gokaldas exports ltd

GEL/SEC/2023-24/48
August 29, 2023

BSE Limited
Phiroze Jeejeebhoy Towers
25th Floor, Dalal Street,
Mumbai – 400 001

Scrip Code - 532630

National Stock Exchange of India Limited
The Exchange Plaza
Bandra-Kurla Complex, Bandra (E),
Mumbai – 400 051

Scrip Code: GOKEX

Dear Sir/ Madam,

Sub: Annual Report for FY 2022-23

In compliance with Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the Annual Report for the Financial Year 2022-23.

The same is available on the website of the Company at www.gokaldasexports.com.

Please take the same on record.

Thanking you,

Yours truly,
For **Gokaldas Exports Limited**
GOURISH GANAPATI HEGDE
Digitally signed by GOURISH GANAPATI HEGDE
Date: 2023.08.29 21:20:10 +05'30'
Gourish Hegde
Company Secretary & Compliance Officer

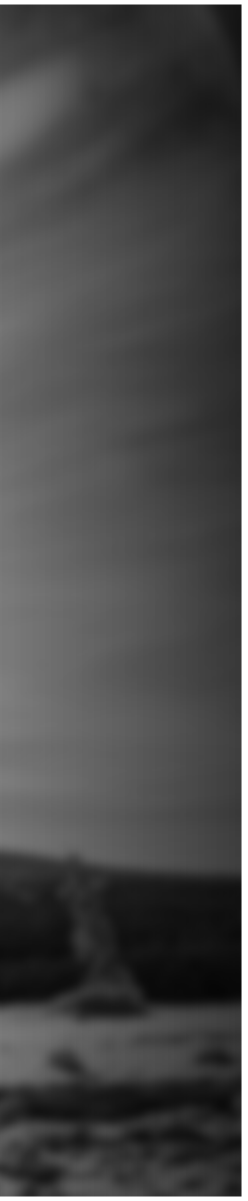
Encl: as above

Gokaldas Exports Limited

Future Ready

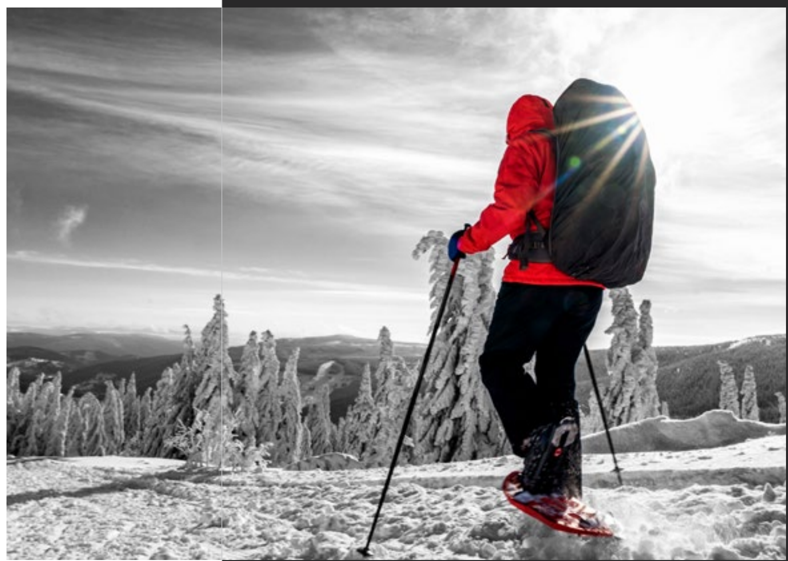
22/23

ANNUAL REPORT FY22-23



Forward-looking statements

In this Annual Report, we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements - written and oral - that we periodically make, contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipate', 'estimate', 'expects', 'projects','intends', 'plans', 'believes', and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind. We undertake no obligation to publicly update any forward- looking statements, whether as a result of new information, future events or otherwise.



Future Ready

At Gokaldas Exports, we are not just focused on delivering exceptional products and services to our clients, but also focused on building a sustainable future for our business and stakeholders. With a team of experts who are always seeking out new and innovative ways to improve their processes and products, we believe we are ready to lead the industry into the future.

Operational excellence and customer-centricity continue to be the cornerstones of our success. Further, our commitment to sustainable and responsible business practices, such as superior environmental and social and labour compliance certifications across all units, is a testament to our focus on the long term. Complementing this is world-class manufacturing facilities and integrated ancillary units designed to be agile and adaptable to changing market demands, ensuring that we are always ready to meet the challenges of tomorrow.

Our future-ready approach is a reflection of our commitment to excellence, innovation and sustainability, and our dedication to delivering exceptional products and services that meet the needs of our clients today and well into the future.

22/23

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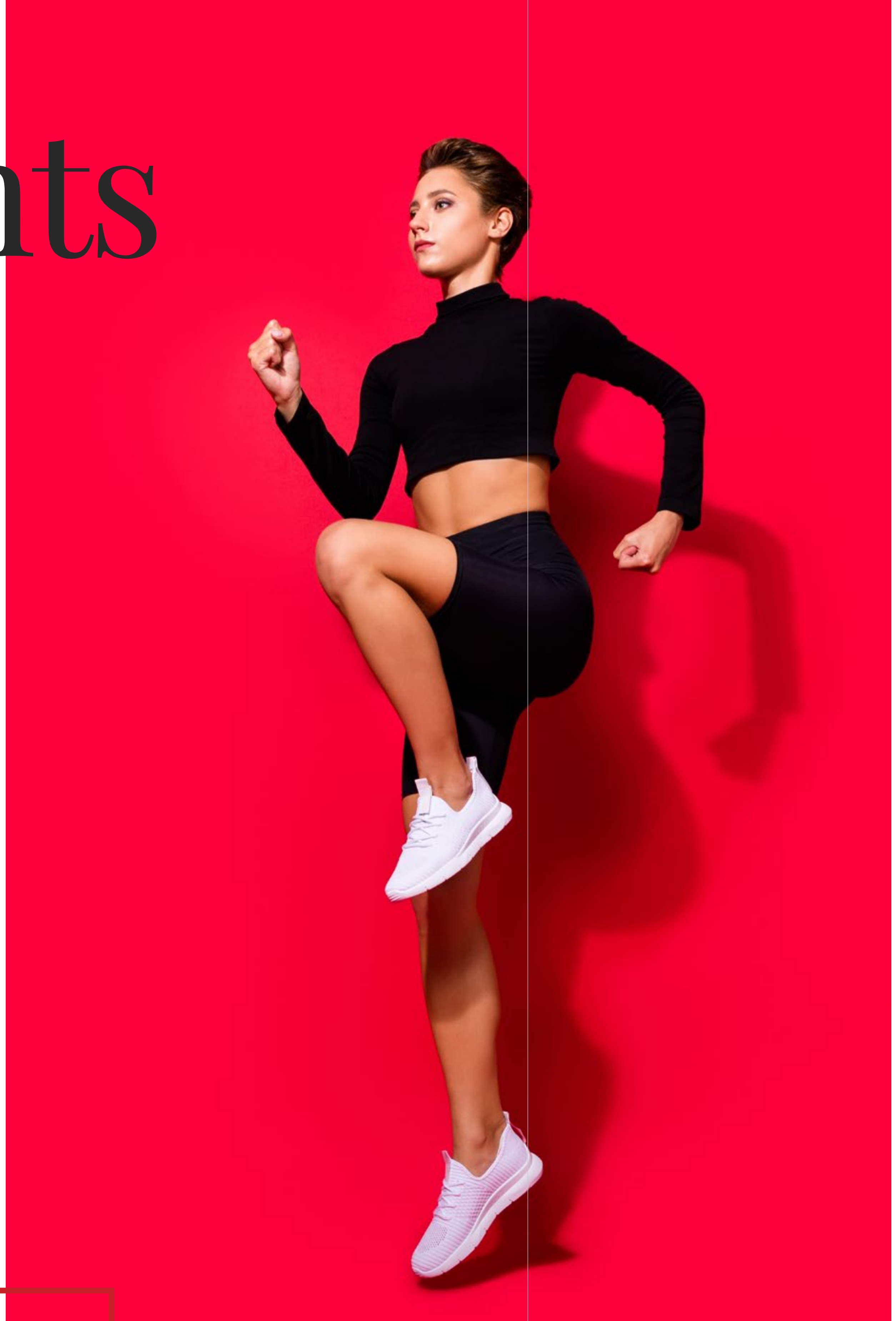
Further informantion visit here:
gokaldasexports.com



Total Income
(₹ in crore)

₹2,247.2 cr

FY23	2,247.2
FY22	1,801.0
FY21	1,222.9

EBITDA
(₹ in crore)

₹295.8 cr

FY23	295.8
FY22	216.2
FY21	113.7

Net profit
(₹ in crore)

₹173 cr

FY23	173.0
FY22	117.1
FY21	26.5

Working capital
(In days)

61 days

FY23	61
FY22	70
FY21	85

About the Company

Where fashion meets *excellence*

Gokaldas Exports Limited is a premier apparel manufacturer, offering a broad range of apparel products, including outerwear, activewear and fashion wear for all seasons. Our journey began in 1979, and today, we have won the trust of some of the world's most recognised brands, emerging as a one-stop solution for them. With over 40 years of experience in the industry, Gokaldas Exports has emerged as a name synonymous with quality and innovation.

Ambition

To be a leading manufacturer that is sought-after by top global apparel brands for its product capability, quality and consistency, with a strong commitment to sustainability, while delivering profitable year-on-year growth.

- **World-class manufacturing facilities**
- **Integrated ancillary units**
- **Value-added services such as laundry, embroidery and printing, among others**
- **Superior environmental and social/labour compliance**
- **Unwavering commitment to excellence, innovation and customer satisfaction**
- **Strong focus on sustainability across operations**

These characteristics have enabled us to evolve into one of the largest organised apparel manufacturers in India.

Our size and scale

A testimony **to our efforts**

Owing to our product capability, quality and consistency, our apparel is sought after by top global brands. Our goal is to become a lean and efficient operational entity that delivers superior customer engagement. We are confident in our ability to capitalise on market opportunities and take appropriate steps to manage and grow our business.

4+ decades
Of manufacturing experience

Strong
Commitment to sustainability

20+
State-of-the-art, full integrated manufacturing facilities

26,000+
Skilled professionals

75%
Women in our workforce

50+
Catered to brands in countries

15,000+
Advanced machines

₹2,247 cr
Annual turnover

36 mn
Pieces annual apparel manufacturing capacity

Five
Value-added service units

One
New own manufacturing unit commissioned

Services

Solutions that **amplify fashion**

Our bespoke services cater to every fashion aficionado's desire. At the heart of our offerings lies a passionate commitment to delivering premium quality products and personalised experiences that leave an indelible impression on our clients. By seamlessly blending traditional craftsmanship with contemporary style, we offer customised solutions that cater to the myriad needs of our clients.

- Design
- Development
- Cutting
- Printing
- Sewing
- Quilting
- Polyfill
- Embroidery
- Laser treatment
- Washing
- Finishing and logistics

Manufacturing strengths

Integrated facilities that offer *excellence*

Our state-of-the-art factories are equipped with the latest technology and equipment, and staffed by a team of skilled professionals who are committed to delivering nothing but the best. Our factories are designed to facilitate efficient production while maintaining the highest standards of quality, ensuring that every product that leaves our premises is nothing short of perfect.

By nurturing a culture of innovation and fostering an enabling environment, we deliver exceptional quality products to some of the most esteemed global brands.

Capex plans

We have dedicated significant resources to enhancing our internal processes, systems, and manufacturing capabilities. The setting up of new units and the implementation of world-class equipment reflect our commitment to a stronger and more sustainable future. We continue to invest in machinery upgradation and modernization and intend to exercise judicious control over our capex spending taking into consideration the market conditions.

₹135 cr

Capital expenditure in FY2023

Spend on new capacity and projects
(₹ in crore)

268
Total

Spend on modernisation and upgrades
(₹ in crore)

96
Total

Total capital expenditure
(₹ in crore)

364
Total

What sets us apart

- Efficient and robust product development capability
- In-house testing lab accredited by our leading customers
- State-of-the-art design studio with 3D design capabilities
- Integrated embroidery set-up
- Pneumatic fibre filler for making puffer jackets
- Polyfill manufacturing using the latest technology
- Quilting with a capacity to quilt over 10,000 meters/day
- Executing innovative wash on denims and non-denims
  - Combined capacity of producing 1,50,000 pieces/day, including garment dyeing and all kinds of dry processes
  - Modern ETP with a capacity to treat 0.7 million litres/day
  - Zero liquid discharge plant for washing
- Modern printing set-up with world-class automatic machines
  - Capacity to produce 54 million impressions/annum
  - Capability to print multiple options on all types of fabric qualities

Presence

Expanding our **fashion footprint**

We distinguish ourselves through our prominent worldwide outreach, established international customer base and unwavering dedication to excellence. Our supply extends to all continents, but our primary stronghold lies in North America. Moving forward, we aspire to maintain this momentum and reinforce our influence in Europe and other regions.

North America

Most valued geography

Europe

Geography with a strong prospect, especially with FTAs expected in the near future

Asia

Upcoming and high-potential geography

GEOGRAPHY-WISE REVENUE CONTRIBUTION

1 North America (In %)

FY23	**84.3**
FY22	84.3
FY21	70.4
FY20	62

2 South America (In %)

FY23	**0.1**
FY22	0.1
FY21	0.4
FY20	0.5

3 Europe (In %)

FY23	**4.0**
FY22	4.2
FY21	9.1
FY20	12.7

4 Africa (In %)

FY23	**0.01**
FY22	0.02
FY21	0.1
FY20	0.3

5 Asia (In %)

FY23	**11.4**
FY22	11.3
FY21	19.8
FY20	24.2

6 Oceania (In %)

FY23	**0.2**
FY22	0.2
FY21	0.3
FY20	0.4

Map not to scale, only for illustrator purpose

Superior customer service

Catering to esteemed global *brands*

Our passion to provide the best to our clients has made us one of the most trusted and leading apparel suppliers to international brands. With our superior quality, on-time delivery and excellent customer service, we continue to nurture these relationships.

INDICATORS OF OUR EXCELLENT CUSTOMER SERVICE

Revenue contribution from customers in the last 5 years

We have actively expanded our customer base over the past five years, and their share of revenue has steadily increased. As we add more brands and geographies to our client list, we continue to focus on providing superior customer service to all of our existing customers. With better capacity distribution and utilisation, we ensure that we ship products on time and meet customer satisfaction year-round.

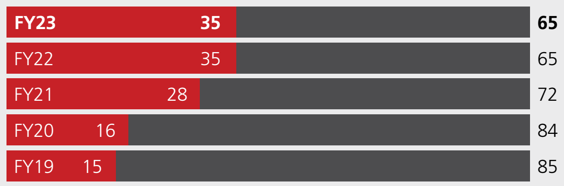
Revenue contribution
(In %)

Revenue contribution from value-added products

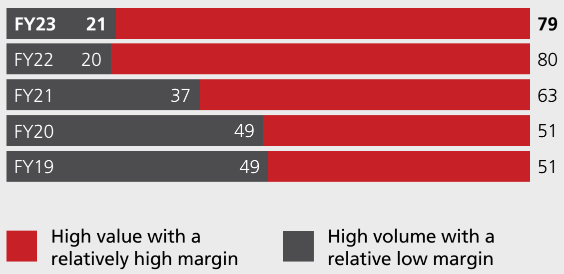
Our value-added products allow us to offer a more customised and differentiated product offering to our customers. The products are also in high demand by international brands, which helps boost our export sales.

CUSTOMER COUNT VERSUS SALES VALUE

Customer count
(In %)



Sales value
(In %)



Letter from the Chairman

Ready for
a sustainable
future

Dear Shareholders,

FY2023 was yet another year that brought Gokaldas Exports' resilience to the fore. Amidst the volatile operating environment, your Company stood strong with year-on-year revenue growth of 25% and net profit growth of 48%. Though the Company saw muted volume in second half of the year due to prevailing market conditions, our execution excellence led to consistent growth in operating margins and improved quarterly profits.

Our ability to effectively balance capacity with orders and focus on customer relationships contributed to a healthy financial base, high return on capital employed (ROCE) and a prudent approach to mitigating risks. This would not have been possible without the sincere efforts of our people, and I am immensely grateful to them.

22/23

The Company's unwavering commitment to adaptability amidst challenging times is exemplified by its remarkable workforce and its ability to seize opportunities. Our workforce, 75% of whom are women, is our pride and we leave no stone unturned in ensuring their safety, well-being, training and development. Additionally, we remain committed to improving the lives of community members and promoting sustainability.

Our efforts included equipping government schools with relevant technology to aid education and improving access to clean drinking water in schools. We are also focused on rainwater harvesting and replacing oil and fossil fuels with organic biomass. We will continue to prioritise the well-being of our personnel and the betterment of the community while driving sustainable practices.

48%

Growth in profit after tax year on year

In conclusion, I would like to assure our esteemed shareholders and investors that Gokaldas Exports remains steadfast in its commitment to delivering long-term returns. We continue to closely monitor potential macroeconomic risks and take measures to mitigate them by focusing on strengthening customer relationships and service excellence. We are focused on leveraging our operational excellence, strategic initiatives and market opportunities to generate sustainable growth and value for our stakeholders.

As we look ahead, we are confident in the strength of our business model, the talent of our team and our ability to adapt to and capitalise on emerging trends. We will continue to prioritise innovation, customer satisfaction and responsible business practices to ensure our long-term success.

Best wishes,

Mathew Cyriac
Chairman and Non-executive Director

From the Vice Chairman and Managing Director's desk

Leveraging today's *strengths*

Dear Shareholders,

I am delighted to present to you Gokaldas Exports' Annual Report 2022-23. It has been another wonderful year for us – one that had its fair share of challenges and one that tested our resilience. Despite the macroeconomic uncertainties, your Company managed to deliver outstanding results leveraging its long-standing competitive advantages of customer-centricity and robust manufacturing capability.

Robust performance in a volatile environment

In 2022, global markets faced volatility as central banks tackled high inflation with elevated interest rates. Excess inventory resulted from a post-COVID demand surge and ensuing supply chain bottlenecks, causing brands to order more than necessary. Although inflation remained high, volume growth was modest. Over time, the supply chain improved, leading to brands being stuck with excess inventory. Indian apparel exports grew by 1% in FY2023 as a consequence.

Amidst these conditions, Gokaldas Exports displayed resilience by achieving strong revenue and profit growth at the start of the year. Our robust order book and efficient capacity utilisation contributed to this success. However, market conditions led to reduced volumes in the latter half, as major customers liquidated excess inventory and faced a sluggish retail market. Despite these challenges, we effectively managed operations, consistently expanding operating margins and delivering superior quarterly net profit. This resulted in an impressive 25% revenue growth and 48% net profit growth year-on-year.

Our operating performance was exceptional, with a 116 basis point increase in EBITDA margin over the previous year, even after accounting for ₹23 crore in ESOP charges starting this financial year. We generated ~₹296 crore in cash from operations, securing a strong financial base. Currently, we maintain a net cash position of ₹333 crore, having reduced debt through efforts to unlock working capital. Our high ROCE of 27% reflects consistent profitability. We remain alert to potential macroeconomic risks, addressing them through appropriate measures while deriving strength from our deep customer relationships and service excellence.

Building capacities

During the year, we spent ₹38 crore on modernisation and upgrades, and ₹97 crore on new capacity and projects. We continue to exercise judicious control over capex spending taking into consideration the market conditions. We inaugurated Phase 1 of our Madhya Pradesh facility, introducing a 1,00,000 sq. ft production area to accommodate 2,000 employees. We started commercial production at the facility in June 2023. We are also setting up a manufacturing unit in Tamil Nadu, which is expected to start production in the second half of FY2024 and contribute materially to our FY2025 revenues.

Women at the core of our workforce

At Gokaldas Exports, women are at the heart of our workforce. Almost 75% of our workforce is women –we value their significant contributions and believe in their immense potential. Women hold key positions across various roles and levels, enriching our organisation with their diverse perspectives and driving innovation.

We are committed to empowering women and fostering their professional growth. Through equal opportunities, mentorship programmes and training initiatives, we ensure that women have the chance to take on challenging assignments, develop new skills and advance their careers. We also prioritise work-life balance by providing flexible working arrangements and comprehensive support systems. In this regard, we have equipped our facilities with amenities such as a creche, dispensary, ambulance and canteen.

