjected to limited review by the Auditors.

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

Date: 26 May, 2022
Place: Gokak Falls, Gokak



R.R. Patil

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

Gokak Textiles Limited			
Statement of Assets and Liabilities as at 31st March, 2022			
(Rs. In Lakhs)			
Statement of Assets and Liabilities	Standalone		
	As at 31.03.2022 Audited	As at 31.03.2021 Audited	
Assets			
1	Non-current assets		
a)	Property, Plant and Equipment	5,563.43	6,143.15
b)	Capital work-in-progress	-	-
c)	Right of Use Assets	8.66	12.18
d)	Investment Property	11.35	11.35
e)	Intangible Assets	5.63	7.01
f)	Financial Assets:		
i)	Investments		
a)	Investments in Subsidiary	2,499.00	2,499.00
b)	Other Investments	0.03	0.03
iii)	Other financial assets	141.49	243.35
g)	Tax assets		
i)	Deferred tax assets (net)	-	-
ii)	Income tax assets (net)	66.97	68.42
h)	Other non-current assets	625.48	628.44
	Total Non-current assets	8,922.04	9,612.93
2	Current assets		
a)	Inventories	1,599.29	1,837.33
b)	Financial Assets:		
i)	Trade receivables	332.82	516.63
ii)	Cash and cash equivalents	196.36	338.25
iii)	Bank balances other than (ii) above	2.84	2.77
iv)	Other financial assets	93.70	294.96
c)	Other current assets	56.14	69.40
d)	Assets classified as held for sale	16.29	17.60
	Total Current assets	2,297.44	3,076.94
	Total Assets	11,219.48	12,689.87
Equity and Liabilities			
Equity			
a)	Equity share capital	649.93	649.93
b)	Other equity	(10,672.19)	(7,441.31)
c)	Non Controlling Interest	-	-
	Total Equity	(10,022.26)	(6,791.38)
Liabilities			
1	Non-current liabilities		
a)	Financial liabilities:		
i)	Borrowings	16,833.27	13,791.75
ii)	Lease Liabilities	13.25	15.42
iii)	Other financial liabilities	-	-
b)	Provisions	1,542.12	1,438.67
c)	Deferred Tax liability (Net)	-	-
	Total Non-current liabilities	18,388.64	15,245.84
2	Current liabilities		
a)	Financial liabilities:		
i)	Borrowings	-	-
ii)	Lease Liabilities	2.17	3.81
iii)	Trade payables		
	- dues to Micro and small enterprises	0.84	21.44
	-dues to other creditors	2,035.92	3,401.03
iv)	Other financial liabilities	584.69	564.71
b)	Provisions	152.15	150.17
c)	Current tax liabilities (net)	-	-
c)	Other current liabilities	77.33	94.25
	Total Current Liabilities	2,853.10	4,235.41
	Total Liabilities	21,241.74	19,481.25
	Total Equity and Liabilities	11,219.48	12,689.87

GOKAK TEXTILES LIMITED
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MAR 31, 2022

PARTICULARS	Year ended March 31, 2022 (Rs. in lakhs)	Year ended March 31, 2021 (Rs. in lakhs)
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit / (Loss) before tax	(3,230.92)	(3,687.23)
Adjustments for:		
Depreciation and amortisation	540.74	605.54
Interest income	(3.87)	(17.86)
Finance cost	1,452.25	1,336.36
Net Loss / (Profit) on sale of fixed assets	(119.42)	(63.65)
Foreign Exchange (gain)/ losses	(0.02)	(0.02)
Credit balances / excess provision written back	(18.72)	(18.07)
Provision for Doubtful Debts (net of recoveries)	0.52	2.40
Balances written off	0.08	1.87
Provision for Doubtful Advances	-	6.81
Operating loss before working capital changes	(1,379.36)	(1,833.84)
Adjustments for :		
(Increase)/ Decrease in Inventories	238.04	172.61
(Increase)/ Decrease in Trade and Receivables	183.25	75.21
(Increase)/ Decrease in Other Financial Assets	303.12	124.88
(Increase)/ Decrease in Other Assest	16.22	290.42
(Increase)/ Decrease in Assests held for sale	1.31	-
Increase/ (Decrease) in Trade payables	(1,366.99)	586.44
Increase/ (Decrease) in Other Financial Liabilities	19.98	(63.31)
Increase/ (Decrease) in Other Liabilities	(16.92)	(18.45)
Increase/ (Decrease) in Provisions	58.14	183.74
Cash generated from operations	(1,943.21)	(482.29)
Direct Taxes (paid) / refund	1.45	19.45
Net cash flows from operating activities	(1,941.76)	(462.84)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets including CWIP	161.95	(32.93)
Sale of Fixed Assets		126.27
Net Movement in bank balance not considered as cash and cash equivalents	(0.07)	(0.09)
Interest received	3.87	7.82
Net cash flows from investing activities	165.76	101.07
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds / (repayment) of Borrowings (net)	1,640.34	450.00
Payment of lease liabilities	(4.33)	(10.04)
Interest paid	(1.90)	(2.99)
Net cash flows from financing activities	1,634.12	436.97
NET INCREASE/(DECREASE) IN CASH & CASH EQUIVALENTS	(141.89)	75.20
Cash and Cash equivalents at the beginning of the year	338.25	263.06
Cash and Cash equivalents at the end of the year	196.36	338.25
D. COMPONENTS OF CASH AND CASH EQUIVALENTS		
Cash on Hand	2.00	2.84
Balances with banks:		
- In current accounts	194.36	335.41
	196.36	338.25