Creating a safe and inclusive workplace is a top priority. We have zero tolerance for gender bias and actively promote a culture free from discrimination and harassment. We believe that by placing women at the core of our workforce, we enhance our business performance.

Running a responsible business

We firmly believe that sustainability is the core of our operations and the most critical determinant of our success. We acknowledge that we are part of an industry that has been a major contributor to climate change, resource intensification and biodiversity loss. We also recognise this challenge as an opportunity to drive impactful initiatives that transform the industry and create a positive wave of change. We have been progressively reducing our environmental footprint and enhancing our social imprint. We are confident that our sustainability efforts will make a real difference and act as a catalyst towards fostering a more sustainable and conscious future for generations to come.

We are also committed to upholding corporate social responsibility (CSR) principles with a focus on education, health, environment and community development. Our dedicated initiatives have made a meaningful impact on the lives of nearly 10,000 students across 18 schools situated in 6 districts spanning two states.

We will continue our endeavours to catalyse economic empowerment, create equitable employment opportunities and generate societal shared values among the most marginalised and vulnerable segments of society. We take responsibility for our actions and are accountable to our stakeholders. Our robust internal governance mechanisms and human resource capabilities will ensure that we stay ahead of the sustainability curve.

Towards a future full of opportunities

As we march into FY2024, I am confident of the long-term prospects for the industry and, in turn, your Company. With global sourcing shifting away from China and supplier consolidation towards efficient and well-capitalised players, the Indian apparel industry is poised for strong growth. At Gokaldas Exports, we are ready to make the most of the upcoming opportunities by gaining market share and preparing ourselves for business growth when market conditions turn more favourable.

As I conclude, I would like to extend my heartfelt thanks to our people for their unwavering commitment and to our investors and shareholders for their continued trust in us. Together, we are ready to transform the apparel industry and pave the way for a fashionable, sustainable and profitable future for all.

Sincerely,

Sivaramakrishnan Ganapathi
Vice Chairman and Managing Director

Key performance indicators

Growing from **strength to strength**

We recorded robust performance during the year due to our strong order book and effective capacity utilisation. Despite unfavourable market conditions in the second half of the year, we managed to grow our operating margin and PAT quarter-on-quarter.

Net profit
(₹ in crore)

61.1% CAGR

FY23	173.0
FY22	117.1
FY21	26.5
FY20	10.4#
FY19	25.7*

* Adjusted for 4% MEIS income of FY2019 reversed pursuant to the government notification
#Declined due to a series of headwinds like the retrospective reversal of 4% MEIS, revision of minimum wage in Karnataka retrospectively, and one-off expense

Total Income
(₹ in crore)

17.2% CAGR

FY23	2,247.2
FY22	1,801.0
FY21	1,222.9
FY20	1,387.2
FY19	1,196.2

Basic EPS
(In ₹)

47.3% CAGR

FY23	28.60
FY22	23.08
FY21	6.18
FY20	7.10
FY19	6.08

EBITDA
(₹ in crore)

37.2% CAGR

FY23	295.8
FY22	216.2
FY21	113.7
FY20	102.1
FY19	83.5

Net debt
(₹ in crore)

FY23	(332.5)
FY22	(119)
FY21	166.2
FY20	204.1
FY19	237.1

EBITDA margin
(In %)

17.2% CAGR

FY23	13.2
FY22	12.0
FY21	9.3
FY20	7.4
FY19	7.0

Working capital
(In days)

FY23	61
FY22	70
FY21	85
FY20	77
FY19	99

Note: Cash and cash equivalents (other than funds committed for Capex) and lease assets are not included in working capital.

PRODUCT CATEGORY SALES

Fashion wear
(In %)

FY23	46
FY22	39
FY21	36
FY20	39
FY19	43

Healthcare
(In %)

FY23	00
FY22	00
FY21	07
FY20	00
FY19	00

Outerwear
(In %)

FY23	36
FY22	40
FY21	37
FY20	32
FY19	30

Pieces shipped
(In million)

FY23	27.9
FY22	23.4
FY21	19.2
FY20	24.9
FY19	23.4

Bottom wear
(In %)

FY23	09
FY22	10
FY21	14
FY20	18
FY19	17

Sports wear
(In %)

FY23	09
FY22	10
FY21	06
FY20	11
FY19	10

SALES CONTRIBUTION BASIS ASP

ASP > 450
(In %)

FY23	89
FY22	88
FY21	72
FY20	62

ASP < 450
(In %)

FY23	11
FY22	12
FY21	28
FY20	38

Value creation model

Creating sustainable **value for all**

We are committed to creating sustainable value for our stakeholders by adopting social, environmental and economic sustainability practices. We ensure the well-being and safety of our employees, minimise our environmental impact through eco-friendly practices and create long-term economic sustainability through global expansion and investment in technology and innovation. Our sustainable practices are creating long-term value for our stakeholders, including our employees, customers, shareholders and the wider community.

Resources → How we create value → Our offerings → Value created

Resources

Steady financials
- *Capital expenditure:* **₹135 crore**
- *Net debt:* **₹(332.5) crore**

Manufacturing strengths
- *Manufacturing facilities:* **20+**
- *Manufacturing experience:* **4+ decades**
- *Machines and equipment:* **15,000+**

Prioritising people
- *Employees:* **26,000+**
- *Women employees:* **75% of the total workforce**
- *Employee upskilling and development*
- *Performance-based rewards*

Cognisant towards communities
- *Set up a rooftop solar panels at one of our units*
- *Replaced oil and fossil fuels with organic biomass*
- *Rainwater harvesting*
- *Committed to sustainability*

How we create value

SERVICES
1. *Laying*
2. *Cutting*
3. *Sewing*
4. *Checking*
5. *Labs*
6. *Washing*
7. *Ironing*
8. *Finishing*
9. *Design*
10. *Embroidery*
11. *Printing*
12. *Laser*
13. *Fusing*
14. *Scraping*
15. *Hand grinding*
16. *Quilting*
17. *Polyfil*

STRENGTHS
- *Well diversified, products and clients*
- *Sustainability focused operations*
- *Globally recognized supplier of complex value-added garments*
- *Professional management*
- *Adhering to high standards of EHS compliance*

Our offerings

- **Fashion garments**
- **Outerwear**
- **Bottom wear**
- **Casualwear**
- **Sportswear**

Value created

Superior returns
- *Revenue:* **₹2,247.2 crore**
- *EBITDA:* **₹295.8 crore**
- *PAT:* **₹173 crore**
- *EPS:* **₹28.6**

Superior customer service
- *Annual apparel manufacturing capacity:* **36 million pieces**
- *Catering to brands in* **50+ countries**
- *On-time delivery*
- *Premium quality products*

Skilled workforce
- *Improved people productivity*
- *Reduced attrition rate*
- *Productive environment*

Empowering for a better future
- *Social license to operate*
- *Reduced carbon footprint*
- *Beneficiaries:* **10,000+ students across 18 schools in 6 districts**
- *Alignment with* **UN SDGs 4 and 6**

4 QUALITY EDUCATION
6 CLEAN WATER AND SANITATION

People

Prioritising **our workforce**

People are fundamental to our business. Our long-term goal is to develop our employees' skills and abilities so that they can contribute to the organisation's growth. We believe that a supportive and open environment where employees feel comfortable sharing their ideas is essential for this.

Women make up the majority of our workforce, so it is our responsibility to empower them and help them become self-sufficient. We are committed to this goal and are constantly working to find new ways to support our female employees. We offer a variety of workshops and training programmes on topics such as health, financial management, communication and well-being. We believe that these programmes are essential for the personal development of our employees, and we are proud to offer them.

Training

At Gokaldas Exports, we prioritise training, personal development, cooperation and supervisory skills to create a productive and harmonious work environment. Some of our training programmes include:

- *Quality Concept:* Aligning associates with customer requirements and ensure quality outputs
- *Workplace Cooperation Program (WCP):* Strengthening relations between management and workers at all levels
- *Personal Advancement & Career Enhancement (PACE):* Life skills training in health, finance, problem-solving, communication and well-being
- *Supervisory Skill Training (SST):* Developing effective interpersonal relationships and creating a friendly working environment

Engagement

By prioritising employee engagement initiatives, we create an environment where employees feel valued, respected and empowered to share their ideas. This leads to increased innovation and collaboration and helps promote continuous growth, as employees are more likely to be motivated and committed to their work when they feel like they are part of something bigger.

- *Skip-level Meeting:* The Company values employee feedback through Skip Level Meetings (SLMs), gaining valuable insights into workforce sentiments and ensuring their voices are heard.
- *Sankalpa:* This is our behaviour re-alignment programme that gamifies recognition and rewards, promoting best practices among employees and creating a positive work environment.
- *Supervisor Development Programme (SDP):* The programme empowers supervisors to foster an engaged, productive and innovative workforce through competency-based training.
- *Subhashitha:* This daily dose of wisdom sets the tone for a positive and productive start to the day. By incorporating uplifting thoughts or words, we create an environment that fosters happiness and enhances productivity among our employees.
- *HER Project:* We have introduced HER-Health and HER-Finance modules that have been implemented at some of our select factories. These modules are aimed at enhancing the living standards of our women employees and empowering them to become financially self-reliant

A dedicated facility for employee training

We inaugurated Phase 1 of our Madhya Pradesh facility to prioritise employee well-being with amenities such as a creche, dispensary, ambulance and a canteen. The dedicated training facility will support the hiring of 4,000 workers for both phases and provide advanced machine training for women with basic sewing skills. We believe that comprehensive training programmes bridge the technical and behavioural skills gap, resulting in positive outcomes.

1,00,000

sq.ft production area to accommodate

2,000

Employees in phase-I

GOKALDAS EXPORTS

I joined Gokaldas Exports as a trainee in the Sewing department and it's been 3 months. I am married with two children and our economic condition is poor as my husband does not have a regular income. Additionally, in our society, the value system does not appreciate women working. However, when I learned about Gokaldas Exports and its work culture, especially regarding women, I convinced my husband that I should work here.

Due to our financial situation, we were unable to afford my 4-year-old son's education. But thanks to my regular income from the Company, I have been able to enroll my son in school. Today, a few more women from my family have also joined the Company."

Sonam Pal
Sewing Operator

I have joined Gokaldas Exports as a trainee. Where I come from, people are reluctant to send girls outside for jobs. The opening of this Company in our area has created excellent job opportunities for girls like me. We are thrilled to be part of a Company that provides opportunities for inexperienced females through training programmes. These initiatives not only enhance our skills but also improve our financial stability. I have noticed significant changes in my personal life, as I now receive respect from my family members and people in the surrounding communities. Both myself and my parents are happy with the culture, care and facilities provided for women at Gokaldas Exports."

Priya Mali
Water Spider – Sewing Department

Community and environment initiatives

Towards a better *future*

We strive to ensure community empowerment, environment conservation and sustainability through a wide range of initiatives. We strongly believe that profitability cannot exist without ensuring the upliftment of the communities in which we operate. We, thus, ensure our values of integrity and inclusivity are embedded in our social initiatives.

PRINCIPLES GUIDING OUR SOCIAL RESPONSIBILITY INITIATIVES

1. *Our commitment to improve this world and make it better than we found it*
2. *Our alignment with national and regional developmental priorities*
3. *Our impact-driven engagement to ensure lasting changes*
4. *Our engagement with specialised NGOs and other agencies to harness their deep experience and understanding of the social landscape*
5. *Our belief in making initial investments, wherein a moderate engagement can translate into a large social impact*
6. *Our focus on responsible engagement to enable our individuals to become the master of their lives*

Gokaldas Exports Charitable Foundation (GECF)

Established in 2022, GECF began with a mission to achieve sustainable development in alignment with ESG principles. The Foundation aims to make a positive impact in the lives of underprivileged people by providing them with access to basic necessities of life, such as rural infrastructure development, education, healthcare and well-being. Founded on the principles of integrity and inclusivity, GECF strives to build resilient communities.

Our CSR initiatives are focused on four primary areas:

- EDUCATION AND SKILL DEVELOPMENT
- HEALTH AND HYGIENE
- ENVIRONMENT
- COMMUNITY DEVELOPMENT

Community and environment initiatives

Education and skill development

We equipped government high schools with essential resources such as setting up computer labs to provide access to technology for students' educational development. The initiative also included the provision of desks, chairs, tables, projectors and library book structures to enhance the learning environment. Moreover, classroom boards were installed to facilitate interactive teaching and learning.

Health and hygiene

We supported the installation of urinals and toilets in several schools, contributing to improved sanitation facilities. Additionally, we ensured access to clean drinking water, benefiting numerous students.

UN SDGs impacted

Gokaldas Exports Charitable Foundation was honoured with the prestigious "CSR Excellence Award 2022" at the 6th state-level HR conference held in Bengaluru on 12th November, 2022 for its exceptional commitment to corporate social responsibility.

Contributing to environmental conservation

We have a strong commitment to environmental sustainability which has helped us reduce our environmental footprint and improve our bottom line through initiatives such as rainwater harvesting and setting up of rooftop solar panels and zero liquid discharge plants.

In everything we do, we are dedicated to protecting the environment and ensuring our operations are sustainable in the long term.

Green belt

We undertake afforestation activities every year on June 5th - World Environment Day by partnering with employees, their children, the community members and customers.

Clean energy

Clean energy is a priority for us. We installed a 400 KWp solar PV at one of our manufacturing units, thus meeting the energy requirements through a clean and renewable source. The excess clean power is supplied to the external grid. We are exploring options to provide clean energy across a majority of our operations.

ZDHC and ZLD

We use 100% non-hazardous chemicals in our laundry and printing units. In addition company is also a member of the Zero Discharge of Hazardous Chemical (ZDHC) group. We also ensure zero liquid discharge (ZLD) by recovering around 92% of water from the effluents of laundry and recycling it.

Reducing energy consumption

We are actively reducing our dependence on fossil fuels by switching to organic biomass. The Company reduced its diesel consumption by 13% over a period of four years and brought down fabric wastage, despite significant growth in business volume. We have installed variable frequency drives in compressors ,enabling reduction of energy consumption by 4% over the previous year. We have replaced conventional clutch motor sewing machines with direct-drive motors and lighting in all units with LED lights, thereby reducing energy loss and power consumption.

Water conservation

We harvest rainwater to recharge the groundwater table and utilise some of the water for manufacturing processes.

Community and environment initiatives

Ranking high on sustainability assessments

Higg FEM score

The Higg Facility Environmental Module (Higg FEM) is a global sustainability assessment tool that standardises how industrial facilities measure and evaluate their environmental performance, year over year. The Higg FEM is designed to measure and quantify the sustainability impacts of a facility. It is central to transforming businesses for exponential impact. At Gokaldas Exports, we are consistent in achieving better scores across all sustainability parameters.

Higg FEM score across sustainability parameters

(In %)

Category	FY23	FY22
Environment management	98	91
Energy	100	99
Water	96	99
Waste	81	56
Wastewater	100	89
Air	91	90
Chemical management	53	43

Overall Higg FEM score

FY23 89%
FY22 81%

SLCP score

The Social & Labor Convergence Program (SLCP) is an initiative designed to streamline the auditing of labour standards in apparel and footwear facilities and improve working conditions by using a Converged Assessment Framework (CAF). Conforming to the Social and Labour Convergence Program involves a self-assessment followed by independent verification by SLCP-approved verifiers. At Gokaldas Exports, we hold the SLCP in all our facilities to assess the working conditions and improvement rate.

Overall SLCP score

FY23 87%
FY22 83%

CERTIFICATIONS

Ready for the future

Poised to grow from strength to *strength*

At Gokaldas Exports, our vision is to establish ourselves as a global leader in the apparel industry, driven by innovation, operational excellence and sustainable practices. We are committed to delivering superior quality products, exceeding customer expectations and embracing technological advancements. We will continue leveraging our strengths to reach our goal.

1. **Well-diversified across geographies, products and clients**
2. **Globally recognised vendor of complex garments**
3. **Professional management**
4. **Incremental capacities to accelerate growth momentum**
5. **Sustainability-focused operations**
6. **Fully integrated manufacturing operations, including design services**
7. **Long-standing relationships with eminent global brands spanning decades**
8. **Adhering to high standards of EHS compliance**
9. **Credible track record on client servicing metrics and a preferred choice for large brands**

Management Discussion and Analysis

Management **discussion and analysis**

Macroeconomic landscape

The projected global growth rate for the coming years indicate a pattern of modest fluctuations. After an estimated 3.4% growth in 2022, the rate is anticipated to moderate to 2.8% in 2023, before rebounding to 3.0% in 2024. Notably, this projection for 2023 surpasses the initial forecast by 0.1%, signalling encouraging prospects. However, certain challenges persist, including the impact of elevated central bank rates aimed at curbing inflationary pressures and geopolitical tensions. On a positive note, the recent reopening of the Chinese economy following the COVID-19 disruption has paved the way for a faster-than-expected recovery.

The global inflation outlook also merits attention, as it reflects the dynamics that underpin economic stability. Forecasts indicate a decline in inflation rates from 8.7% in 2022 to 7.0% in 2023, with a further decrease to 4.9% in 2024. Potential downward risks include severe health consequences in China that could impede the ongoing recovery, escalating tensions arising from Russia's engagement in Ukraine, and the possibility of tighter global financing conditions exacerbating debt distress. Additionally, unforeseen shifts in financial markets, triggered by adverse inflation news, or geopolitical fragmentation impeding economic progress, could pose challenges. On the upside, a more substantial boost from pent-up demand in multiple economies or a more rapid decline in inflation levels present plausible factors that could shape a more favourable trajectory.

The projected growth rates, albeit exhibiting slight fluctuations, underscore the delicate balance between positive and challenging factors. While inflation is expected to moderate in the coming years, it remains higher than the pre-pandemic period.

US$ 2.4 tr

Expected Global Apparel Retail Market Size in 2030

Source: IMF

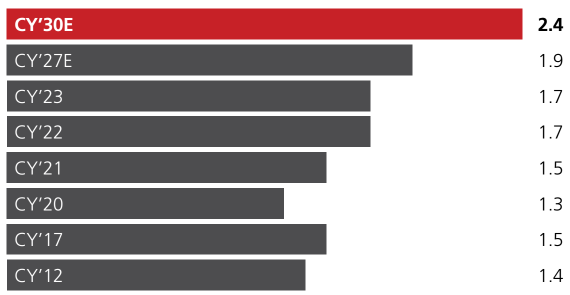
Industry overview

Global apparel market

The global apparel market encompasses a diverse range of clothing, spanning from sportswear to fashion to casual to business attire, catering to various preferences and styles. In 2022, the market's revenue reached a remarkable sum of $1.71 trillion, with a promising projection of surpassing the $2 trillion mark by 2027, and continuing to soar beyond in 2030. The growth trajectory is driven by several key factors, including China's anticipated ascent as the largest retail apparel market by 2025, closely followed by the United States and the EU-27. Notably, India is spearheading this growth, with its robust economy propelling the market forward at a notable rate of 10%.

The apparel landscape is characterised by the dominance of key players, namely the United States, the European Union, and China, who consistently witness substantial consumer expenditure on clothing. With a significant 15% share of the world retail apparel market, the United States solidifies its position as the largest player in 2022. Within the U.S. market, women's apparel captures the lion's share, commanding nearly 60% of overall sales. Post the challenges posed by the COVID-19 pandemic, U.S. consumer spending on apparel has demonstrated a resilient recovery, exhibiting a consistent CAGR of 2% over the past decade. As we look ahead, the apparel market is poised to embark on a continued growth trajectory, presenting a myriad of opportunities for industry participants.