BATLIBOI & PUROHIT

Chartered Accountants

Independent Auditors' Report

To the Board of Directors of Gokak Textiles Limited

Report on the audit of the Standalone Annual Financial Results

Opinion

We have audited the accompanying statement of standalone annual financial results of Gokak Textiles Limited ("the Company") for the year ended 31 March 2022 ("the Statement") being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations').

In our opinion and to the best of our information and according to the explanations given to us, the statement:

- is presented in accordance with the requirements of Regulation 33 of the Listing Regulations ; and
- give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards ("Ind AS") and other accounting principles generally accepted in India, of the net loss and other comprehensive income and other financial information for the year ended 31 March 2022.

Basis for Opinion

We conducted our audit of the Statement in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Standalone Annual Financial Results section of our report. We are independent of the Company, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Standalone financial results under the provisions of the Act, and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our opinion on the Standalone annual financial results.

Emphasis of matter:

-We draw attention to note 2 of the Financial Results which describes that, during the year the Company has incurred loss (including other comprehensive income) of Rs. 3230.92 lakhs and has accumulated losses of Rs. 33249.4 lakhs as on 31 March 2022. Further the Company's net worth has been fully eroded as at 31 March 2022.

These conditions indicate requirement of assessment of the Company's ability to continue as a going concern. The Company's annual financial results have been prepared on a going concern basis on the reporting date, based on the reasons stated in said note.

Our opinion is not modified in respect of the above matter.

-We draw attention to note 4 of the Statement which describes that, the Board of Directors of the Company at their Board meeting held on November 12, 2021 have inter alia, approved the Composite Scheme of Arrangement ('the Scheme') under section 230 to 232 read with 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 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. Our opinion is not modified in respect of this matter.

Management's and Board of Directors' Responsibilities for the Standalone Annual Financial Results

The standalone annual financial results have been prepared on the basis of the standalone annual financial statements. The Board of Directors of the Company are responsible for the preparation and presentation of the statement that give a true and fair view of the net loss and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting



Chartered Accountants

Standards prescribed under Section 133 of the Act and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone annual financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the statement, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Company's financial reporting process

Auditor's Responsibilities for the Audit of the Standalone Annual Financial Results

Our objectives are to obtain reasonable assurance about whether the standalone annual financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone annual financial results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone annual financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion through a separate report on the complete set of financial statements on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the standalone financial results made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone annual financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone annual financial results, including the disclosures, and whether the standalone annual financial results represent the underlying transactions and events in a manner that achieves fair presentation.



Chartered Accountants

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

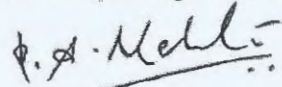
Other Matters

- a. The standalone annual financial results include the results for the quarter ended 31 March 2022 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us as required under the Listing regulations.