Global Apparel Retail Market
(In US$ Tr)

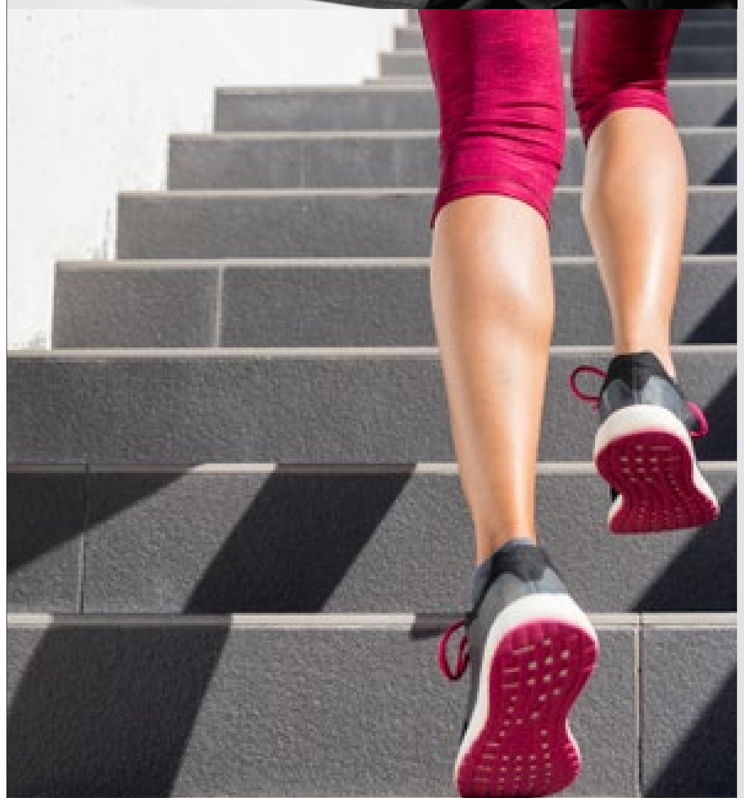


Source: Statista & Wazir

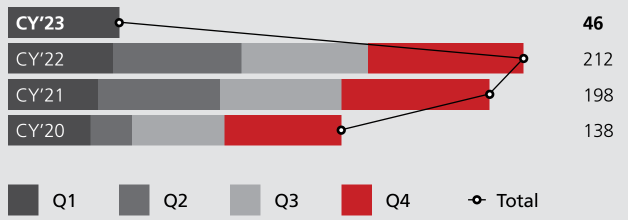
Industry landscape

The global apparel industry is witness to a notable trend of resilience, particularly evident in the robustness of US consumer sales. Month after month, apparel store sales in the United States have exhibited a consistent upward trajectory, surpassing pre-pandemic levels. However, it is important to note that this upward momentum may encounter some deceleration in the near term, as inflationary pressures and recessionary sentiments may temper the pace of this growth in the near future.

Concurrently, the online segment of the apparel market continues to demonstrate its significance, even though it experienced a temporary levelling off in early CY23. The industry's overall retail sales performance is primarily driven by price increases rather than a substantial surge in sales volume, as brands leverage buoyant consumer demand and reduced discounts to capture higher prices.

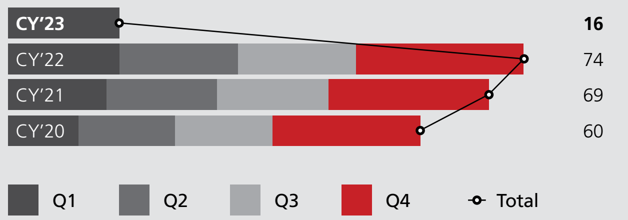


US Clothing Retail Store Sales
(In US$ BN)



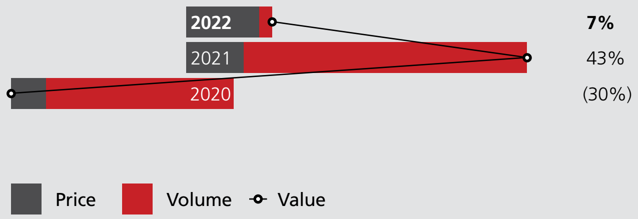
Source: US Census Bureau

US E-COM Clothing Sales
(In US$ BN)



Source: US Census Bureau

Price v/s Volume Contribution
(In %)

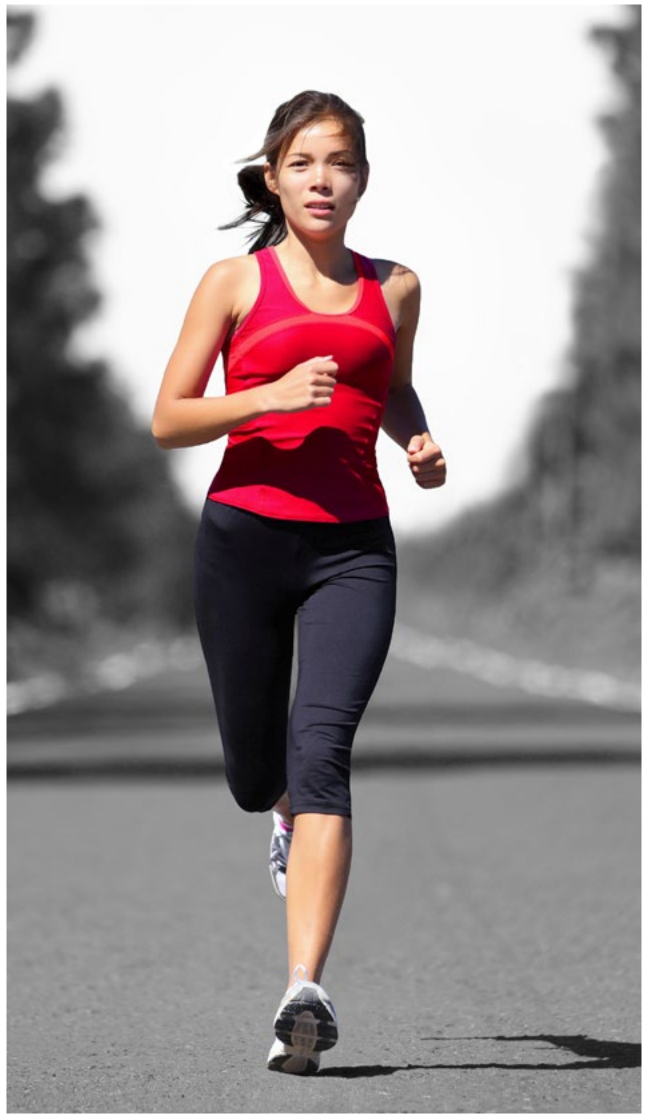


Source: US Census Bureau

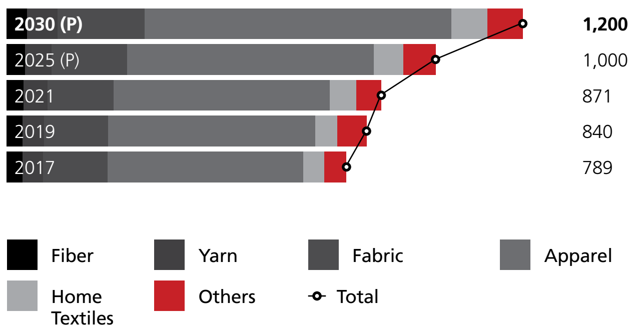
Management Discussion and Analysis

Textiles and apparel trade

In CY 2021, the global textile trade amassed a substantial value of US$ 871 billion, with apparel accounting for an impressive US$ 505 billion. Notably, China assumes a commanding position, leading the world in apparel exports with a significant 33% market share. Projections for the near future are equally compelling, as textile and apparel trade are poised to reach the remarkable milestone of 1 trillion USD by 2025, with apparel expected to maintain its dominant position within the industry. Furthermore, a noteworthy CAGR of 3.6% between 2021 and 2030 signifies sustained growth and resilience. As the industry evolves, a strategic shift towards closer proximity to raw material centres is evident, with apparel production increasingly gravitating towards these hubs, further augmenting its share in the global textile trade. Additionally, fabrics emerge as the second-largest traded category, commanding a significant 17% share.

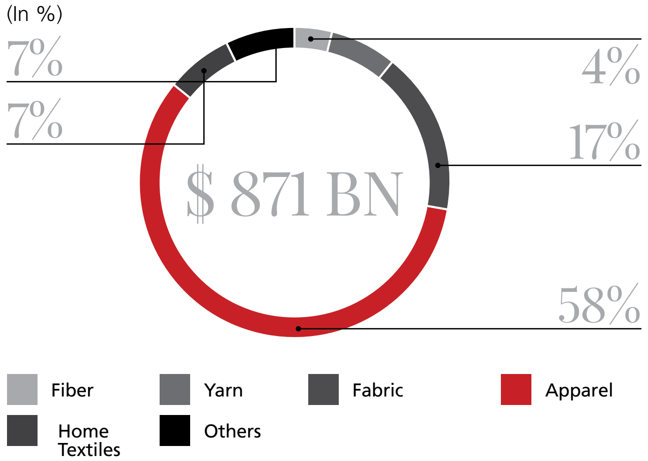


Global Textile Trade
(In US$ BN)



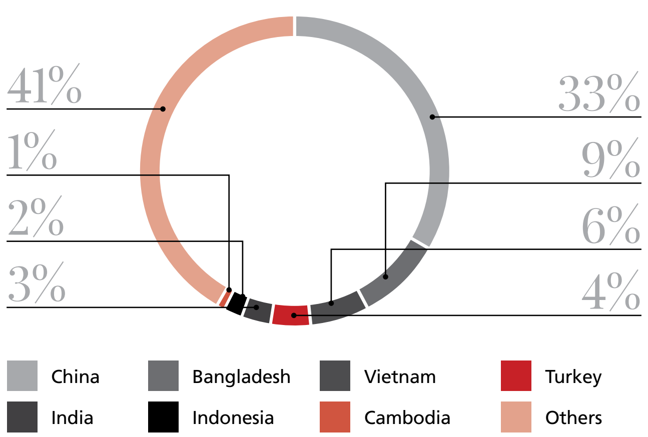
Source: Wazir, WTO

Global Textile Trade (2021)
(In %)



Source: WTO

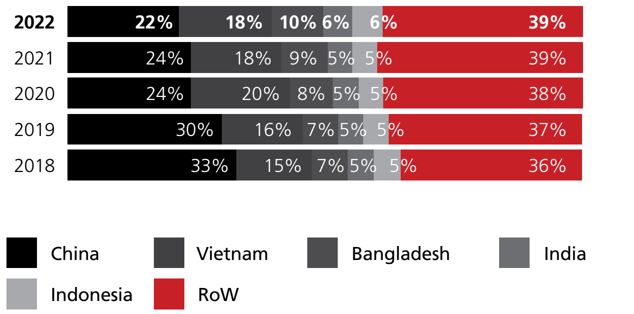
Major Apparel Exporting Countries (2021)
(In %)



Industry landscape

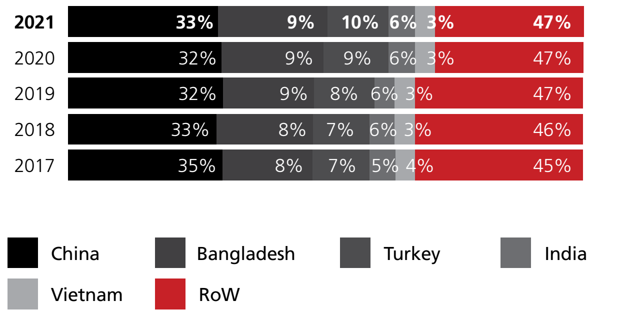
1. Shifting Market Share: Geopolitical tensions and rising labour costs are propelling a potential shift away from China as the dominant player in textile-apparel exports. Over the past decade, China's market share has steadily declined due to increased factor costs, currency appreciation, and trade barriers. This transition creates fresh opportunities for emerging Asian countries, notably India, to seize a larger slice of the market. As sourcing from India gains momentum, its growth potential becomes increasingly apparent. Additionally, geopolitical risks between the United States and China, coupled with the US prohibition of cotton products from China's Xinjiang province, open doors for rival nations to capitalise on shifting trade dynamics. China's own internal factors, including mounting labour costs, a declining working-age population, enhanced social security benefits, and a shifting focus away from low-value garment exports, further fuel this trend.

Major Exporting Countries to US
(In US$ BN)



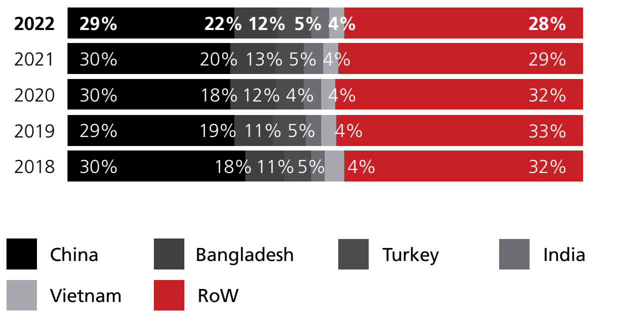
Source: Otexa

World Apparel Exports Trends
(In US$ BN)



Source: WTO
Note: World data is available only till 2021.

Major Exporting Countries to EU-27
(In US$ BN)



Source: Euro Stat

58%

Apparel's share in Global Textile Trade

Management Discussion and Analysis

2. Diversification Strategies of Major Brands: Recognizing the need to mitigate risks and reduce dependence on a single market, major brands are actively diversifying their sourcing strategies and decreasing their reliance on China. This strategic shift is expected to continue in the foreseeable future. While China's strong presence across the entire textiles value chain serves as a resilient factor, brands are proactively exploring alternative suppliers in different regions. By cultivating relationships with these suppliers, brands aim to optimise procurement costs, enhance supply chain resilience, and effectively manage risk.

3. Consolidation of Supplier Base and Emphasis on Sustainability: Leading apparel brands are increasingly consolidating their supply chains, prioritising collaboration with a select number of vertically integrated suppliers. This consolidation trend stems from brands' commitment to streamlining the end-to-end product journey and meeting heightened expectations for quality and sustainability. By partnering with large, vertically integrated suppliers, brands ensure better control over the supply chain, enabling them to adapt to evolving market demands while adhering to rigorous environmental, social, and governance (ESG) standards.

BRANDS PROCUREMENT FROM CHINA AS A PERCENTAGE OF THEIR OVERALL PROCUREMENT

A leading US Apparel brand
(In %)

A well-known European Sportswear brand
(In %)

A well-known Global Sportswear brand
(In %)

Renowned high-quality activewear brand
(In %)

A leading US outerwear brand
(In %)

Source: Companies

BRANDS CONSOLIDATION OF SUPPLIER BASE

A leading US Apparel brand
(In no. of suppliers)

A well-known European Sportswear brand
(In no. of suppliers)

A well-known Global Sportswear brand
(In no. of suppliers)

A Top 3 Fast Fashion Brand
(In no. of suppliers)

One of the Largest Fast Fashion Brand
(In no. of suppliers)

Indian textile and apparel industry

The Indian textile and apparel industry has witnessed remarkable growth in recent years, reflecting its immense potential and promising future. In 2022, the market size soared to an impressive US$ 172.3 billion, with projections indicating an upward trajectory. Anticipating this growth, industry experts at IMARC Group forecast the market to reach a staggering US$ 387.3 billion by 2028, showcasing a remarkable CAGR of 14.59% between 2023 and 2028.

Several factors underpin this exceptional growth. Firstly, there is a surging demand for premium quality clothing and footwear items, fueled by changing consumer preferences and increasing disposable incomes. This trend has propelled the industry forward, unlocking new opportunities for manufacturers and retailers alike. Furthermore, the Government of India has taken proactive measures to empower weavers by launching various schemes. These initiatives not only uplift the skilled artisans but also contribute to the overall growth of the sector.

Moreover, the industry's commitment to ethically sourced and sustainable materials has gained significant traction. As conscious consumerism continues to rise, there is a growing emphasis on environmentally friendly and socially responsible practices. Indian textile and apparel businesses have recognized this demand and are investing in sustainable materials and production methods, aligning themselves with global standards and contributing to a greener future.

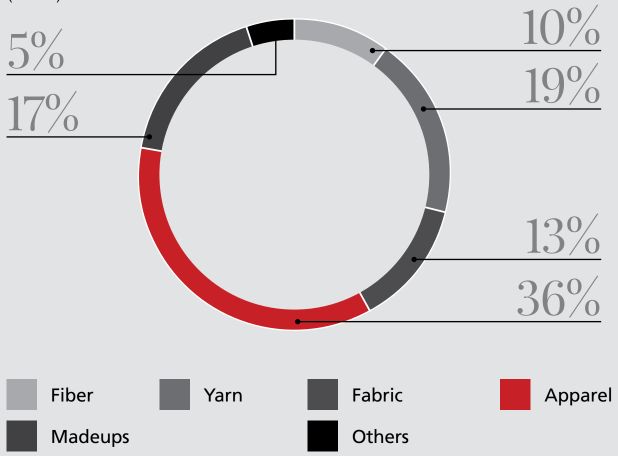
The importance of the Indian textile and apparel industry cannot be overstated. It contributes 2.3% to the country's GDP and accounts for 7% of industry output in value terms. Additionally, India holds a 5% share of the global trade in textiles and apparel, positioning itself as a key player in the international market.

Looking ahead, the textile and apparel industry in India is poised for further growth and success. With a projected target of reaching a business size of $250 billion by 2025, the industry's potential for expansion remains substantial. As India continues to leverage its rich textile heritage, embrace sustainability, and nurture skilled artisans, the Indian textile and apparel industry is set to make a lasting impact on the global stage, contributing to economic growth, employment generation, and a sustainable future.

168
Energy intensive textile units

31
Functional textile parks

Indian Textile Exports Share
(In %)



Source: Ministry of Commerce, Wazir

Indian Apparel Exports
(In US$ BN)

Geography	FY19	FY20	FY21	FY22	FY23
EU	6.2	5.7	4.4	5.6	**4.6**
N. America	4.5	4.6	3.5	5.7	**5.9**
UAE	2.0	1.5	1.6	1.8	**1.2**
Others	3.4	3.7	2.8	2.8	**4.5**
Total	16.5	15.5	12.3	16.0	**16.2**

Geographical Share	FY19	FY20	FY21	FY22	FY23
EU	38%	37%	36%	35%	**28%**
N. America	28%	30%	29%	36%	**37%**
UAE	12%	10%	13%	12%	**7%**
Others	21%	24%	22%	18%	**28%**

Management Discussion and Analysis

Marking the India advantage

1 **Cost-effective labour and abundant skilled workforce:** India benefits from a low labour cost advantage and a vast pool of skilled workers. While the lead time may be lower in countries like Vietnam, India offers a balanced mix of cost, skills, and textile strength. The country's textile integration, particularly in cotton, coupled with competitive power costs, creates a favourable manufacturing environment.

2 **Rich in raw materials:** India stands as one of the largest producers of cotton and jute worldwide. Additionally, it holds the distinction of being the second-largest producer of silk and home to 95% of the world's hand-woven fabric. With an abundance of raw materials and cost-effective labour, India enjoys a competitive edge in terms of manufacturing costs compared to many other countries.

3 **Strong port connectivity and government support:** India boasts robust port connectivity, ranking second along with Vietnam. Although there may be a slight lag in general infrastructure, the government's proactive approach and support for the industry, along with geopolitical uncertainty, create a favourable scenario. The Indian government actively promotes policies encouraging businesses to diversify their sourcing strategies and potentially benefiting the industry in the long run hence taking advantage of China+1 opportunities.

4 **Growing young population:** India possesses one of the world's largest young populations, with a median age estimated around 28 years, making it younger than many other large countries. This demographic segment represents a significant consumer group for textiles and apparel, thus driving consumer sentiments and fueling demand.

5 **Rise of e-commerce:** India has experienced a notable surge in online shopping and e-commerce, offering strong growth patterns in this segment. The advent of e-commerce enables the industry to reach a larger base of consumers effectively. Today, consumers prioritise convenience, a wide range of options, attractive discounts, and easy return policies when making their shopping choices.

Favourable government initiatives

1 **Boosting exports through strategic partnerships:** The Indian government is actively pursuing bilateral trade agreements to enhance the country's exports. Successful free trade agreements (FTAs) have been concluded with the UAE and Australia, while discussions with the UK are in the final stages, expected to be completed in 2023. The government is also exploring trade discussions with diverse nations including the European Union, the United States of America, Canada, and South Korea, aiming to create new avenues for trade and expand market access.

2 **Continuation of RoSCTL scheme:** To provide substantial relief to export companies and ensure policy stability, the government has announced the continuation of the Rebate of State and Central Taxes and Levies (RoSCTL) scheme until 2024. This decision offers a sense of certainty to Indian exporters, encouraging them to increase their investments and generate employment opportunities across the country.

3 **Empowering the man-made fibre (MMF) sector:** Recognizing the global significance of MMF and technical textiles, the government has introduced the Production Linked Incentive (PLI) Scheme targeted at these segments. With an estimated outlay of ₹10,683 crore, this initiative aims to strengthen India's dominance in MMF, which accounts for 70% of global textile fibre consumption. By incentivizing investments and promoting technological advancements, the government seeks to bolster the country's position in the global market.