For BATLIBOI & PUROHIT

Chartered Accountants

ICAI Firm Reg. No.101048W

**Kaushal Mehta**

Partner

Membership No. 111749

ICAI UDIN: 22111749AJQWBW4794



Place : Mumbai

Date : 26 May 2022

Gokak Textiles Limited
Statement of Audited Consolidated Financial Results for the Quarter and Year ended on 31st March, 2022

(Rs. in Lakhs)

Sr. No. :	Particulars	Consolidated				
		Quarter ended	Quarter ended	Quarter ended	Year ended	Year ended
		31.03.2022 (Audited)	31.03.2021 (Unaudited)	31.12.2021 (Unaudited)	31.03.2022 (Audited)	31.03.2021 (Audited)
1	Income					
	a) Revenue from operations	3,347.28	3,362.28	3,087.96	12,584.05	11,081.43
	b) Other Income	(41.46)	90.33	136.69	433.23	244.56
	Total Income	3,305.82	3,452.61	3,224.65	13,017.28	11,325.99
2	Expenses					
	a) Cost of materials consumed	1,937.80	2,135.64	1,970.42	7,703.63	6,630.41
	b) Changes in inventories of finished goods, work-in-progress and stock-in-trade	3.37	(53.05)	40.76	184.91	145.37
	c) Employee benefits expense	790.26	892.25	737.34	3,127.81	3,275.93
	d) Finance costs	512.14	512.73	563.60	2,151.11	2,126.27
	e) Depreciation and amortisation expense	150.87	173.80	156.44	645.32	709.38
	f) Power & Fuel Expenses	268.89	297.61	113.39	891.03	843.93
	g) Other expenses	321.72	472.99	383.49	1,461.84	1,396.88
	Total expenses	3,985.05	4,431.97	3,965.44	16,165.65	15,128.16
3	Profit/(Loss) from Operations before Exceptional Items (1-2)	(679.23)	(979.36)	(740.79)	(3,148.37)	(3,802.17)
4	Exceptional Items	-	-	-	-	-
5	Profit/(Loss) from Ordinary activities Before Tax (3-4)	(679.23)	(979.36)	(740.79)	(3,148.37)	(3,802.17)
	Current tax	-	-	-	-	-
	Deferred tax	-	-	-	-	-
6	Tax expense	-	-	-	-	-
7	Net Profit/(Loss) for the period (5-6)	(679.23)	(979.36)	(740.79)	(3,148.37)	(3,802.17)
8	Non Controlling Interest	-	-	-	-	-
9	Net Profit or (Loss) for the period (7-8)	(679.23)	(979.36)	(740.79)	(3,148.37)	(3,802.17)
10	Other Comprehensive Income (Net of tax)					
	A (i) Items that will not be reclassified to profit or loss	33.70	(29.32)	-	33.70	(29.32)
	(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)	33.70	(29.32)	-	33.70	(29.32)
11	Total Comprehensive Income (9+10)	(645.53)	(1,008.68)	(740.79)	(3,114.67)	(3,831.49)
12	Profit for the year attributable to:					
	- Owners of the Company	(638.07)	(823.00)	(681.38)	(2,884.31)	(3,410.68)
	- Non-Controlling Interest	(41.17)	(156.36)	(59.41)	(264.07)	(391.49)
		(679.23)	(979.36)	(740.79)	(3,148.37)	(3,802.17)
13	Other comprehensive income for the year attributable to:					
	- Owners of the Company	30.76	(27.12)	-	30.76	(27.12)
	- Non-Controlling Interest	2.94	(2.20)	-	2.94	(2.20)
		33.70	(29.32)	-	33.70	(29.32)
14	Total comprehensive income for the year attributable to:					
	-Owners of the Company	(607.30)	(850.12)	(681.38)	(2,853.54)	(3,437.80)
	-Non Controlling Interest	(38.23)	(158.56)	(59.41)	(261.13)	(393.69)
		(645.53)	(1,008.68)	(740.79)	(3,114.67)	(3,831.49)
15	Paid-up equity share capital (Face Value of Rs. 10 each)	649.93	649.93	649.93	649.93	649.93
16	Basic and diluted Earnings per share (Face Value of Rs. 10 each)	(9.82)	(12.66)	(10.48)	(44.38)	(52.48)

See accompanying notes to the financial results.



Mills Division :

Gokak Falls - 591 308, Dist. Belagavi,
Karnataka, India

Tel. No. : +91-8332-285367 / 225154

CIN L17116KA2006PLC038839


GOKAK™
TEXTILES LIMITED




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Tel. : +91 80 297 44 077 / 297 44 078