4 **Fostering textile infrastructure and innovation:** The Mega Integrated Textile Region and Apparel (MITRA) Parks Scheme has been announced in the Union Budget 2021-22 to establish seven state-of-the-art parks over three years. These parks will feature cutting-edge facilities, shared utilities, and research and development laboratories, creating an enabling environment for textile manufacturing. This initiative aims to attract investments, drive innovation, and support the development of a robust textile ecosystem within the country.

5 **Promoting technology adoption and modernization:** The government plans to introduce the Textiles Technology Development Scheme (TTDS) as a successor to the earlier scheme of Technology Upgradation Fund Scheme (TUFS). With an allocation of ₹16,635 crore over five years, TTDS aims to promote integrated manufacturing facilities and technology adoption in the textile sector. The funding will be utilised for textile machinery, technology upgrades for existing units, integrated manufacturing, clearing TUFS arrears, and administrative expenses. However, beneficiaries of the PLI scheme for textiles will not be eligible for benefits under TTDS.

Company and its product overview

Gokaldas Exports Limited is a prominent player in the Indian fashion industry, specialising in the manufacturing and export of a diverse range of high-quality readymade garments. With a strong foothold in the global market, the Company caters to the demands of renowned international fashion brands and retailers across more than 50 countries. The Company's success can be attributed to its deep understanding of garment specifications, a keen awareness of customer preferences, and its unwavering commitment to delivering products that consistently meet stringent quality and compliance standards. Gokaldas Exports Limited has fostered long-standing relationships with its key customers, which have been instrumental in driving its growth and sustaining its market position. The Company's customer base spans regions including North America, South America, Europe, Africa, Oceania, and various Asian countries. With its dedication to excellence and a customer-centric approach, Gokaldas Exports Limited continues to be a trusted and preferred partner in the global fashion landscape.

Product Category	FY22-23	FY21-22
Women	51%	46%
Men	42%	47%
Kids	6%	6%
Others	1%	1%

Product Mix	FY22-23	FY21-22
Jackets	35%	42%
Pants	16%	14%
Tops/Shirts	48%	42%
Others	1%	2%

Financial performance

The financial statements have been prepared in compliance with the requirements of the Companies Act. 2013, and in conformity with the Indian Accounting Standards (IndAS) prescribed under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules 2016, as amended and other accounting principles generally accepted in India.

Analysis of the Profit and Loss statement of consolidated financial statments

The Company's total income was ₹2247.23 crore in FY2022-23 compared to ₹1,801.00 crore in FY2021-22. Revenues from operations reported a 24.12% growth from ₹1,790.32 crore in FY2021-22 to reach ₹2222.20 crore in FY2022-23. The Company's ability to effectively balance capacity with orders on hand and execution excellence played very well in delivering such revenue growth. Other incomes of the Company accounted for a 1.11% share of the Company's revenues, reflecting the Company's dependence on its core business operations.

₹2247.23 cr

Company's total income in FY2022- 23 compared to 1,801.00 crore in FY2021-22

Management Discussion and Analysis

Expenses

Total expenses (excluding interest and depreciation) of the Company increased by 23.13% from ₹1,584.82 crore in FY2021- 22 to ₹1,951.42 crore in FY2022-23. Raw material costs, accounting for a 52.38% share of the Company's revenues, increased by 32.54% from ₹888.20 crore in FY2021-22 to ₹1177.17 crore in FY2022-23, owing to increase in the operational scale of the Company after evident market recovery from COVID-19 pandemic. Employee expenses increased by 14.95%, rising from 538.78 crore in FY2021-22 to 619.32 crore in FY2022-23. This was due to expanded capacity in production units to match the scale of operations and an increase in the minimum wage revision for workmen in Karnataka. Also, the Company has witnessed consistent improvement in the operating margin which has increased by 1.2% from 12% in the year 2021-22 to 13.2% in FY 2022-23. It has delivered a net profit after tax of ₹172.97 crore witnessing a commendable growth of about 47.73% compared to ₹117.08 crore in FY2021-22.

Analysis of Balance sheet

The Company's capital employed has decreased by 3.0% from ₹625.97 crore as on 31st March, 2022 to ₹607.26 crore as on 31st March, 2023. While the Company did major investments during the year towards modernisation and upgradation of technology, plant and machineries at factories and investment towards setting up of new manufacturing units in Bhopal, Madya Pradesh and Perundurai, Tamil Nadu, such decline was majorly attributed to reduction in the working capital investments as of the balance sheet date. The capital employed is comprising of two key components that are non-current assets and working capital investment while it does not include certain components like the mutual fund investments, lease assets and liabilities, and borrowings of the Company.

The net worth of the Company increased by 25.15% from ₹708.18 crore as on 31st March, 2022 to ₹886.25 crore as on 31st March, 2023, owing to an increase in profit as well as an increase in hedge reserves, arising from effective portion of gain and loss on hedging instruments from mark to market.

The Company had raised funds aggregating to ₹300 crore through Qualified Institutional Placement on 7th October, 2021. As on 31st March, 2023, the amount raised has been fully utilized towards repayment or prepayment of borrowings, financing working capital requirements, which are in line with the objectives of which the funds were raised.

During the year under review the Company has not taken any major long term loan. The short-term borrowing of the Company is reduced by 57.48% from ₹60.69 crore as on 31st March, 2022 to ₹25.81 crore as on 31st March, 2023. Net debt-equity ratio of the Company stood at (0.28) in FY2022-23 (i.e., net cash) compared to net debt of 0.05 in FY2021-22. Net Debt to equity represents average net debt to average equity.

Finance costs of the Company decreased by 36.04% from ₹40.21 crore in FY2021-22 to ₹25.72 crore in FY2022-23 despite increase in scale of operations. The Company's interest cover increased from 3.9x in FY2021-22 to 8.71x in FY2022-23.

₹886.25 cr

Net worth of the Company increased by 25.15% from ₹708.18 crore as on 31st March, 2022 to ₹886.25 crore as on 31st March, 2023

8.71X

Company's interest cover increased from 3.9x in FY2021-22 to 8.71x in FY2022-23

Applications of funds

Fixed assets (gross) of the Company increased by 9.72% from ₹263.38 crore as on 31st March, 2022 to ₹288.98 crore as on 31st March, 2023, owing to an increase in investment on plant and machinery. Additionally, the Company also invested ₹85.78 crore on the new manufacturing facilities in Madhya Pradesh and Tamil Nadu which are under capital work in progress as on 31st March 2023. Depreciation on fixed assets (Excluding Right of use assets) increased by 20.59% from ₹31.55 crore in FY2021-22 to ₹38.05 crore in FY2022-23, owing to an increase in fixed assets during the year under review.

₹288.98 cr

Fixed assets (gross) of the Company increased by 9.72% from ₹263.38 crore as on 31st March, 2022 to ₹288.98 crore as on 31st March, 2023

Working capital management

Current assets of the Company increased by 6.15% from ₹828.85 crore as on 31st March, 2022 to ₹879.79 crore as on 31st March 2023. The current asset includes investment in the mutual funds which was increased by ₹189.54 crore over the previous year. The current and quick ratios of the Company was 2.12 and 1.01, respectively in FY2021- 22 and 2.54 and 1.70, respectively in FY2022-23. Inventories including raw materials, work-in-progress and finished goods among others decreased by 32.43% from ₹433.62 crore as on 31st March, 2022 to ₹292.99 crore as on 31st March, 2023. Trade receivables have increased by 47.33% from ₹92.19 crore as on 31st March, 2022 to ₹135.83 crore as on 31st March, 2023.

Key ratios

Particulars	2022-23	2021-22
Debt turnover ratio	**18.12**	12.27
Inventory turnover ratio	**5.69**	4.82
Interest coverage ratio	**8.71**	3.91
Current ratio	**2.54**	2.12
Net Debt / (Net Cash) equity ratio#	**(0.28)**	0.05
Operating profit margin (EBIT to Total Income)	**10.0%**	8.7%
Net profit margin	**7.70%**	6.5%
Return on net worth	**21.7%**	23.5%

Net Debt equity ratio is Average Net Debt / Average Equity

Outlook FY 2024

The retail apparel sales in the US is expected to witness good traction starting from H2FY24. However, the demand has faced challenges due to high inflation resulting from the unresolved war conflict between Russia and Ukraine. The sharp hikes in interest rates by central banks across economies to contain high inflation are expected to weigh on consumers' disposable income, thereby impacting consumer demand. Brands, on the other hand, continue to liquidate their high inventory holdings and are planning to moderate their purchase plans to align with market demand conditions which may continue in the next two quarters. This has resulted in lower imports by major importing countries like the US and EU, consequently impacting apparel exports from major apparel-exporting nations.

Nevertheless, the long-term industry structure remains positive, with increasing emphasis by brands on the China plus one sourcing strategy, suppliers' consolidation, and partnerships with ESG-compliant suppliers.

Management Discussion and Analysis

Risk management

External risk factors

1. Currency Fluctuations and International Currency Risks: Gokaldas Exports Limited faces exposure to foreign exchange rate fluctuations as a significant portion of its revenue is derived in U.S. Dollars and Euros. Additionally, the Company relies on imported raw materials, which further exposes it to international currency risks. While the Company employs hedging measures to moderately mitigate these risks, adverse movements in exchange rates could have a material impact on profitability.

2. Regulatory Changes and Government Incentives: : Any changes in regulations or applicable government incentives could have a substantial and adverse effect on the Company's business and profitability. The Indian government has provided production and export-related incentives to the textile sector, such as RoSCTL, EPCG, and duty drawback credit. However, these incentives are subject to potential modifications or removal, which could negatively impact the Company's operations.

3. Competitive Disadvantage in the European Market: Most Asian countries have established free trade agreements with the European Union, making them more competitive than India in terms of exports to the EU. This poses a challenge for Gokaldas Exports Limited in accessing the European market and may require strategic measures to enhance competitiveness in this region.

4. Input Cost Volatility: Fabric represents the largest component of the Company's input costs. Any increase in the prices of inputs such as cotton, yarn, or fabric, as well as rising wage costs and inflation, could potentially lead to a decline in the Company's profitability. To mitigate the impact of these risks, the Company proactively prepares and implements adequate plans well in advance.

Internal risk factors

1. Adaptability to Changing Fashion Trends and Customer Preferences: Gokaldas Exports Limited faces the risk of being unable to respond effectively to rapidly changing fashion trends and evolving consumer preferences. The Company relies on a limited number of customers for a significant portion of its export revenues. The loss of one or more key customers could lead to reduced production and sales, adversely impacting the Company's business and financial position. However, Gokaldas Exports Limited addresses this risk by prioritising excellence in customer relationships, delivering high-quality products, and ensuring timely dispatch of goods, thereby mitigating potential adverse effects.

2. Timely Receipt of Raw Materials: The Company's operations depend on the timely receipt of raw materials from overseas markets. Any delays in the arrival of raw materials could have a negative impact on delivery timelines and overall production efficiency. To mitigate this risk, Gokaldas Exports Limited has built enduring relationships with suppliers over the years, fostering better retention and credit management. The Company further engages in block booking of materials, ensuring a steady supply chain and minimising the risk of material shortages.

3. Anticipation of Market Changes and Consumer Preferences: The apparel manufacturing market is highly dynamic, and success hinges on the ability to anticipate shifts in consumer preferences and industry trends. Gokaldas Exports Limited possesses the necessary capabilities to identify and respond quickly to these changes, both in terms of product offerings and market strategies. By closely monitoring customer preferences and keeping a vigilant eye on market dynamics, the Company ensures successful implementation of product changes aligned with evolving consumer demands. This proactive approach serves as a robust mitigation strategy for this internal risk.

Human resources and industrial relations

At the core of Gokaldas Exports Limited's success lies its unwavering belief in the power of its workforce. The Company recognizes that its people are instrumental in driving its competitive advantage. With a diverse pool of talent, enriched expertise, cross-sectoral experience, and technological knowledge, the employees at Gokaldas Exports Limited provide invaluable support to the Company's operations. The organisational structure is thoughtfully designed to break away from traditional hierarchies, fostering an environment that promotes competitiveness and individual growth. Every decision made by the Company is aligned with the personal and professional goals of its employees, ensuring an ideal work-life balance and fostering a sense of pride among the workforce. As of March 31, 2023, Gokaldas Exports Limited proudly employed a dedicated team of 26,424 individuals.

The Company's commitment to human resources extends beyond mere employment figures. Gokaldas Exports Limited strives to create an inclusive and empowering work culture, nurturing an environment where employees are encouraged to reach their full potential. Gokaldas Exports Limited recognizes that its people are the driving force behind its achievements, and it continues to invest in their growth and well-being to sustain its position as a leading player in the textile and apparel industry.

Internal control systems and their effectiveness

Gokaldas Exports Limited places great emphasis on maintaining robust internal control systems to ensure effective financial reporting and operational oversight. The Company has implemented comprehensive policies and procedures that clearly define the delegation of authority, thereby promoting transparency and accountability. To ensure independent monitoring and evaluation of these controls, an external internal auditor has been appointed. This auditor operates independently and reports directly to the audit committee, which comprises entirely of independent directors. On a quarterly basis, the internal auditor conducts audits across key business areas as per a predetermined plan. These audits encompass a thorough review of systems, procedures, and compliance measures. The findings, along with the management's response, are presented to the audit committee, ensuring transparent reporting of significant observations and subsequent actions. The Board diligently reviews the minutes of the audit committee, further reinforcing the Company's commitment to maintaining effective internal control systems.

Through the diligent efforts of the independent internal auditor, the Company continuously evaluates the functioning of its control mechanisms and identifies areas for improvement. The commitment to comprehensive internal audits allows for timely identification and rectification of any deficiencies in internal control processes. This proactive approach not only ensures the integrity of financial reporting but also mitigates the risks associated with non-compliance.

Cautionary statement

Investors are cautioned that this discussion contains statements that involve risks and uncertainties. Words like anticipate, believe, estimate, intend, will, expect and other similar expressions are intended to identify such forward looking statements. The Company assumes no responsibility to amend, modify or revise any forward looking statements on the basis of any subsequent developments, information or events. Besides, the Company cannot guarantee that these assumptions and expectations are accurate, or will be realised as actual results, since performance or achievements could differ materially from those projected in any such forward-looking statements.

Corporate Information

REGISTERED OFFICE
No. 25, Second Cross, Third Main,
Industrial Suburb, Yeshwantpur
Bangalore - 560 022, Karnataka.

CHIEF FINANCIAL OFFICER
Sathyamurthy A.

COMPANY SECRETARY
Gourish Hegde

STATUTORY AUDITOR
MSKA & Associates
Chartered Accountants.

INTERNAL AUDITOR
G Balu Associates LLP
Chartered Accountants

BANKERS
HDFC Bank
State Bank of India
Union Bank of India
RBL Bank
IndusInd Bank
Federal Bank

REGISTRAR AND SHARE TRANSFER AGENTS
KFin Technologies Limited
Selenium Tower B, Plot No. 31 & 32,
Financial District, Nanakramguda,
Serilingampally Mandal,
Hyderabad - 500 032, Telangana.

Boards' Report

Dear Members,

Your Directors' have the pleasure of presenting the Twentieth Annual Report on the business and operations of the Company ("**Gokaldas Exports Limited**" or "GEX" or "Company"), together with the audited standalone and Consolidated Financial Statements for the financial year ended March 31, 2023.

FINANCIAL HIGHLIGHTS

Company's financial highlights for the year ended March 31, 2023 are summarized below:

(₹ In Crores)

Foreign currency exposure	Standalone		Consolidated	
	2022-23	2021-22	2022-23	2021-22
Revenue from operations	2,221.09	1,789.09	2,222.20	1,790.32
Other Income	30.57	10.95	25.03	10.69
Profit Before Interest, Tax and Depreciation	299.88	214.98	295.81	216.19
Profit Before Tax before exceptional item	203.77	116.73	198.34	117.03
Exceptional item	6.05	-	6.05	-
Profit Before Tax after exceptional item	209.82	116.73	204.39	117.03
Profit After Tax	178.40	116.73	172.97	117.08

COMPANY'S PERFORMANCE

Your Company has had a resilient year 2023, posting a strong financial performance, robust revenue, and profit growth year on year. The current year's performance reflects the committed effort of our senior leadership team and is a testament to our dedicated working force and their unwavering commitment to excellence which propelled us to new heights, delivering outstanding results in a challenging market environment globally.

On the business front, during the year, your Company tried to instill a high-performance, purpose-led culture in the organization to work as one team which resulted in continued outperformance with very strong like-for-like revenue growth and consistently operating margin improvement in each quarter in a row. The year started with strong revenue and profit growth resulting from a robust order book and effective capacity utilization. The second half of the year saw muted volume in line with market conditions as major brands were consciously liquidating excess inventory holdings and dealing with a sluggish retail market.

Your Company managed the operation very well and consistently grew its operating margin, and delivered improved profit after tax quarter on quarter. Our ability to effectively balance capacity with orders on hand and execution excellence played very well in delivering 25% revenue growth, of which 22% was volume and mix driven and 48% net profit year on year when, as a matter of reference, the Indian apparel exports for the financial year 2023 grew by about 1%.

During the year, your company has added incremental revenue from operations of ₹ 431.9 Crores resulting from deeper engagement and relationships with customers. Also, happy to witness that this growth has come with consistent improvement in the operating margin which has increased by 1.2% from 12% in the year 2021-22 to 13.2% in the current year. It has delivered a net profit after tax of ₹ 173 Crores witnessing a commendable growth of about 48% compared to ₹ 117 Crores in the year 2021-22. Your company generated cash from operation without working capital changes of about ₹ 296 Crores during the year securing a healthy financial base for the company.

During the year, your Company has invested ₹ 38 Crores on the existing facilities in modernization and upgradation of machinery for productivity and ensured optimal utilization of capacity, while never losing sight of customer delivery metrics, emerging as an indispensable part of the global value chain. These investments are expected to increase revenue and improve operational productivity. Overall, on a consolidated basis, your Company has incurred a capital expenditure of ₹ 135 Crores during the year Your Company completed setting up a new manufacturing facility in Madya Pradesh and the project work in Tamil Nadu is progressing well.

Your company's gross borrowing has reduced by ₹ 28 Crores YoY and adjusting the cash on hand, fixed deposits, and investments in liquid mutual funds, the company has a net cash surplus of ₹ 333 Crores, compared to net cash of ₹ 119 Crores as of March 31, 2022. Hence, your company continues to be a zero net-debt company. On the working capital front, the net current assets (excluding short term investment, cash, cash & cash equivalents and short-term borrowing) were reduced by ₹ 134 Crores majorly due to a reduction in inventory holding since a higher inventory was held in March 2022. The company has a strong liquidity position that is sufficient to meet its current obligations. Other receivables were reduced due to the realization of export incentives during the year.

Your Company's long-term strategic objective is to create value for its shareholders, employees, and business partners by delivering quality products, and excellence in customer relationships, and will continue to remain focused on these initiatives for sustainable profitable growth.

BUSINESS ENVIRONMENT

The retail apparel sales in the US have witnessed good traction during the year and continue to grow, albeit at a moderating pace. However, the demand in the EU has faced challenges due to high inflation resulting from the unresolved war conflict between Russia and Ukraine. On the other hand, the reopening of the Chinese economy after a brief COVID lockdown is aiding apparel demand, although at a slower pace. The sharp hikes in interest rates by central banks across economies to contain high inflation are expected to weigh on consumers' disposable income, thereby impacting consumer demand. Brands, on the other hand, continue to liquidate their high inventory holdings and are planning to moderate their purchase plans to align with market demand conditions. This has resulted in lower imports by major importing countries like the US and EU, consequently impacting apparel exports from major apparel-exporting nations.

Nevertheless, the long-term industry structure remains positive, with increasing emphasis by brands on the China plus one sourcing strategy, suppliers consolidation, and partnerships with ESG-compliant suppliers. Domestically, the central government's key policy initiatives, such as the continuation of the RoSTCL till 2024, the PLI Scheme, MITRA, and the proposed replacement of TUFS with a new Scheme of Textiles Technology Development Scheme (TTDS), will certainly augur well in the long run. Various Indian state governments are also giving a policy push to the textile and apparel sector through attractive incentive schemes, leading to job creation among locals. In addition, the Indian government is actively pursuing bilateral trade agreements with potential countries, which will further boost the industry. The successful conclusion of FTAs with the UAE and Australia and the last stage discussions with the UK indicate positive prospects. Furthermore, plans to launch trade discussions with 16 new nations and enhance agreements with diverse countries such as the European Union, the United States, Canada, and South Korea will favor the industry even more in the long term.

DIVIDEND

The Board of Directors of the Company at their meeting held on May 25, 2023 have recommended a final dividend of ₹ 1/- (Rupee one) per Equity share (20% of the face value of ₹ 5/- per Equity Share) for the financial year 2022-23, subject to approval of the shareholders at the ensuing Annual General Meeting. The Dividend, if approved will be paid to the shareholders who are holding shares as on the Record date i.e September 13, 2023.

In terms of Regulation 43A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations"), the Dividend Distribution Policy duly approved by the Board is available on https://www.gokaldasexports.com/wp-content/uploads/2022/08/Dividend-Distribution-Policy.pdf.

TRANSFER TO RESERVES

No amount is transferred to the Reserves during the year.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the year, the Board has appointed Mr. George Varughese, Ms. Rama Bjiapurkar, Mr. Shivanandan Ashoke Dalvie as Additional Directors in the capacity of Independent Directors of the Company and Mr. Sundararajan Poorana Seenivasan as Executive Director, with effect from October 27, 2022. Requisite approvals from the Shareholders for these appointments as per the requirement of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") were obtained vide postal ballot notice dated October 27, 2022.

In the opinion of the Board, the Independent Directors appointed during the year possess requisite integrity, expertise, experience and proficiency.

Mr. Gautham Madhavan, Non-Executive Director has resigned from the Directorship of the Company with effect from October 27, 2022. Mr. Richard Saldhanha, Chairman and Independent Director and Ms. Anuradha Sharma, Independent Director have retired from the Directorship of the Company with effect from November 28, 2022 and February 07, 2023 respectively, after the completion of their respective term as Independent Directors.

In view of the retirement of Mr. Richard Saldanha as Director of the Company, Mr. Mathew Cyriac, Non-Executive, Non-Independent Director has been appointed as the Chairman of the Board with effect from November 29, 2022. Mr. Sivaramakrishnan Ganapathi, Managing Director of the Company has been elevated as Vice Chairman and Managing Director with effect from October 27, 2022.

Ms. Shrithee M.S, Company Secretary and Compliance Officer has resigned with effect from November 11, 2022 and Mr. Gourish Hegde has been appointed as the Company Secretary and Compliance Officer of the Company with effect from February 10, 2023.

As on the date of this report, Ms. Pavitra Rajaram has joined as an Independent Director with effect from April 26, 2023. The shareholders of the Company have approved her appointment through postal ballot on July 01, 2023.

Pursuant to the provisions of Section 203 of the Companies Act, 2013, following are the Key Managerial Personnel of the Company as on March 31, 2023:

Sl. No.	Name	Designation
1	Mr. Sivaramakrishnan Ganapathi	Vice Chairman & Managing Director
2	Mr. Prabhat Kumar Singh	Whole-Time Director
3	Mr. Sathyamurthy. A	Chief Financial Officer
4	Mr. Gourish Hegde	Company Secretary

DIRECTORS' RESPONSIBILITY STATEMENT:

In pursuance of Section 134(3)(c) of the Companies Act, 2013, the Board of Directors of the Company confirms and submits that:

i. in the preparation of the annual accounts, the applicable Accounting Standards have been followed and there have been no material departure;

ii. the selected accounting policies were applied consistently and the judgments and estimates made are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company as at March 31, 2023 and of the profits of the Company for the year ended on that date;

iii. proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

iv. the annual accounts have been prepared on a 'going concern' basis;

v. adequate system of internal financial controls has been laid down and the said system is operating effectively; and

vi. proper systems to ensure compliance with the provisions of all applicable laws have been devised and such systems were adequate and are operating effectively.

EVALUATION OF THE BOARD'S PERFORMANCE

Pursuant to the provisions of the Companies Act, 2013 and the applicable provisions of the Listing Regulations, the Annual Performance Evaluation was carried out for the financial year 2022-23 by the Nomination & Remuneration Committee in respect of Board's performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination and Remuneration, Stakeholders' Relationship, Risk Management and Corporate Social Responsibility Committees.

A structured questionnaire covering various aspects of the Board's functioning was circulated to the Directors. The criteria for evaluation of Independent Directors included attendance at the meetings, Interpersonal skills, Independent judgement, knowledge, contribution to strategy, risk management, compliance framework, etc. The Directors expressed their satisfaction with the evaluation process.

DECLARATION BY THE INDEPENDENT DIRECTORS

Pursuant to the provisions of Section 149 of the Companies Act, 2013, the Independent Directors have submitted declarations that each of them meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 read with Rules made thereunder and Regulation 16(1)(b) of the SEBI Listing Regulations.

NUMBER OF MEETINGS OF THE BOARD

Meetings of the Board were held at regular intervals with a time gap of not more than 120 days between two consecutive Meetings. During the financial year, 6(Six) meetings were held on April 18, 2022, April 29, 2022, July 22, 2022; August 26, 2022, October 27, 2022, February 10, 2023. The details of Directors & their attendance during the Financial year 2022-23 have been disclosed in the Corporate Governance Report, which forms part of this report.

COMMITTEES OF THE BOARD

In compliance with the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has constituted a set of committees with specific terms of reference and scope to deal with specified matters expediently. Presently, the Board has following committees:

1. **Audit Committee**
2. **Nomination and Remuneration Committee**
3. **Stakeholders' Relationship Committee**
4. **Corporate Social Responsibility Committee**
5. **Risk Management Committee**

The Composition of each of the above Committees, their respective roles and responsibilities are as detailed in the report on Corporate Governance.

SHARE CAPITAL

During the year the Company has allotted 16,01,000 equity shares under Employee Stock Option Scheme-2010 and Restricted Stock Unit Plan-2018. Except to this, there were no changes in the paid up capital of the Company.

As on March 31, 2023, the Authorized Share Capital of the Company was ₹ 32,50,00,000/- (Rupees Thirty Two Crores Fifty Lakhs) divided in to 6,50,00,000 Equity shares of ₹ 5/- (Rupees five only) each and Paid up Share Capital was ₹ 30,28,89,970/- (Rupees Thirty Crores Twenty Eight Lakhs Eighty Nine Thousand Nine Hundred Seventy Only).

QUALIFIED INSTITUTIONAL PLACEMENT

The Company had raised funds aggregating to ₹ 2,99,99,99,898/- pursuant to Qualified Institutional Placement by issuing of 15,424,164 equity shares of ₹ 5/- each fully paid at an issue price of ₹ 194.50/- per equity share (including a premium of ₹ 189.50/- per equity share) on October 07, 2021.

As on March 31, 2023, the amount raised through Qualified Institutional Placement has been fully utilized towards repayment or prepayment of borrowings, financing working capital requirements and investment in new line of business, which are in line with the objectives of which the funds were raised, as per the placement document and there has been no deviation or variation in the use of proceeds of funds.

DISCLOSURE REGARDING ISSUE OF EQUITY SHARES WITH DIFFERENTIAL VOTING RIGHTS AND/OR ISSUE OF SWEAT EQUITY SHARES

During the financial year under review, the Company has not issued any Shares with Differential voting Rights and/or Sweat Equity Shares.

CHANGE IN NATURE OF BUSINESS

There were no changes in the nature of business during the financial year.

DEPOSITS

During the year under review, the Company has not invited or accepted any deposits from the public under section 76 of the Companies Act, 2013 and Rules made there under. Also, the Company has not accepted any unsecured loan from the Directors of the Company and/or relatives of the Directors during the year as per the Companies (Acceptance of Deposits) Second Amendment Rules, 2015.

MATERIAL CHANGES

No material changes or commitments have occurred between the end of the financial year and the date of this report which affects the financial statements of the Company in respect to the reporting year.

SUBSIDIARY COMPANIES

As on March 31, 2023, the Company has the following 6 (six) subsidiary Companies:

i. All Colour Garments Private Limited

ii. SNS Clothing Private Limited

iii. Vignesh Apparels Private Limited

iv. Gokaldasexports Acharpura Private Limited

v. Sri Susamyuta Knits Private Limited

vi. Gokaldas Exports FZCO, Dubai

As on the date of this Report, the Company has incorporated 'Gokaldas Exports Corporation' in Delaware State, U.S.A and 'Nava Apparels L.L.C-FZ' in Dubai, UAE 2023 on April 14, 2023 and May 01, 2023 respectively.

A separate statement in Form AOC-1 is given as **Annexure I**, which contains the salient features of the financial statement of Subsidiaries. The financial statements and related documents of the Subsidiary Companies will be kept open for inspection at the Registered Office of the Company. The aforesaid documents will also be made available to the Members of the Company upon receipt of written request from them. Also, the financial statements of the subsidiary Companies are available on the website of the Company at https://www.gokaldasexports.com/investors/.

EMPLOYEE STOCK OPTION PLAN

The Company has three Employee Stock Option Plans in force presently. Details of the same are given below:

I. Employee Stock Option Scheme 2010

The Company has introduced the Employee Stock Option Scheme – 2010 ("ESOS-2010/Scheme") in accordance with the SEBI (Employees Stock Option Scheme and Employees Stock Purchase Scheme) Guidelines 1999. The shareholders of the Company at the Annual General Meeting held on September 17, 2010 had approved the Scheme. The Company can issue not more than 17,18,800 options convertible into 17,18,800 equity shares of face value of ₹ 5/- each under this Scheme.

During the year the Company has not granted any options under ESOS-2010 to its employees and 4,65,000 Equity shares of ₹ 5/- each were allotted to the employees who have exercised their options. As on March 31, 2023, the Company has allotted 12,28,330 equity shares under this scheme.

II. Restricted Stock Unit Plan 2018

The Company has introduced the Restricted Stock Unit Plan 2018 ("RSU-2018") in accordance with the Companies Act, 2013 and the rules framed thereunder, SEBI (Share Based Employee Benefit) Regulations, 2014. The shareholders' have approved the scheme on August 26, 2018. Pursuant to the approval, the Board has been authorized to offer, issue and allot stock options to eligible employees of the Company and its subsidiary Companies to the extent of 21,33,040 equity shares of face value of ₹ 5/- each.

During the year no fresh options were granted under RSU-2018 and 11,36,000 Equity shares of ₹5/- each were allotted to the employees who have exercised their options. As on March 31, 2023, the Company has allotted 18,41,500 equity shares under this scheme.

III. Employee Stock Option Plan 2022

The shareholders have approved the GEL Employee Stock Option Plan 2022 ("ESOP 2022") on April 03, 2022. Pursuant to the approval, the Nomination and the Remuneration Committee and the Board has been authorized to offer, issue and allot stock options to eligible employees of the Company and its subsidiary Companies under ESOP 2022. The maximum number of shares under the ESOP 2022 shall not exceed 30,00,000 equity shares. During the year 30,00,000 options were granted to the eligible employees.

Disclosures pursuant to Rule 12(9) of the Companies (Share Capital and Debentures) Rules, 2014 and Regulation 14 of SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 on all the employee stock option plans is given as **Annexure II** to this report.

ANNUAL RETURN

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return as on March 31, 2023 is available on the Company's website at https://www.gokaldasexports.com/investors/.

SAFETY, HEALTH, ENVIRONMENT

We, as a responsible manufacturer, are committed to take adequate measures related to environment, employee health and safety in developing, manufacturing, storing, handling and distribution of our products. It is our responsibility to provide a workplace free from accidents, injuries and exposure to hazardous substances, conserve natural resources and prevent pollution to protect the environment.

Besides, as a constructive partner in the communities in which it operates, the Company has been taking concrete actions to realize its social responsibility objectives, thereby building value for its various stakeholders. We respect human rights, value our employees, and invest in innovative technologies. In the past the Company has supported innumerable social and community initiatives and continues to do the same.

Some of the key initiatives taken by the Company are:

Environment:

1. HIGG FEM 3.0 certification and validation by third party completed in a phased manner for all our units. The Higg Index measures environmental (energy/greenhouse gas emissions; water; wastewater/effluent; air emissions; waste; and chemicals management) and social impacts across the life cycle of an apparel product. This will lead to consistent monitoring and reduction of environmental impact across units. The Company has achieved overall 89% score in Environment management system (Higg FEM) over previous year of 81% (Score enhanced by 8%).

2. Installed ZLD project (Zero Liquid Discharge) using state of art technology and we are successfully recycling more than 90% of waste water and reused for the laundry processes.

3. Upgradation of latest technology laundry machines having Low liquor ratio (1:5) and E-Flow machines to reduce water & chemical consumption and thereby reduction of pollutants loads on environment.

4. Rain water harvesting tanks have been augmented and used to increase ground water recharge also reusing to reduce fresh water demands

5. The Company is adhering to 100% compliance w.r.t ZDHC MRSL guidelines. All chemicals used in laundry, Dying & Printing operations are sourced from ZDHC recognized suppliers. Also the Company is using waterborne paints for printing operations wherein VOC's have been drastically reduced and improved environment conditions.

6. Company has invested in upgrading the machineries that are more energy efficient and will enhance our Productivity, Quality and ultimately save more on energy, water and chemical consumptions.

7. Installed Roof Top solar panel at one of our units and achieved CO2 offset of 545 tonnes/annum and plan of extending to other units in coming months.

8. Replaced florescent lights across factories with LED lights for reducing energy consumption, Installed VFD's for optimum utilisation of energy thereby leading to carbon footprint reduction.

Health & Safety:

1. Achieved Zero Reportable accidents at all our factories.

2. Conducted periodical training and awareness to employees on Health & Safety, Personal Hygiene & Emergency Preparedness

3. Inducted 2 New ambulances equipped with the latest infrastructure to support any medical emergency at our units.

4. Enhanced illumination and ventilation across all our factories to enhance good ambient air for promoting healthy working environment.

5. Enhanced ergonomic standards for workstation to reduce Musculo Skeletal Disorders among workmen.

6. Enhanced CCTV coverage area at all factories to strengthen our surveillance system.

7. Upgraded Fire Hydrant with sprinkler system and Centralised Fire Control Panel to enhance fire safety.

8. Undergone LABS (Life and Building Safety) audit program at most of our factories to enhance our Health & Safety programs (Structural, Electrical & Fire Safety).

9. Augmentation of existing STP, Installation and commissioning of new STPs to ensure water is scientifically treated and reused in order to reduce environmental impact

Employee Engagement:

1. **Workplace Cooperation Program(WCP):** WCP is a programme involving Management of the unit and office bearers of Works Committee. It is endeavored towards fostering enhanced working relationship in the factory premises.

2. **Personal Advancement and Carrier Enhancement (PACE):** PACE, a flagship Women Empowerment Programme, is being implemented in 11 units of the Company.

3. **Prevention of Sexual Harassment training (Workers) (PoSH):** It is an awareness program to prevent sexual harassment of women and also to make aware of the mechanism available to each one in case an employee wishes to file such cases.

4. **Supervisory Skills Training (SST):** Through SST, a supervisor is better equipped to understand dynamics of the batch in terms of employee behaviour and delivery of shipment in full.

5. **Women Supervisor Development Programme:** To empower women, Women Supervisor Development Program started in factories. This program aims to identify, train and handhold potential women workers for taking up supervisory role, thereby promoting gender equity among supervisory staff.

6. **Workshop for Quality Department:** The programme aims to sharpen the evaluation skills of checkers. It

also helps the participants to understand their own understanding of quality against the customer demand.

7. **Women Wellbeing:** It covers a range of programmes like health & hygine, awareness for pregnant women, etc.
8. **E- Learning for Industrial Engineers:** E-Learning modules aims to enhance the skill of Industrial Engineers in IE Tools, Lean and dynamics and shop floor.
9. **Sankalpa:** A unique gamified program titled "Sankalpa"driven across factories where employees are identified and rewarded for exhibiting right behaviors at workplace. This has resulted in increased overall productivity and improved employee morale.
10. Each of the internal committee members are taken through a training programme to better equip them on their roles and responsibilities for better discharge of duties.
11. **Trends in Textile & Yarn:** Organized to upgrade knowledge in latest happenings in the field.
12. **First Aid & Safety Training:** Each employee at the Company is trained in First Aid Safety.
13. **Lean & 5S:** Through the training on Lean & 5S each employee of the Company is being lead towards waste reduction through the involvement of every individual employee.
14. **Technical training for Industrial Engineers:** The sessions included tools and techniques in IE, Library creation, data sharing & standardization of SAM & operation.

The organizational social policy and process has been upgraded in alignment with SLCP (Social & Labour Convergence Program) securing 87% in the current as opposed to 83% in the previous year which indicates the social and labour compliance standards are high when it comes to employee wellbeing, social equity, better working condition in the Company.

CORPORATE GOVERNANCE

The Company is committed to maintaining the highest standards of Corporate Governance. The Directors adhere to the standards set out by the Securities and Exchange Board of India's (SEBI) Corporate Governance practices.

In terms of Regulation 34(3) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the Corporate Governance Report, Management Discussion & Analysis Report, and the Practicing Company Secretary's Certificate regarding Compliance with Corporate Governance requirements are given separately, which forms part of this Report.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

In compliance with Regulation 34 of the SEBI Listing Regulations, a section on the Business Responsibility and Sustainability Report, describing the initiatives taken by the Company from an environmental, social and governance perspective is given separately, which forms part of this Report.

MANAGEMENT DISCUSSION AND ANALYSIS

Pursuant to Regulation 34 of the SEBI Listing Regulations, a separate section on Management Discussion and Analysis Report is annexed to this Directors' Report.

AUDITORS & AUDIT REPORT

A. Statutory Auditor

The Shareholders of the Company at the 15th Annual General Meeting (AGM) held on September 18, 2018 had appointed M/s. MSKA & Associates, Chartered Accountants (ICAI Firm registration number: 105047W) as the Statutory Auditors of the Company for a period of five consecutive years from the conclusion of 15th Annual General Meeting of the Company till the conclusion of 20th Annual General Meeting to be held in the year 2023. The term of M/s. MSKA & Associates, Chartered Accountants, as Statutory Auditors of the Company will conclude from the close of the ensuing AGM of the Company.

In this connection, the Board of Directors of the Company, based on the recommendation of the Audit Committee, at its meeting held on August 07, 2023, has re-appointed M/s. MSKA & Associates, Chartered Accountants (ICAI Firm registration number: 105047W) as the Statutory Auditor of the Company to hold office for a second term of five consecutive years from the conclusion of the 20th AGM till the conclusion of the 25th AGM to be held in the year 2028, subject to the approval of the shareholders at the ensuing AGM. Relevant resolution and further details are given in the notice convening the 20th AGM.

Audit report

During the year, there are no qualifications or adverse remarks in the Statutory Auditors' Report which require any explanation from the Board of Directors. The Statutory Auditors have expressed an unmodified opinion in the audit reports in respect of the Audited standalone and consolidated Financial Statements for the financial year ended March 31, 2023.

The statutory Auditors of the Company have not reported any fraud as specified under Section 143(12) of the Companies Act, 2013.

B. Secretarial Audit

Pursuant to the Provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had appointed Mr. Nagendra D Rao, Practicing Company Secretary (CP NO:7731, FCS: 5553) to undertake the secretarial audit of the Company for the financial year 2022-23.

The Secretarial Audit Report is issued by Mr. Nagendra D Rao is annexed as **Annexure III** to this Report. The Report does not contain any qualification, reservation or adverse remark.

Cost records and cost audit

Maintenance of cost records and requirement of cost audit as prescribed under the provisions of Section 148(1) of the Companies Act, 2013 are not applicable to the Company.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

In pursuance of the Conservation of Energy, Technology Absorption, Foreign Exchange Earnings in such manner as prescribed under Rule 8(3) of the Companies (Accounts) Rules, 2014, the particulars of the same are provided in the **Annexure IV** to this Report.

RELATED PARTY TRANSACTIONS

All related party transactions, that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There were no materially significant Related Party Transactions made by the Company during the year that required shareholders' approval under Regulation 23 of the SEBI Listing Regulations.

The Company presents a statement of all related party transactions before the Audit Committee. Prior omnibus approval of the Audit Committee has been obtained for the transactions which are of foreseen and repetitive nature. The transactions entered into pursuant to the omnibus approval so granted along with a statement giving details of all related party transactions is placed before the Audit Committee.