www.gokakmills.com

Notes

- 1) The above consolidated financial results for quarter and year ended March 31, 2022 ('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 subsequently taken on record by the Board of Directors of the Company at their meeting held on May 26, 2022. 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 expressed an unmodified opinion on the above results.
- 2) The Group has consolidated accumulated losses of Rs.39,011.40 lakhs as at March 31, 2022 and the Group has a negative net worth of Rs. 15,783.93 lakhs. The continuity of the operations of the Group is dependent upon the continued operational and financial support of the Holding Company.
The textile business 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. The power plant of the Subsidiary has also been operational now. Based on these reasons, the financial results of the Company have been prepared on a going concern basis.
- 3) Gokak Power & Energy Ltd, subsidiary company has filed the full and final insurance claim on 6 May, 2021 related to the damage of its hydro power plant, in the year 2019-20, aggregating to Rs 353.65 lakhs. There were no further updates/communication from the insurer in this regard till the date of approval of these financial statements and accordingly, relevant adjustments /entries for the claim receivable will be recorded in the books in the forthcoming financial year.
- 4) The Board of Directors of Gokak Textiles Ltd ("Gokak" or the Transferee Company") at their Board Meeting held on November 12, 2021, have 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:
 - a. amalgamation by way of absorption and vesting of Suryoday One Energy Private Limited ("Suryoday") with and into Gokak and;
 - b. Reduction of Share Capital and Re-organisation of reserves of Gokak in a manner as set out in the Scheme.The "appointed date" as per the scheme is the 1st day of April, 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.
- 5) The figures for the quarter ended March 31, 2022 and March 31, 2021 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, 2021 and December 31, 2020 respectively, being the dates of the end of the third quarter of the financial year which were subjected to limited review by the Auditors.
- 6) The figures for the corresponding periods have been regrouped and rearranged wherever necessary, to make them comparable.

Date: May 26, 2022

Place: Gokak Falls, Gokak



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



GOKAK TEXTILES LIMITED
CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 31, 2022

Particulars	As at	As at
	31st March 2022	31st March 2021
	(Rs. In Lakhs)	(Rs. In Lakhs)
Assets		
1 Non-current assets		
a) Property, Plant and Equipment	7,891.32	8,567.17
b) Capital work-in-progress	-	-
c) Right of use asset	8.66	12.18
d) Investment Property	11.35	11.35
e) Other Intangible assets	5.63	7.01
	7,916.97	8,597.71
f) Financial Assets:		
i) Investments		
a) Other Investments	0.03	0.03
	0.03	0.03
ii) Other financial assets	140.49	143.35
	140.52	143.38
g) Tax assets		
i) Deferred tax assets (net)	-	-
ii) Income tax assets (net)	77.97	83.21
	77.97	83.21
h) Other non-current assets	626.23	629.45
Total Non-current assets	8,761.68	9,453.75
2 Current assets		
a) Inventories	1,609.69	1,847.71
b) Financial Assets:		
i) Trade receivables	400.05	943.47
ii) Cash and cash equivalents	197.22	339.90
iii) Bank balances other than (ii) above	794.90	767.20
iv) Other financial assets	93.70	296.49
	1,485.86	2,347.06
c) Other current assets	100.52	105.33
	1,586.38	2,452.39
Assets classified as held for sale	16.29	17.60
Total Current assets	3,212.36	4,317.70
Total Assets	11,974.04	13,771.45
Equity and Liabilities		
Equity		
a) Equity share capital	649.93	649.93
b) Other equity	(16,433.86)	(13,580.32)
Equity attributable to owners of the Company	(15,783.93)	(12,930.39)
Total Equity	(15,783.93)	(12,930.39)
Non Controlling Interest	(1,543.69)	(1,282.56)
Liabilities		
1 Non-current liabilities		
a) Financial liabilities:		
i) Borrowings	16,833.27	14,765.75
ii) Lease liabilities	13.25	15.42
iii) Other financial liabilities	-	-
	16,846.53	14,781.17
b) Provisions	1,543.77	1,440.14
Total Non-current liabilities	18,390.29	16,221.31
2 Current liabilities		
a) Financial liabilities:		
i) Borrowings	8,170.67	7,672.38
ii) Trade payables	1,876.49	3,230.44
iii) Lease Liabilities	2.17	3.81
iv) Other financial liabilities	610.48	588.96
	10,659.81	11,495.59
b) Provisions	160.58	159.32
c) Other current liabilities	90.97	108.18
	251.55	267.50
Total Current Liabilities	10,911.36	11,763.09
Total Liabilities	29,301.65	27,984.40
Total Equity and Liabilities	11,974.03	13,771.46