Further there are no materially significant related party transactions during the year under review made by the Company with promoters, Directors, Key Managerial Personnel or designated persons which may have a potential conflict of interest with the Company at a large. Details of transactions with Related Parties as required under Section 134(3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014 are given in **Annexure V** in Form AOC - 2.

The Company's Policy for dealing with Related Party Transaction is available at the Company's website at https://www.gokaldasexports.com/policies/.

PARTICULARS OF LOAN, GUARANTEES AND INVESTMENT

In Terms of Section 134 of the Companies Act, 2013, the particulars of Loans, Guarantees and Investments under Section 186 of the Companies Act, 2013 is detailed in Notes to Accounts of the Financial Statements.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has in place a policy on prevention, prohibition and Redressal of Sexual Harassment and Non-discrimination at work place in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. All employees (permanent, contractual temporary, trainees) are covered under this policy. An Internal Complaints Committee (ICC) was set up to redress complaints received regarding sexual harassment and discrimination at work place.

During the year, no complaint of sexual harassment was received.

INTERNAL CONTROL SYSTEMS

The Company has adequate system of internal control to safeguard and protect from loss, unauthorized use or disposition of its assets. All the transactions are properly authorized, recorded and reported to the Management. Internal Audit is carried out in a programmed way and follow up actions were taken for all audit observations.

REMUNERATION POLICY FOR THE DIRECTORS, KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES

In terms of the provisions of Section 178(3) of the Act and Regulation 19 of SEBI Listing Regulations, the Nomination & Remuneration Committee is responsible for formulating criteria for determining qualification, positive attributes and independence of a Director. The Nomination & Remuneration Committee is also responsible for recommending to the Board a policy relating to remuneration of Directors, Key Managerial Personnel and other senior employees.

In line with this, Board has adopted Remuneration Policy for Directors, Key Managerial Personnel and other senior employees of the Company. The copy of the policy is available on the Company's website https://www.gokaldasexports.com/policies/

DEVELOPMENT AND IMPLEMENTATION OF A RISK MANAGEMENT POLICY

The Company has adopted a Risk Management Policy for addressing the requirements of risk identification, risk assessment, risk mitigation plans etc., of the Company. In terms of Regulation 21 of the SEBI Listing Regulations, the Board of Directors have formulated a policy on Risk Management which can be accessed from the Website of the Company at https://www.gokaldasexports.com/policies/.

PARTICULARS OF EMPLOYEES

Information required pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided as **Annexure VI** to this report.

The information required pursuant to Section 136(1) of the Companies Act, 2013, the Report of the Board of Directors is being sent to all the shareholders of the Company excluding statement prescribed under Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The Statement is available for inspection by the shareholders at the registered office of the Company.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

In terms of Section 135 and Schedule VII of the Companies Act, 2013, the Board of Directors of the Company has constituted a Corporate Social Responsibility Committee.

The Corporate Social Responsibility Policy in line with the requirement of the Companies Act, 2013, as formulated by the Corporate Social Responsibility Committee and approved by the Board of Directors is available on the Company's website at https://www.gokaldasexports.com/policies/.

The Company has been carrying out its CSR activities through "Gokaldas Exports Charitable Foundation" (the "Foundation"). The Company contributes the amount required to be spent by the Company every year to the Foundation and the Foundation would identify and implement the projects as per the Corporate Social Responsibility Policy of the Company.

The details of the CSR activities undertaken by the Company through the Foundation during the year are set out in Annual Report on Corporate Social Responsibility (CSR) as required under Companies (Corporate Social Responsibility Policy) Rules, 2014, which is annexed as **Annexure VII**.

VIGIL MECHANISM/WHISTLE BLOWER POLICY

The Company has a Vigil mechanism and has established a Whistle Blower Policy, as per the requirement of the Companies Act, 2013 and the SEBI Listing Regulations, to enable all employees and the Directors to report in good faith any violation of the policy. The Audit Committee of the Board oversees the functioning of Whistle Blower Policy. It is affirmed that no personnel of the Company have been denied access to the Audit Committee. The Whistle Blower Policy is available on the website of the Company at https://www.gokaldasexports.com/policies/.

OTHER DISCLOSURES

a) The Company has complied with the applicable Secretarial Standards relating to 'Meeting of the Board of Directors' and 'General Meetings' during the year.

b) There are no significant material orders passed by the Regulators/Courts which would impact the going concern status of the Company and its future operations.

c) There are no proceedings initiated/pending against the Company under the Insolvency and Bankruptcy Code, 2016 which materially impact the business of the Company.

ACKNOWLEDGEMENTS AND APPRECIATION

The Directors take this opportunity to thank the customers, shareholders, suppliers, bankers, business partners and associates, financial institutions and the Central and State Governments for their consistent support and encouragement to the Company. I am sure you will join our Directors in conveying our sincere appreciation to all employees of the Company for their hard work and commitment.

For and on behalf of the Board of Directors of
Gokaldas Exports Limited

Sd/-
Mathew Cyriac
Chairman
DIN:01903606

Place: Bengaluru
Date: August 07, 2023

Annexure I to the Board's Report

FORM AOC - I

Pursuant to first proviso to Sub-Section (3) of Section 129 read with Rule 5 of the Companies (Accounts) Rules, 2014

Statement containing salient features of the Financial Statement of Subsidiaries/Associates Companies/Joint Ventures

Part A - Subsidiaries

(₹ In Lakhs)

Sr. No.	Name of the Company	All Colour Garments Pvt. Ltd.	SNS Clothing Pvt. Ltd.	Vignesh Apparels Pvt. Ltd.	Gokaldas Exports Acharpura Pvt. Ltd.	Sri Susamyuta Knits Pvt. Ltd.	Gokaldas Exports FZCO
1	Date since when subsidiary was acquired/formed	June 01, 2004	August 09, 2004	April 15, 2004	August 28, 2021	January 14, 2022	January 10, 2022
2	Reporting period for the subsidiary concerned, if different from holding Company's reporting period	March 31, 2023	March 31, 2023	March 31, 2023	March 31, 2023	March 31, 2023	March 31, 2023
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	INR	INR	INR	INR	INR	AED ₹ 22.33/AED
4	Share Capital	2.00	2.00	2.00	1.00	1.00	85.10
5	Reserves & Surplus	367.17	1,459.64	94.17	(10.17)	8.99	(6.64)
6	Total Assets	370.22	1,746.44	96.77	5,732.60	8,405.92	81.91
7	Total Liabilities	1.05	284.80	0.60	5,741.77	8,395.93	3.46
8	Investments	-	0.02	-	-	-	-
9	Turnover	-	315.04	-	-	-	-
10	Profit before taxation	(0.40)	56.37	(0.38)	(6.29)	(0.50)	(10.52)
11	Provision for taxation	-	-	-	-	-	-
12	Profit after taxation	(0.40)	56.37	(0.38)	(6.29)	(0.50)	(10.52)
13	Proposed Dividend	-	-	-	-	-	-
14	% of Shareholding	100%	100%	100%	100%	100%	100%

Note:

1. *Names of Subsidiaries which are yet to commence operations - Not Applicable*
2. *Names of subsidiaries which have been liquidated or sold during the year - Not Applicable.*
3. *Part B of the Annexure is not applicable as there are no Associate Companies/Joint ventures of the Company as on March 31, 2023.*

For and on behalf of the Board of Directors
of **Gokaldas Exports Limited**

Sd/-
Mathew Cyriac
Chairman
DIN: 01903606

Place: Bengaluru
Date: August 07, 2023

Annexure II to the Board's Report

DETAILS OF STOCK OPTIONS PURSUANT TO SEBI (SHARE BASED EMPLOYEE BENEFITS AND SWEAT EQUITY) REGULATIONS, 2021

Sr. No.		Description	ESOP Scheme - 2010	RSU - 2018 Plan	ESOP 2022
I	**(i)**	**Description of each ESOS during the year including**			
	a)	Date of shareholders' approval	September 17, 2010	August 26, 2018	April 03, 2022
	b)	Total No. of Options available under Scheme	17,18,800	21,33,040	30,00,000
	c)	Exercise price or pricing formula	The exercise price for the purposes of the grant of options as decided by the ESOP Compensation Committee is ₹ 32.25, 60.95, 80.20, 72.55 and 85.96, the price being not less than the Par value of the equity share of the Company and not more than the market price as on May 20, 2013, February 01, 2014, August 13, 2014, May 30, 2016 and October 03, 2017 respectively being relevant date subject to the SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines,1999.	The exercise price for the purposes of the grant of options under the RSU Scheme is the face value of the equity share of ₹ 5 per share.	The exercise price for the purposes of the grant of options as decided by the Nomination and Remuneration Committee and the Board of Directors is ₹ 302.20/-, the price being not less than the Par value of the equity share of the Company and not more than the market price as on April 13, 2022, being relevant date subject to the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.
	d)	Source of shares (primary, secondary or combination)	Not Applicable	Not Applicable	Not Applicable
	e)	Variation in terms of options	Nil	Nil	Nil
		(i) Method used to account for ESOS	Fair valuation by using Black Scholes Merton Model	Fair valuation by using Black Scholes Merton Model	Fair valuation by using Black Scholes Merton Model
		(ii) a) Difference between the employee compensation cost so computed and the employee Compensation Cost that shall have been recognized if it had used the fair value of options b) The impact of the difference on profits and on EPS of the Company	Not Applicable	Not Applicable	Not Applicable

Sr. No.	Description		ESOP Scheme - 2010	RSU - 2018 Plan	ESOP 2022
	(iii)	Option movement during the year (For each ESOS)			
		Number of options outstanding at the beginning of the period	4,85,000	12,69,500	Nil
		No. of Options Granted during the year FY2022-23	Nil	Nil	30,00,000
		Number of options forfeited/lapsed during the year FY2022-23	Nil	Nil	1,09,500
		Number of Options vested during the year FY2022-23	Nil	50,000	Nil
		Number of Options Exercised during the year FY2022-23	4,65,000	11,36,000	Not Applicable
		Number of shares arising as a result of exercise of option	4,65,000	11,36,000	Not Applicable
		Money Realized by exercise of options (INR), if scheme is implemented directly by the Company	3,74,68,750	56,80,000	Not Applicable
		Loan repaid by the Trust during the year from exercise price received	Not Applicable	Not Applicable	Not Applicable
		Number of options outstanding at the end of the year i.e. March 31, 2023	20,000	1,33,500	28,90,500
		Number of options exercisable at the end of the year i.e. March 31, 2023	20,000	83,500	Nil
	(iv)	Weighted average exercise prices and weighted average fair values of options shall be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock	The weighted average share price at the date of exercise of the options during the period is ₹ 376.27	The weighted average share price at the date of exercise of the options during the period is ₹ 380.01	Not Applicable
	(v)	Employee-wise details of options granted to	Details as under:	Details as under:	Not Applicable
		a) Senior Managerial Personnel	Yes	Yes	Yes
			1. Mr. Sivaramakrishnan Ganapathi, Vice Chairman and Managing Director	1. Mr. Sivaramakrishnan Ganapathi, Vice Chairman and Managing Director	1. Mr. Sivaramakrishnan Ganapathi, Vice Chairman and Managing Director

Sr. No.	Description	ESOP Scheme - 2010	RSU - 2018 Plan	ESOP 2022
		2. Mr. Sathyamurthy A, Chief Financial Officer	2. Mr. Sathyamurthy A, Chief Financial Officer	2. Mr. Sathyamurthy A, Chief Financial Officer
		3. Mr. Poorana Seenivasan, Executive Director	3. Mr. Poorana Seenivasan, Executive Director	3. Mr. Poorana Seenivasan, Executive Director
				4. Mr. Prabhat Kumar Singh, Whole-Time Director
				5. Ms. Shrithee M.S, Company Secretary
	b) Any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during the year	Nil	Nil	Nil
	c) Identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant	Nil	Mr. Sivaramakrishnan Ganapathi - Vice Chairman and Managing Director	Mr. Sivaramakrishnan Ganapathi - Vice Chairman and Managing Director
(vii)	A description of the method and significant assumptions used during the year to estimate the fair values of options, including the following information:	Fair Value Method of accounting	Fair Value Method of accounting	Fair Value Method of accounting
	a) The weighted-average values of share price, exercise price, expected volatility, expected option life, expected dividends, the risk-free interest rate and any other inputs to the model;	Not Applicable	Not Applicable	Not Applicable
	b) The method used and the assumptions made to incorporate the effects of expected early exercise;	Not Applicable	Not Applicable	Not Applicable

Sr. No.	Description	ESOP Scheme - 2010	RSU - 2018 Plan	ESOP 2022
	c) How expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility; and	Not Applicable	Not Applicable	Not Applicable
	d) Whether and how any other features of the options granted were incorporated into the measurement of fair value, such as a market condition.	Not Applicable	Not Applicable	Not Applicable
II	**Relevant disclosures in terms of the accounting standards prescribed by the Central Government in terms of section 133 of the Companies Act, 2013 (18 of 2013) including the 'Guidance note on accounting for employee share-based payments' issued in that regard from time to time.**	Reference to notes to accounts No.41 of the standalone financials	Reference to notes to accounts No.41 of the standalone financials	Reference to notes to accounts No.41 of the standalone financials
III	**Diluted Earnings Per share (DPS) pursuant to issue of shares on exercise of option calculated in accordance with Indian Accounting Standard (Ind AS) 33 "Earnings Per Share"**	Reference to notes to accounts No.33 of the standalone financials	Reference to notes to accounts No.33 of the standalone financials	Reference to notes to accounts No.33 of the standalone financials

For and on behalf of the Board of Directors
of **Gokaldas Exports Limited**

Sd/-
Mathew Cyriac
Chairman
DIN: 01903606

Place: Bengaluru
Date: August 07, 2023

Annexure III to the Board's Report

To,
The Members,
Gokaldas Exports Limited,
No. 25, Second Cross, Third Main,
Industrial Suburb, Yeshwantpur
Bengaluru - 560 022.

My report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.

2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.

3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is responsibility of management. My examination was limited to the verification of procedures on test basis.

6. The Secretarial Audit report is neither an assurance as to the further viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Nagendra D. Rao
Practising Company Secretary
Membership No. FCS: 5553
Certificate of Practice: 7731
Peer Reviewed Unit
Peer Review Certificate No.: 672/2020
UDIN: F005553E000371457

Place: Bengaluru
Date: May 25, 2023

FORM NO. MR-3

Secretarial Audit Report

For the financial year ended March 31, 2023

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Gokaldas Exports Limited,
No. 25, Second Cross, Third Main,
Industrial Suburb, Yeshwantpur,
Bengaluru – 560 022.

I have conducted the secretarial audit of the compliance of the applicable statutory provisions and the adherence to good corporate practices by **Gokaldas Exports Limited** (hereinafter called the Company). Secretarial Audit was conducted in the manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the **Gokaldas Exports Limited** books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of the secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on **March 31, 2023** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by **Gokaldas Exports Limited** ("the Company") for the financial year ended on **March 31, 2023** according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings **[Provisions of External Commercial Borrowings are not applicable]**;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

(d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

(e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 **[Not Applicable as the Company has not issued any debt securities during the financial year under review]**;

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with clients **[Not Applicable as the Company is not registered as Registrar to Issue and Share Transfer Agent during the financial year under review]**;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 **[Not Applicable as the Company has not delisted/ propose to delist its equity shares from any stock exchange during the financial year under review]**; and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018. **[Not Applicable as the Company has not bought back/propose to buyback any of its securities during the financial year under review]**;

(i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(vi) We have relied on the representation made by the Company and its officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company.

The Laws as are applicable specifically to the Company are as under:

a) Factories Act, 1948;

b) Industries (Development and Regulation) Act, 1951;

c) Competition Act, 2002;

d) Consumer Protection Act, 2019;

e) Foreign Trade (Development & Regulation) Act, 1992;

f) The Customs Act, 1962; and

g) Environmental Protection Act, 1986.

I have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India.

(ii) The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

As per the Minutes of the Board of Directors duly recorded and signed by the Chairman, the decisions were unanimous and no dissenting views were required to be recorded.

I further report that based on review of compliance mechanism established by the Company and on the basis of the Compliance Certificate(s) issued by the Managing Director and taken on record by the Board of Directors at their meeting(s), I am of the opinion that the management of the Company has adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period the following specific events have taken place:

1. During the year under review, the Company has allotted 11,36,000 and 4,65,000 equity shares under Gokaldas Exports Employee Restricted Stock Unit Plan, 2018 and Employee Stock Option Scheme, 2010 respectively.

2. The Board of directors of the Company have approved the proposal of incorporation of a Wholly Owned Subsidiary in Meydan Free Zone (MFZ), Dubai, UAE and United States of America.

I further report that during the audit period the Company has, in compliance with the Act, passed the following Special Resolutions on December 11, 2022 through Postal Ballot:

a) Appointment of Mr. George Varughese (DIN: 0009702009) as Non-Executive Independent Director of the Company.

b) Appointment of Mr. Shivanandan Ashok Dalvie (DIN: 09151791) as Non-Executive Independent Director of the Company.

c) Appointment of Ms. Rama Bijapurkar (DIN: 00001835) as Non-Executive Independent Director of the Company.

d) Appointment of Mr. Sundararajan Poorana Seenivasan (DIN: 07302844) as Executive Director of the Company.

I further report that, as per the information and explanation provided by the Company, the Company is in compliance with the requirement of Structured Digital Database under SEBI (Prohibition of Insider Trading) Regulations, 2015.

Nagendra D. Rao
Practising Company Secretary
Membership No. FCS: 5553
Certificate of Practice: 7731
Peer Reviewed Unit
Peer Review Certificate No.: 672/2020
UDIN: F005553E000371457

Place: Bengaluru
Date: May 25, 2023

Annexure IV to the Board's Report

Information as per Section 134(3)(m) of the Companies Act, 2013, read with the Rule 8(3) of the Companies (Accounts) Rules, 2014, and forming part of the Directors' Report for the financial year ended on March 31, 2023

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

In pursuance of the Conservation of Energy, Technology Absorption, Foreign Exchange Earnings in such manner as prescribed under Rule 8 (3) of the Companies (Accounts) Rules, 2014, the particulars of the same are given below:

A. Conservation of energy

The operations of the Company are not energy intensive. However, the Company takes continuous initiatives to curtail consumption of energy on an ongoing basis.

(i) Steps taken or impact on conservation of energy

- Implemented machines that aid in deskilling tasks and minimize the reliance on excessive machinery. These machines contribute to reducing the need for complex skill sets and streamline operations.
- Upgraded old boiler, which operated at 55% efficiency, with a new high-efficiency boiler operating at 82% efficiency which resulted in significant energy savings and improved performance.
- Replaced 50% of the reciprocating compressors with high-efficiency screw air compressors. These new compressors consume less energy and require minimal maintenance, resulting in improved efficiency and reduced operational costs.
- Replaced the old conventional vacuum system with six sets of new CNC cutters from Greber. These new cutters are equipped with variable frequency drive (VFD) technology, resulting in improved performance and energy efficiency.
- Implemented several energy-saving measures at our locations. This includes the installation of synchronizer panels to ensure efficient electrical system synchronization, LED lightings with individual control for enhanced energy management, a condenser recovery system at one unit, and the use of inverter-type ACs to save energy.
- Upgraded approximately 200 double needle sewing machines, transitioning them from clutch-driven to servo mechanism. This upgrade significantly reduces frictional losses, resulting in energy savings and lower maintenance costs for the machines.
- Installed pneumatic-controlled walls in the washing section to regulate the steam flow for tumble dryers. This implementation allows for efficient control of steam, enhancing the performance of the dryers and optimizing the drying process.

(ii) Steps taken by the Company for utilizing alternate sources of energy

- With a commitment to renewable energy sources, the Company has already installed a rooftop solar system in one of its units. Moving forward, the Company is actively assessing opportunities to further transition towards renewable energy, aligning with its sustainability goals.

(iii) Capital investment on energy conservation equipment's

- The Company incurred around ₹ 19.26 Crores during the FY 2022-23.