See accompanying notes forming part of the financial statements

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GOKAK TEXTILES LIMITED

CONSOLIDATED STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2022

	Year ended	Year ended
	31st March, 2022	31st March, 2021
	(Rs. in Lakhs)	(Rs. in Lakhs)
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit / (Loss) before tax	(3,148.38)	(3,802.17)
Adjustments for:		
Depreciation	645.32	709.38
Interest income	(34.44)	(25.41)
Interest and financial charges	2,151.11	2,126.27
Loss / (Profit) on fixed assets / capital work in progress sold / written off	(119.42)	(63.65)
Credit balances / excess provision written back	(18.74)	(18.37)
Net Foreign exchange gains/(losses)	(0.02)	(0.02)
Provision for Doubtful Debts	118.09	2.40
Trade and other receivable advance written off	36.26	9.36
Provision for Doubtful Advances	-	6.81
Operating loss before working capital changes	(370.20)	(1,055.40)
Adjustments for :		
(Increase)/ Decrease in Inventories	238.02	174.32
(Increase)/ Decrease in Trade and other receivables	604.07	538.44
(Increase)/ Decrease in Provisions	138.58	182.42
Increase/ (Decrease) in Trade payables and other liabilities	(1,330.91)	331.84
Cash generated from operations	(720.44)	171.62
Direct Taxes (paid) / refund	5.24	18.59
Net cash (used in) / from operating activities	(715.19)	190.21
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of PPE and Intangible assets	(10.73)	(32.93)
Sale of Fixed Assets	167.75	126.27
Net Movement in bank balance not considered as cash and cash equivalents	(27.70)	216.66
Interest received	34.44	25.41
Net cash (used in)/ from investing activities	163.76	335.41
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Issue of Preference Shares	-	-
Change in Borrowings	-	-
Proceeds of Long/Short Term Borrowing	940.12	450.00
Repayment of Long/Short Term Borrowing	(347.96)	(625.89)
Lease rentals paid	(7.83)	(10.04)
Interest paid	(175.58)	(319.63)
Net cash (used in)/from financing activities	408.75	(505.56)
NET INCREASE/(DECREASE) IN CASH & CASH EQUIVALENTS	(142.69)	20.06
Cash and Cash equivalents at the beginning of the year	339.90	319.84
Cash and Cash equivalents at the end of the year	197.22	339.90
D. COMPONENTS OF CASH AND CASH EQUIVALENTS		
Cash on Hand	2.04	2.92
Balances with banks:		
- In current accounts	195.17	336.98
- In deposit accounts	-	-
	197.22	339.90



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GOKAK™
TEXTILES LIMITED



Registered Office :
2nd Floor, 12th Cross, Ideal Homes,
Rajarajeshwari Nagar, Bengaluru - 560 098
Tel. : +91 80 297 44 077 / 297 44 078
www.gokakmills.com

Mills Division :

Gokak Falls - 591 308, Dist. Belagavi,
Karnataka, India
Tel. No. : +91-8332-285367 / 225154
CIN L17116KA2006PLC038839

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
(Rs. in Lakhs)

Segment wise information:

No.	Particulars	3 Months ended			Year ended	
		31.03.2022 Audited	31.03.2021 Audited	31.12.2021 unaudited	31.03.2022 Audited	31.03.2021 Audited
1	segment revenue					
	textile	3,129.34	3,401.43	3,070.94	12,411.53	10,907.35
	electricity and power	460.19	218.72	361.12	1,365.01	1,122.62
	inter segment	(173.81)	(167.54)	(207.41)	(649.36)	(703.98)
	Consolidated Revenue	3,415.72	3,452.61	3,224.65	13,127.18	11,325.99
2	segment result (Profit before tax)					
	textile	(768.97)	(821.82)	(838.79)	(3,258.59)	(3,687.23)
	electricity and power*	89.73	(157.54)	98.00	110.21	(114.95)
	Consolidated profit before tax	(679.24)	(979.36)	(740.79)	(3,148.37)	(3,802.18)
	<i>*after adjustment of depreciation on inter segment assets.</i>					
3	segment assets					
	textile	11,219.40	12,689.78	11,557.17	11,219.40	12,689.78
	electricity and power*	927.10	1,382.10	1,027.03	927.10	1,382.10
	inter segment	(172.47)	(300.43)	(1.40)	(172.47)	(300.43)
	Consolidated total assets	11,974.03	13,771.45	12,582.81	11,974.04	13,771.45
	<i>* after adjustment of revaluation of intersegment fixed assets.</i>					
4	segment liabilities					
	textile	21,241.74	19,481.27	20,838.38	21,241.74	19,481.27
	electricity and power	8,232.40	8,803.58	8,427.82	8,232.40	8,803.58
	inter segment	(172.47)	(300.43)	(1.40)	(172.47)	(300.43)
	Consolidated total liabilities	29,301.66	27,984.42	29,264.81	29,301.66	27,984.42
5	Capital employed*					
	textile	17,483.21	14,441.68	16,756.68	17,483.21	14,441.68
	electricity and power	6,134.89	7,456.86	6,459.44	6,134.89	7,456.86
	<i>*equity and long term debts including current maturities.</i>					
6	Capital expenditures					
	textile	10.73	33.32	-	10.73	33.32
	electricity and power	-	-	-	-	-
	Total capital expenditure	10.73	33.32	-	10.73	33.32
7	Depreciation and amortisation					
	textile	124.48	148.30	130.29	540.74	605.54
	electricity and power	26.39	25.50	26.15	104.58	103.84
	Total depreciation and amortisation	150.87	173.80	156.44	645.32	709.38
	<i>*after adjustment of depreciation on inter segment assets.</i>					