B. Technology absorption, adaptations and innovation

(i) Efforts made towards technology absorption

- Implemented a computerized hanger system that enhances line efficiency, reduces handling time, and improves needle time. This automated system streamlines processes, resulting in improved productivity and reduced operational delays.
- To optimize efficiency and reduce the need for manual labor, we have introduced several specialized machines. These include a front placket sewing machine, which helps in deskilling and eliminates the need for an additional helper. Additionally, collar cuff machines, sleeve placket making machines, pattern sewer machines, buttonhole and attachment index machines, and automatic downfill machines have been implemented to streamline processes and minimize the number of operations required.

(ii) Benefits derived like product improvement, cost reduction, product development or import substitution

- The hanger system improves line efficiency by reducing handling time and enhancing needle time. This computerized system streamlines operations, minimizes manual labor, increases productivity, and decreases operational delays. Overall, it optimizes workflow and contributes to a more efficient and streamlined manufacturing process.
- Machines installed helps to optimize efficiency and reduce the need for manual labor, we have introduced several specialized machines.

(iii) In case of imported technology (imported

during the last three years reckoned from the beginning of the financial year)

(a) the details of technology imported; INA Hanger System, Sipami, Myca Machines, JUKI Pattern Maker, IMB, HEYI RM16;

(b) the year of import 2023;

(c) whether the technology been fully absorbed; fully observed;

(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and

(e) the expenditure incurred on Research and Development.

Not Applicable

C. Foreign exchange earnings and outgo

Foreign Exchange earned: ₹ 1,87,362.08 Lakhs

Foreign Exchange out go: ₹ 32,512.95 Lakhs

For and on behalf of the Board of Directors
of **Gokaldas Exports Limited**

Sd/-
Mathew Cyriac
Chairman
DIN: 01903606

Place: Bengaluru
Date: August 07, 2023

Annexure V to the Board's Report

FORM NO. AOC – 2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto:

1. Details of contracts or arrangements or transactions not at arm's length basis:

Gokaldas Exports Limited has not entered into any contract/ arrangement/transaction with its related parties which are not in ordinary course of business or at arm's length during the financial year 2022-23. The Company has laid down policies and processes/procedures so as to ensure compliance to the subject section in the Companies Act, 2013 and the corresponding Rules. In addition, the process goes through internal and external checking, followed by quarterly reporting to the Audit Committee.

(a) **Name(s) of the related party and nature of relationship:** Not Applicable

(b) **Nature of contracts/arrangements/transactions:** Not Applicable

(c) **Duration of the contracts/arrangements/ transactions:** Not Applicable

(d) **Salient terms of the contracts or arrangements or transactions including the value, if any:** Not Applicable

(e) **Justification for entering into such contracts or arrangements or transactions:** Not Applicable

(f) **Date(s) of approval by the Board:** Not Applicable

(g) **Amount paid as advances, if any:** Not Applicable

(h) **Date on which the special resolution was passed in general meeting as required under first proviso to Section 188:** Not Applicable

2. Details of material contracts or arrangement or transactions at arm's length basis*:

(a) **Name(s) of the related party and nature of relationship:** Not Applicable

(b) **Nature of contracts/arrangements/ transactions:** Not Applicable

(c) **Duration of the contracts/arrangements/ transactions:** Not Applicable

(d) **Salient terms of the contracts or arrangements or transactions including the value, if any:** Not Applicable

(e) **Date(s) of approval by the Board, if any:** Not Applicable

(f) **Amount paid as advances, if any:** Not Applicable

*Except with the Wholly Owned Subsidiaries, the Company has not entered into any related party transactions during the year. For more details, refer note no. 39 of standalone financial statements.

For and on behalf of the Board of Directors
of **Gokaldas Exports Limited**

Sd/-
Mathew Cyriac
Chairman
DIN: 01903606

Place: Bengaluru
Date: August 07, 2023

Annexure VI to the Board's Report

PARTICULARS OF EMPLOYEES

Information relating to remuneration of Directors/Key Managerial Personnel as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

1) **Ratio of remuneration of each director to the median remuneration of the employees of the Company for the Financial Year:**

Sl. No.	Name	Designation	Ratio/times per Median of employee remuneration*
1	Mr.Sivaramakrishnan Ganapathi	Vice Chairman & Managing Director	92.79
2	Mr. Prabhat Kumar Singh	Whole time Director	24.85
3	Mr. Sundararajan Poorana Seenivasan	Executive Director	19.24

** Excludes variable pay, increment linked to performance, ESOP and perquisite value*

2) **The percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary, in the Financial Year:**

Mr. Sivaramakrishnan Ganapathi - Managing Director: 39.80%

Mr. Prabhat Kumar Singh - Whole Time Director: NIL

Mr. Mr. Sundararajan Poorana Seenivasan: NA

Mr. Sathyamurthy A. Chief Financial officer: 5%

Mr. Gourish Hegde, Company Secretary: NA

3) **The percentage increase in the median remuneration of employees in the Financial Year:** 17%

4) **The number of permanent employees on the rolls of Company as of March 31, 2023:** 26,057

5) **Average percentile increase already made in the salaries of employees other than the managerial personnel in the last Financial Year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:**

Increase in non-managerial salaries were in line with industry practice and market conditions.

6) **Affirmation that the remuneration is as per the remuneration policy of the Company:** The Company affirms that the remuneration is as per the remuneration policy of the Company.

For and on behalf of the Board of Directors
of **Gokaldas Exports Limited**

Sd/-
Mathew Cyriac
Chairman
DIN: 01903606

Place: Bengaluru
Date: August 07, 2023

Annexure VII to the Board's Report

ANNUAL REPORT ON CSR ACTIVITIES

[Pursuant to Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended]

1. Brief outline on CSR Policy of the Company

Gokaldas Exports Limited believes that in the strategic context of business, beyond financial goals, there is a need to actively contribute to the Social, Economic and Environmental Development of the Community in which we operate, as well as ensuring participation from the community and thereby create value for the society at large.

2. Composition of CSR Committee

The CSR Committee of the Board is responsible for overseeing the execution of the Company's CSR Policy. The Committee comprises as follows, as at the end of FY2023.

Name of Directors	Designation	No. of CSR Committee Meetings held during the year	Number of meetings of CSR Committee attended during the year
Mr. Sivaramakrishnan Ganapathi	Vice Chairman & Managing Director	1	1
Mr. Mathew Cyriac	Non-Executive Director	1	1
Ms. Rama Bijapurkar	Independent Director	1	1

3. Web-link for accessing the Composition of CSR committee, CSR Policy and CSR projects approved by the Board and disclosed on the website of the Company:

a. CSR Committee: https://www.gokaldasexports.com/story/

b. CSR Policy: https://www.gokaldasexports.com/policies/

c. CSR projects approved by the Board: https://www.gokaldasexports.com/investors/

4. Executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable: Not Applicable

5.

		(in ₹ Lakhs)
(a)	Average net profit of the Company as per section 135(5)	5,177.63
(b)	Two percent of average net profit of the Company as per Section 135(5)	103.55
(c)	Surplus arising out of the CSR Projects or programmes or activities of the previous financial years	-
(d)	Amount required to be set-off for the financial year, if any	-
(e)	Total CSR obligation for the financial year [(b)+(c)-(d)]	103.55

6.

		(in ₹ Lakhs)
(a)	Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project)	103.55
(b)	Amount spent in Administrative Overheads	-
(c)	Amount spent on Impact Assessment, if applicable	-
(d)	Total amount spent for the Financial Year [(a)+(b)+(c)]*	103.55

(e) CSR amount spent or unspent for the Financial Year:

Total Amount spent for the Financial Year (in ₹ Lakhs)	Amount Unspent (in ₹ Lakhs)				
	Total Amount transferred to Unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
103.55	-	-		-	

f) Excess amount for set-off, if any:

Sl. No.	Particulars	Amount (in ₹ Lakhs)
(i)	Two percent of average net profit of the Company as per Section 135(5)	103.55
(ii)	Total amount spent for the Financial Year	103.55
(iii)	Excess amount spent for the financial year [(ii)-(i)]	-
(iv)	Surplus arising out of the CSR projects or programs or activities of the previous financial years, if any	-
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	-

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years

Sl. No.	Preceding Financial Years	Amount transferred to Unspent CSR Account under Section 135(6) (in ₹)	Balance Amount in Unspent CSR Account under section 135(6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per Section 135(6), if any		Amount remaining to be spent in succeeding financial years (in ₹)	Deficiency, if any
					Amount (in ₹)	Date of transfer		
1	2021-22							
2	2020-21				Nil			
3	2019-20							
	Total							

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Yes No ☑

9. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per subsection (5) of section 135: Not Applicable

For and on behalf of the Board of Directors
of **Gokaldas Exports Limited**

Sd/-
Sivaramakrishnan Ganapathi
Vice Chairman & Managing Director &
Chairman of CSR Committee
DIN: 07954560

Place: Bengaluru
Date: August 07, 2023

Corporate Governance Report

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The core principles that underpin the corporate governance of **Gokaldas Exports Limited** are enterprise, transparency and accountability. The responsibilities of the Board include setting the Company's strategic objectives, providing the leadership and making them operational, and supervise the management of the Company and reporting to shareholders on their stewardship.

Good Corporate Governance leads to long-term shareholder value creation. It brings into focus the fiduciary and trustee role of the Board to align and direct the actions of the organization towards creating wealth and shareholder value.

The Securities and Exchange Board of India (SEBI) amended the Listing Regulations to bring in additional corporate governance norms for listed entities. These norms provide for stricter disclosures and protection of investor rights, including equitable treatment for minority and foreign shareholders. The amended norms are aligned with the provisions of the Companies Act, 2013, and are aimed to encourage companies to adopt best practices on corporate governance.

Your Company is in compliance with the requirements of the guidelines on Corporate Governance stipulated under Regulation 17 to 27 read with Schedule V and clauses (a) to (e), (g) to (r) and (t) to (z) of sub-regulation (2) of Regulation 46 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as applicable, with regard to Corporate Governance and presents this Corporate Governance Report for the financial year 2022-23 based on the said disclosure requirements.

BOARD OF DIRECTORS

The composition of the Board of Directors of the Company is in conformity with the Companies Act, 2013 and SEBI Listing Regulations. The Board is headed by Mr. Mathew Cyriac, Non-Executive Chairman and is composed of eminent persons with considerable professional experience in diverse fields viz, manufacturing, marketing, finance, banking, legal, management and commercial administration and comprises of a majority of Non-Executive and Independent Directors. The Board is a balanced, comprising of Executive and Non-Executive Directors. As on this date of report, the Board consists of 8 members, 5 of whom are Non-Executive, out of which 4 are Independent Directors, including two women Independent Directors.

Independent Directors are Non-executive Directors as defined under Regulation 16(1)(b) of the Listing Regulations read with Section 149(6) of the Act and the Rules framed thereunder. In terms of Regulation 25(8) of the Listing Regulations, they have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. In the opinion of the Board all the Independent Directors of the Company fulfill the conditions as specified in SEBI Listing Regulations.

All the Independent Directors are independent of the Management and none of the Directors of the Company are related to each other and also there are no ***inter-se*** relationships between the Directors.

BOARD MEETING DETAILS

Meetings of the Board were held at regular intervals with a time gap of not more than 120 days between two consecutive Meetings. During the financial year, 6(Six) meetings were held on April 18, 2022, April 29, 2022, July 22, 2022; August 26, 2022, October 27, 2022 and February 10, 2023.

The names and categories of the Directors on the Board, their attendance at Board Meetings during the year and at the last Annual General Meeting and also as also the number of Directorships held by them in other companies are given below:

Sl. No.	Name, Category and Designation of Directors	Board Meetings held	Board Meetings Attended	Attended Last AGM	No. of Directorships and Committee Memberships /Chairpersonship		Directorship in other Listed Companies
					No. of Directorships in other Companies [8]	No. of Committee Membership or Chairpersonship in other Company[9]	
1	Mathew Cyriac[1] Chairman, Non-Executive - Non-Independent	6	6	Yes	4	Committee-6 Chairperson-3	1. Jyoti Structures Limited Non-Executive Director 2. Data Patterns (India) Limited Non-Executive - Nominee Director 3. Ideaforge Technology Limited Non-Executive - Nominee Director 4. Tata Play Limited Non-Executive Director

Sl. No.	Name, Category and Designation of Directors	Board Meetings held	Board Meetings Attended	Attended Last AGM	No. of Directorships and Committee Memberships /Chairpersonship		Directorship in other Listed Companies
					No. of Directorships in other Companies [8]	No. of Committee Membership or Chairpersonship in other Company[9]	
2	Sivaramakrishnan Ganapathi[2] Executive - Vice Chairman & Managing Director	6	6	Yes	Nil	Nil	Nil
3	George Varughese[3] Non-Executive - Independent Director	6	1	NA	Nil	Nil	Nil
4	Rama Bijapurkar[3] Non-Executive - Independent Director	6	1	NA	7	Committee - 5 Chairperson - 2	1. VST Industries Limited Independent Director 2. Appollo Hospitals Enterprises Limited Independent Director 3. Mahindra & Mahindra Financials Services Limited Independent Director 4. Sun Pharmaceutical Industries Limited Independent Director 5. Cummins India Limited Independent Director 6. Sun Pharma Distributors Limited Independent Director
5	Shivanandan Ashok Dalvie[3] Non-Executive - Independent Director	6	1	NA	Nil	Nil	Nil
6	Sundararajan Poorana Seenivasan[4] Executive Director	6	1	NA	Nil	Nil	Nil
7	Prabhat Kumar Singh Executive - Whole Time Director	6	5	Yes	Nil	Nil	Nil
8	Gautham Madhavan[5] Non-Executive - Non -Independent Director	6	5	Yes	Nil	Nil	Nil
9	Richard Saldanha[6] Non-Executive - Independent Director	6	5	Yes	4	Committee - 4 Chairperson - 1	Entertainment Network (India) Limited Independent Director
10	Anuradha Sharma[7] Non-Executive - Independent Director	6	5	Yes	1	Nil	Data Patterns (India) Limited – Non-Executive - Independent Director

[1] *Appointed as Chairman of the Company with effect from November 29, 2022*

[2] *Appointed as Vice Chairman and Managing Director with effect from October 27, 2022*

[3] *Appointed as Independent Director with effect from October 27, 2022*

[4] *Appointed as Executive Director with effect from October 27, 2022*

[5] *Resigned from the Directorship with effect from October 27, 2022*

[6] *Retired as Independent Director with effect from November 28, 2022*

[7] *Retired as Independent Director with effect from February 07, 2023*

[8] *Excludes private/foreign/non-profit companies with charitable objects*

[9] *Only Audit and Stakeholders' Relationship Committees are considered*

Remuneration paid/payable to Directors for the financial year 2022-23:

(₹ in Lakhs)

Name	Fixed Salary	Variable pay	Increment linked to performance	Total	Term	Notice period
Sivaramakrishnan Ganapathi	242.73	150.00	569.36	962.09	3 years	3 months
Prabhat Kumar Singh	65.00	-	-	65.00	3 years	3 months
Sundararajan Poorana Seenivasan[1]	50.32	38.71	-	89.03	3 years	3 months

[1] *Appointed with effect from October 27, 2022*

Note: The terms and conditions of the executive director's appointment and remuneration are governed by the resolution passed by the shareholders of his appointment. The Company has entered into separate agreement for the contract of services with the executive director.

Remuneration to Non-Executive Directors:

(₹ in Lakhs)

Sl. No.	Name	Category	Sitting fees
1	Mathew Cyriac	Non-Executive - Non-Independent	14.40
2	George Varughese[1]	Non-Executive - Independent	3.20
3	Rama Bijapurkar[1]	Non-Executive - Independent	2.40
4	Shivanandan Ashok Dalvie[1]	Non-Executive - Independent	1.60
5	Richard Saldanha[2]	Non-Executive - Independent	10.40
6	Goutham Madhavan[3]	Non-Executive - Non-Independent	8.80
7	Anuradha Sharma[4]	Non-Executive - Independent	10.40
Total			**51.20**

[1] *Appointed with effect from October 27, 2022*

[2] *Retired on November 28, 2022*

[3] *Resigned with effect from October 27, 2022*

[4] *Retired on February 07, 2023*

Other than sitting fees and reimbursement of expenses incurred for the purpose of attending meetings of the Board/Committee, the Non-Executive Directors of the Company had no pecuniary relationship or transactions with the Company. None of Non-Executive Directors hold any shares in the Company.

Particulars of senior management

As on March 31, 2023, following are the Senior Management personnel of the Company:

Sl. No.	Name	Designation
1.	Sathyamurthy. A	Chief Financial Officer
2.	Tushar Kanti Panigrahi	Vice President - Finance
3.	Moideen K E I	Vice President - HR
4.	Randeep Singh Arora	Head - New Business Initiatives
5.	Gourish Hegde	Company Secretary

Key Board qualifications, expertise and attributes

The Gokaldas Board comprises qualified members who bring in their required skills, competence and expertise that allow them to make effective contributions to the Board and its committees. The Board members are committed to ensuring that the Gokaldas Board is in compliance with the highest standards of corporate governance.

The table below summarizes the key qualifications, skills and attributes which are taken into consideration while nominating candidates to serve on the Board:

Definitions of Director Qualifications	
Executive & International Leadership	Senior Executive experience, International Leadership experience.
Financial Acumen	Senior executive experience in financial accounting and reporting, Corporate Finance, Risk and Internal Controls.
Strategy	Experience in developing, implementing and challenging a plan of action designed to achieve the long term goals of an organization, mergers and acquisitions and implementation.
Governance and Board	Prior experience as a Board member, industry or membership of Governance Bodies.
Work, Health, Safety and sustainability	Experience related to health, safety, environment, Social Responsibility and Sustainability.
Textile Industry/Manufacturing Sector	Senior Executive Experience in Textile industry/Manufacturing industry with an understanding of Group strategy, markets, competitors operational issues, technology and Regulatory concerns.
Remuneration & Selection of Board Members	Board remuneration committee membership or management experience in relation to selection remuneration of senior management, incentive programs, legislation contractual frame work governing remuneration.
Learning & Development	Experience relating to education and growth of knowledge base.
Regulatory and Public Policy	Legal Background or experience in regulatory and public policy.
Global Experiences	Senior Management experience in Global markets exposed to a range of political, Cultural, regulatory and business environments.

In the table below, the specific areas of skills/expertise/competence of individual Board members have been highlighted. However, the absence of a mark against a member's name does not necessarily mean the member does not possess the corresponding qualification or skill.

Directors	Areas of Skills/Expertise/Competence									
	Executive & International Leadership	Financial Acumen	Strategy	Governance and Board	Work, Health, Safety and sustainability	Textile Industry/ Manufacturing Sector	Remuneration & Selection of Board Members	Learning & Development	Regulatory and Public Policy	Global Experiences
Mathew Cyriac	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Sivaramakrishnan Ganapathi	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
George Varughese	✓	✓	✓	✓	✓	-	✓	✓	✓	✓
Rama Bijapurkar	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Shivnandan Ashok Dalvie	✓	✓	✓	✓	✓	-	✓	✓	✓	✓
Prabhat Kumar Singh	✓	✓	✓	✓	✓	✓	-	✓	✓	✓
Sundararajan Poorana Seenivasan	✓	✓	✓	✓	✓	✓	-	✓	✓	✓

Selection of new directors

The Board is responsible for the selection of new directors. The Board delegates the screening and selection process to the nomination and remuneration committee, which consists of independent Directors. The Committee, based on defined criteria, makes recommendations to the Board on the induction of new directors.

CERTIFICATE FROM PRACTISING COMPANY SECRETARY

The Company has obtained a certificate from Mr. Nagendra D. Rao, Practising Company Secretary (Membership No. FCS 5553, CP No. 7731), Bangalore, confirming that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as Directors of Companies by Securities and Exchange Board of India/Ministry of Corporate Affairs or any such statutory authority. The certificate is enclosed to this report.

FAMILIARISATION PROGRAMMES TO INDEPENDENT DIRECTORS

All new independent directors inducted into the Board attend an orientation program to familiarize with the strategy, operations, markets, organization structure, finance, human resources, technology, quality and risk management. Details of the Familiarization program is available on the following weblink on the website of the Company at https://www.gokaldasexports.com/investors/

CODE OF CONDUCT

In compliance with the Listing Regulations 17(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013, the Company has framed and adopted a Code of Conduct on ethics ("the Code). The Code is applicable to members of the Board, the executive officers and all the employees of the Company and its subsidiaries. The Code is available on our website: https://www.gokaldasexports.com/policies/

The Certificate by the Vice Chairman & Managing Director of the Company regarding compliance with the Code of Conduct for Directors and Senior Management is given below:

Declaration on Code of Conduct

To,
The Members
Gokaldas Exports Limited,
No. 25, Second Cross
Third Main, Industrial Suburb
Yeshwantpur,
Bangalore - 560022.