BATLIBOI & PUROHIT

Chartered Accountants

Independent Auditors' Report

To the Board of Directors of Gokak Textiles Limited

Report on the audit of the Consolidated Annual Financial Results

Opinion

We have audited the accompanying consolidated annual financial results of Gokak Textiles Limited the "Holding Company") and its subsidiary (Holding Company and its subsidiary together referred to as the "Group"), for the year ended 31 March 2022 (the "Statement") being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations').

In our opinion and to the best of our information and according to the explanations given to us, the statement:

- include the annual financial results of one subsidiary Gokak Power and Energy Limited
- are presented in accordance with the requirements of Regulation 33 of the Listing Regulations; and
- gives a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards, and other accounting principles generally accepted in India, of consolidated net loss and other comprehensive income and other financial information of the Group for the year ended 31 March 2022.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Annual Financial Results section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act, and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion on the consolidated annual financial results.

Emphasis of matter

-We draw attention to note 2 of the statement which describes that, during the year the Group has incurred loss (including other comprehensive income) of Rs. 3114.67 lakhs and has accumulated losses of Rs.39011.40 lakhs as on 31 March 2022. Further the net worth of the Group has been eroded as at the year end. These conditions indicate requirement of assessment of the Group's ability to continue as a going concern.

The Group's annual financial results have been prepared on a going concern basis on the reporting date based on the reasons stated in the aforesaid note.

Our opinion is not modified in respect of the above matter.

-We draw attention to note 4 of the Statement which describes that, the Board of Directors of Gokak Textiles Ltd at their Board meeting held on November 12, 2021 have inter alia, approved the Composite Scheme of Arrangement ('the Scheme') under section 230 to 232 read with 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 and vesting of Suryoday One Energy Private Limited ("Suryoday") with and into Gokak Textiles Ltd and Reduction of Share Capital and Re-organisation of reserves of Gokak Textiles Ltd in a manner as set out in the Scheme. Our conclusion is not modified in respect of this matter.



Management's and Board of Directors' Responsibilities for the Consolidated Annual Financial Results

These consolidated annual financial results have been prepared on the basis of the consolidated annual financial statements.

The Holding Company's Management and the Board of Directors are responsible for the preparation and presentation of these consolidated annual financial results that give a true and fair view of the consolidated net loss and other comprehensive income and other financial information of the Group in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Act and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The respective Management and Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of each company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated annual financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated annual financial results by the Management and the Directors of the Holding Company, as aforesaid.

In preparing the consolidated annual financial results, the Management and the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group is responsible for overseeing the financial reporting process of each company.

Auditor's Responsibilities for the Audit of the Consolidated Annual Financial Results

Our objectives are to obtain reasonable assurance about whether the consolidated annual financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated annual financial results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated annual financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion through a separate report on the complete set of financial statements on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.



Chartered Accountants

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the consolidated financial results made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report, to the related disclosures in the consolidated annual financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated annual financial results, including the disclosures, and whether the consolidated annual financial results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial results of the entities within the Group to express an opinion on the consolidated annual financial results. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial results of which we are the independent auditors.

We communicate with those charged with governance of the Holding Company and the Subsidiary included in the consolidated annual financial results of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

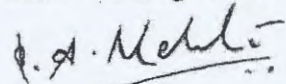
Other Matters

- a. The consolidated annual financial results include the results for the quarter ended 31 March 2022 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

For BATLIBOI & PUROHIT

Chartered Accountants

ICAI Firm Reg. No.101048W

**Kaushal Mehta**

Partner

Membership No. 111749

ICAI UDIN: 22111749AJQWGP1043



Place : Mumbai

Date : 26 May, 2022