This is to confirm that the Company has received affirmation from the Directors and Senior Management personnel that they have complied with the Code of Conduct for Directors and Senior Management of the Company during the financial year 2022-23.

Place: Bengaluru
Date: August 07, 2023

Sivaramakrishnan Ganapathi
Vice Chairman & Managing Director

COMMITTEES OF THE BOARD

In compliance with the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has constituted a set of committees with specific terms of reference and scope to deal with specified matters expediently. Presently, the Board has following committees:

1. Audit Committee
2. Nomination and Remuneration Committee
3. Stakeholders' Relationship Committee
4. Corporate Social Responsibility Committee
5. Risk Management Committee

1. Audit Committee

The Company has complied with the requirements of Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, relating to the composition of the Audit Committee. During the financial year, the Audit Committee has met 4 (four) times on April 29, 2022, July 22, 2022, October 27, 2022 and February 10, 2023.

The composition of the Audit Committee and the attendance details of each Member of the Committee are as follows:

Committee Members	Category	No. of Meetings held	No. of Meetings attended
George Varughese(1)	Chairperson	4	1
Mathew Cyriac	Member	4	4
Shivanandan Ashok Dalvie(1)	Member	4	1
Richard B Saldanha(2)	Chairperson	4	3
Anuradha Sharma(2)	Member	4	3

(1)Appointed with effect from October 27, 2022

(2)Ceased to be member effective from October 27, 2022

Terms of Reference of the Audit Committee:

- Overview of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements reflect a true and fair position and that sufficient and credible information are disclosed.
- Recommending the appointment and removal of statutory auditors, fixation of audit fee and also approval for payment for any other services.
- Discussion with the statutory auditors before the audit commences, of the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- Reviewing the financial statements and draft audit report, including the quarterly/half-yearly financial information.
- Reviewing with the management the annual financial statements before submission to the Board, focusing primarily on:
  - Any changes in accounting policies and practices;
  - Major accounting entries based on exercise of judgment by management;
  - Qualifications in draft audit report;
  - Significant adjustments arising out of audit;
  - Going concern assumption;
  - Compliance with accounting standards;
  - Compliance with stock exchange and legal requirements concerning financial statements;
  - Any related party transactions as per applicable Indian Accounting Standards.
- Reviewing the Company's financial and risk management policies.
- Disclosure of contingent liabilities.
- Reviewing with the management, external and internal auditors, the adequacy of internal control systems.
- Reviewing the adequacy of internal audit function, including the audit charter, the structure of the internal audit department, approval of the audit plan and its execution, coverage and frequency of internal audit.
- Discussion with internal auditors of any significant findings and follow-ups thereon.
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure or internal control systems of a material nature and reporting the matter to the Board.
- Looking into the reasons for substantial defaults in payments to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
- The Audit Committee invites such of the executives, as it considers appropriate (particularly the head of the finance function), representatives of the statutory auditors and representatives of the internal auditors to be present at its meetings. The Company Secretary acts as the secretary to the Audit Committee.

2. Nomination & Remuneration Committee

Pursuant to the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has constituted the Nomination and Remuneration Committee. During the year the Committee has met five (5) times on April 18, 2022, April 29, 2022, August 26, 2022, October 27, 2022 and February 10, 2023.

The composition of the Nomination and Remuneration Committee and the attendance details of each Member of the Committee are as follows:

Committee Members	Category	No. of Meetings held	No. of Meetings attended
Rama Bijapurkar(1)	Chairperson	5	1
George Varughese(2)	Member	5	1
Mathew Cyriac	Member	5	5
Richard B. Saldanha(3)	Chairperson	5	4
Anuradha Sharma(4)	Member	5	4

(1)Appointed with effect from October 27, 2022

(2)Appointed with effect from February 10, 2023

(3)Ceased to be member effective from October 27, 2022

(4)Ceased to be member effective from February 07, 2023

Terms of Reference

- To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and to recommend to the Board of their appointment and/or removal.
- To carry out evaluation of Directors' performance.
- To formulate the criteria for determining qualifications, positive attributes and independence of a Director, and recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees.
- To formulate the criteria for evaluation of Independent Directors and the Board.
- To recommend/review remuneration of the Managing Director(s) and Whole-Time Director(s) based on their performance and defined assessment criteria.
- To carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification, as may be applicable.
- To perform such other functions as may be necessary or appropriate for the performance of its duties including carrying out any other functions within its terms of reference as outlined in Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and section 178 of the Companies Act, 2013.

Performance Evaluation of the Board

Pursuant to the provisions of the Companies Act, 2013 and the applicable provisions of the Listing Regulations, the Annual Performance Evaluation was carried out for the financial year 2022-23 by the Nomination & Remuneration Committee in respect of Board's performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination and Remuneration, Stakeholders' Relationship, Risk Management and Corporate Social Responsibility Committees.

A structured questionnaire covering various aspects of the Board's functioning was circulated to the Directors. The criteria for evaluation of Independent Directors included attendance at the meetings, Interpersonal skills, Independent judgement, knowledge, contribution to strategy, risk management, compliance framework, etc. The Directors expressed their satisfaction with the evaluation process.

3. Stakeholders' Relationship Committee

The Stakeholders Relationship Committee of the Company is formed in compliance with the provisions of Section 178(5) of the Companies Act, 2013 and Regulation 20 of the SEBI Listing Regulations. It consists of 3 members. Mr. Shivanandan Ashok Dalvie, Non-Executive Independent Director is the Chairperson of the Committee. During the year one (1) meeting of the Committee was held on September 29, 2022.

The composition of the Stakeholders' Relationship Committee and the attendance details of each Member of the Committee are as follows:

Committee Members	Category	No. of Meetings held	No. of Meetings attended
Shivanandan Ashok Dalvie(1)	Chairperson	1	NA
Mathew Cyriac	Member	1	1
Sivaramakrishnan Ganapathi	Member	1	1
Richard B Saldanha(2)	Chairperson	1	1

(1)Appointed with effect from October 27, 2022

(2)Ceased to be member with effect from October 27, 2022

The role of the Committee inter-alia includes the following:

- Resolving the grievances of the Security holders of the listed entity including complaints related to transfer/ transmission of Shares, non-receipt of Annual Report, non-receipt of declared Dividends, issue of new/duplicate Share Certificates, General Meetings etc.
- Review of measures taken for effective exercise of voting rights by Shareholders.
- Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed Dividends and ensuring timely receipt of Dividend warrants/annual reports/statutory notices by the Shareholders of the Company.

Name and designation of Compliance Officer

Mr. Gourish Hegde
Company Secretary & Compliance Officer

The details of Members complaints received/redressed, during the period under review are as under:

Number of shareholders' complaints received during 2022-23	Number complaints not solved to the satisfaction of Shareholders	Number of pending complaints
10	Nil	Nil

4. Risk Management Committee

The Company has constituted the Risk Management Committee in line with Regulation 21 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 on April 29, 2022. During the year, two (2) meeting of the Risk Management Committee were held on September 29, 2022 and February 10, 2023 respectively. The Composition of the Committee as on March 31, 2023 and attendance details during the year are as under:

Name of the Members	Category	No. of Meetings held	No. of meetings attended
Mathew Cyriac(1)	Chairperson	2	1
Sivaramakrishnan Ganapathi	Member	2	2
George Varughese(1)	Member	2	1
Anuradha Sharma(2)	Member	2	1
Gautham Madhavan(2)	Member	2	1

(1)Appointed with effect from October 27, 2022

(2)Ceased to be member with effect from October 27, 2022

Brief description of terms of reference

The Risk Management Committee of the Board of Directors has been entrusted with the responsibility to assist the Board in overseeing and approving the Company's risk management framework. The Company has a comprehensive Risk Policy detailing the risks that the Company faces under various categories like market, strategic, operational, compliance, financial and reporting and other risks and these have been identified and suitable mitigation measures have also been formulated. The functions of the Risk Management Committee shall inter-alia includes cyber security. The Risk Management Committee reviews the key risks and the mitigation measures periodically.

The role of the Committee are as below:

(1) To formulate a detailed risk management policy which shall include:

   (a) A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.

   (b) Measures for risk mitigation including systems and processes for internal control of identified risks.

   (c) Business continuity plan.

(2) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;

(3) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;

(4) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;

(5) To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;

(6) The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee;

(7) The Risk Management Committee shall have powers to seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary.

5. Corporate Social Responsibility Committee

As required under the provisions of Section 135 of the Companies Act, 2013, the Company has constituted a Corporate Social Responsibility Committee. During the year Mr. Richard B. Saldanha and Ms. Anuradha Sharma were ceased to be the Members of the Committee with effect from October 27, 2022 and February 07, 2023 respectively. Ms. Rama Bijapurkar was appointed as Member of the Committee with effect from October 27, 2022. During the year under review, 1(one) meeting of the Committee was held on February 10, 2023.

Composition of the Committee as on March 31, 2023 and attendance details are as under:

Name of the Members	Category	No. of Meetings held	No. of meetings attended
Mr. Sivaramakrishnan Ganapathi	Chairperson	1	1
Mr. Mathew Cyriac	Member	1	1
Ms. Rama Bijapurkar	Member	1	1

The Committee's prime responsibility is to assist the Board in discharging its social responsibilities by way of formulating and monitoring implementation of the framework of 'corporate social responsibility policy'.

INDEPENDENT DIRECTORS MEETING

In accordance with the provisions of the Companies Act, 2013, the Independent Directors of the Company shall hold at least one meeting in a year, without the attendance of non-Independent Directors and members of management. Directors on the Board to abide by the provisions specified in Schedule IV of the Companies Act, which defines Code for Independent Directors. During the year, separate meeting of the Independent Directors of the Company was held on February 09, 2023.

RISK MANAGEMENT

The Board reviews the Company's risk management practices and policies periodically. This includes comprehensive review of various risks attached to the Company's business for achieving key objectives and actions taken to mitigate them. The Board reviews and advises on risk management aspects inter alia in the areas of leadership development, information security, project management and execution risks, contracts management risks, financial risks, forex risks and geopolitical risks.

SUBSIDIARY COMPANIES' MONITORING FRAMEWORK

All the Company's subsidiaries are wholly owned subsidiaries with their Boards having rights and obligations to manage such Companies in the best interest of the stakeholders. The Company does not have any material unlisted subsidiary and hence is not required to nominate an independent Director of the Company on the Board of any subsidiary.

The Audit Committee reviews the financial statements in particular investments made by unlisted subsidiary companies, Minutes of the Board meetings of unlisted subsidiary companies are placed and reviewed periodically by the Company's Board. A statement containing all significant transactions and arrangements entered into by unlisted subsidiary companies is placed before the Company's Board.

Pursuant to Regulation 16(1)(c) of the Listing Regulations, the Company has made a policy for determining 'material' subsidiary and the same is available at following weblink: https://www.gokaldasexports.com/policies/.

OTHER DISCLOSURES

Disclosures on materially significant related party transactions

There were no material related party transactions during the year under review. The related party transactions during the year ended March 31, 2023 have been listed in the notes to the accounts. However, these are not in conflict with the interests of the Company at large. There are no material individual transactions which are not in the normal course of business.

The Policy of the Company on Related Party Transaction is available on our website https://www.gokaldasexports.com/policies/

Disclosures regarding Web link of the Company Policy for determining material subsidiaries and RPT Policy on materiality and dealing with related party of the Company are posted on the Company's website https://www.gokaldasexports.com/policies/

Details of non-compliance by the Company, penalties and strictures imposed on the Company by the Stock Exchanges, SEBI or any statutory authorities or any member related to capital markets.

There has been no non-compliance of any legal requirements nor have there been any strictures imposed by any stock exchange, SEBI or any other statutory authorities on any matters relating to the capital markets.

Vigil Mechanism and Whistle Blower Policy

The Company has established a mechanism for directors and employees to report concerns about unethical behavior actual or suspected fraud, or violation of the Code. It also provides for adequate safeguards against the victimization of employees who avail of the mechanism, and no person has been denied access to the Audit Committee. The policy is available on the Company below link on the website: https://www.gokaldasexports.com/policies/

During the year under review, there are no instances of fraud committed against the Company by its Officers or employees which have been reported to the Audit Committee. Hence there is no requirement for the Company to mention the same in the Board's report.

Details of compliance with mandatory requirements and adoption of the non-mandatory Requirements

The Company has complied with all mandatory requirements of corporate governance norms as enumerated in chapter IV of the Listing Regulations. The requirements of regulation 17 to regulation 27 of the Listing Regulations and clauses (a) to (e), (g) to (r) and (t) to (z) of the sub-regulation (2) of regulation 46 to the extent applicable to the Company have been complied with as disclosed in this report. The Company has also adopted the following discretionary requirements as specified in Part E of Schedule II in terms of regulation 27(1) of the Listing Regulations in the Listing Regulations:

1. Separate post of Chairman and Chief Executive Officer: The Company has separate persons to the post of Chairman and Managing Director.
2. Statutory Auditors of the Company have issued an Audit Report with unmodified opinion on Annual Financial Results of the Company for the Financial Year ended on March 31, 2023.
3. Reporting of Internal Auditor: The Internal Auditors reports to the Audit Committee.

In addition to the statutory requirements, the Audit Committee have a separate discussion/meeting with the Statutory Auditor and Internal Auditors on matters concerning the Audit without the presence of Executive Management of the Company. Measures for improvements are discussed with the Executive Management.

Disclosure in relation to Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has in place a policy on Prevention, Prohibition and Redressal of Sexual Harassment and Non-discrimination at work place in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. All employees (permanent, contractual temporary, trainees) are covered under this policy.

An Internal Complaints Committee (ICC) was set up to redress complaints received regarding sexual harassment and discrimination at work place.

The details are as follows:

Number of complaints filed during the Financial Year	Nil
Number of complaints disposed off during the Financial Year	Nil
Number of complaints pending as on end of the Financial Year	Nil

Disclosure of commodity price risks and commodity hedging activities:

The Company has adequate risk assessment and minimization system in place including for commodities. The Company does not have material exposure of any commodity. The Company has adequate risk assessment and minimization system in place including for Commodities.

Details of utilization of funds raised through preferential allotment or qualified institutions placements as specified under Regulation 32(7A)

The Company raised equity shares of ₹ 300.00 Crores through qualified institutional placement in October 2021. As on March 31, 2023, the Company has utilized entire amount raised towards repayment or prepayment of borrowings, and financing working capital requirements and investment in new line of business which are in line with the objectives of the funds raised and without any deviation.

Details of Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount':

Except its Wholly Owned Subsidiaries ("WOS"), the Company has not provided loans/advances to any firms/companies in which directors are interested by name and amount. Details of the loans provided to the WOS are provided in the Notes to financials.

Disclosure of instances where the Board had not accepted any recommendation of any committee of the Board which is mandatorily required, in the relevant financial year:

There was no such instance during FY 2022-23 where the Board had not accepted any recommendation of any Committee of the Board.

Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part:

Total fees for all services paid by the Company on a consolidated basis, to M/s. MSKA & Associates, Chartered Accountants, the statutory auditors of the Company as included in the Consolidated Financial Statements of the Company for the year ended March 31, 2023, is as follows:

Particulars	Amount
Fees for audit and related services paid to statutory auditors (including re-imbursement of expenses)	52.55
To network entities of the Statutory Auditors	Nil

Non Compliance of any requirement of Corporate Governance report of sub paras (2) to (10) of Schedule V(c) of the Listing Regulations:

There were no instances of Non-Compliance of any requirement of Corporate Governance report of sub paras (2) to (10) of Schedule V(c) of the Listing Regulations during the year.

FUNCTIONAL WEBSITE AS PER REGULATION 46 OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

Pursuant to the requirement of Regulation 46 of the Listing Regulations, the Company maintains a functional website, which can be accessed at www.gokaldasexports.com. The website provides basic information such as details of business, Directors and Management, financial information, policies, shareholding pattern and such other details as required under the Listing Regulations.

GENERAL MEETINGS

a) The details of last three Annual General Meetings of the Company are given below:

Financial Year	Day, Date & Time	Location
2019-20	Friday, September 25, 2020, 2.30 P.M	Held through Video conferencing/other Audio visual means
2020-21	Friday, September 17, 2021, 2.30 P.M	Held through Video conferencing/other Audio visual means
2021-22	Thursday, September 29, 2022, 2.30 P.M	Held through Video conferencing/other Audio visual means

b) Particulars of Special Resolutions passed during the last 3 Years AGMs

Date of AGM	Number of Special Resolutions	Details of Special Resolution passed
September 25, 2020	1	Re-appointment of Mr. Sivaramakrishnan Vilayur Ganapathi (holding DIN 07954560) as the Managing Director of the Company
September 17, 2021	1	To approve raising of funds in one or more tranches, by issuance of equity shares and/or other eligible securities
September 29, 2022	Nil	NA

c) Special Resolutions passed through Postal Ballot during the year under review:

During the period under review, the Company has passed four (4) Special Resolutions through Postal Ballot. Details of the same are as below:

Sl. No.	Resolution for	Votes cast in favour of the Resolution	Votes cast against the Resolution
1	Appointment of Mr. George Varughese (DIN: 0009702009) as Non-Executive Independent Director of the Company	3,68,22,858 (99.99%)	571 (0.01%)
2	Appointment of Mr. Shivanandan Ashok Dalvie (DIN: 09151791) as Non-Executive Independent Director of the Company	3,68,23,373 (99.99%)	56 (0.01%)
3	Appointment of Ms. Rama Bijapurkar (DIN: 00001835) as Non -Executive Independent Director of the Company	3,67,13,174 (99.70%)	1,10,255 (0.30%)
4	Appointment of Mr. Sundararajan Poorana Seenivasan (DIN: 07302844) as Executive Director of the Company	3,44,05,103 (93.43%)	24,18,251 (6.57%)

The Board of Directors had appointed Mr. Nagendra D. Rao, Practising Company Secretary, Bengaluru as the Scrutinizer to conduct the Postal Ballot process.

The postal ballot process was carried out as per the provisions of Sections 108 and 110 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, Secretarial Standard 2 and Regulation 44 of SEBI (LODR) Regulations, 2015 and applicable circulars issued by the Ministry of Corporate Affairs from time to time.

As on the date of this report, there is no proposal for passing any special resolution through postal ballot.

PREVENTION OF INSIDER TRADING

The Company has formulated an Insider Trading Policy in line with the SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018. This policy includes policy and procedures for inquiry in case of leak of UPSI or suspected leak of UPSI. The policy is available on the Company website at below weblink: https://www.gokaldasexports.com/policies/

CERTIFICATE ON CORPORATE GOVERNANCE

Certificate by Mr. Nagendra D. Rao, Practicing Company Secretary (Membership No. FCS 5531, CP No. 7731) confirming compliance with conditions of corporate governance as stipulated under Listing Regulations is enclosed to this report.

The Secretarial Auditor's certificate on the implementation of share-based schemes in accordance with SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, will be made available on request at the AGM, electronically.

MANAGING DIRECTOR & CHIEF FINANCIAL OFFICER CERTIFICATE

As required under Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the certificate issued by the Managing Director and Chief Financial Officer on financial statements etc., is provided in the Annual Report.

MEANS OF COMMUNICATION

The quarterly/half yearly/annual financial results are generally published in the Financial Express and Prajavani (Regional daily published in Bengaluru) and are notified to the Stock Exchanges as required under the SEBI Listing Regulations.

The quarterly/half yearly/annual financial results and other communication including official news release to shareholders and Stock Exchanges, inter-alia, presentations made to Institutional Investors/Analysts and audio recording of earning Calls, and transcripts etc., are made available on the Company's website at www.gokaldasexports.com.

GENERAL SHAREHOLDER INFORMATION

Annual General Meeting	September 20, 2023 at 4.00 P.M. IST through VC/other audio visual means
Financial Year	April 01, 2023 to September 20, 2023
Date of Book Closure	Thursday, September 14, 2023 to Wednesday, September 20, 2023 (both days inclusive)
Dividend payment date	Within thirty days from September 20, 2023
Financial Results Calendar (Tentative)	Unaudited Results for the quarter ended June 30, 2023 - August 07, 2023 Unaudited Results for the quarter and half year ended September 30, 2023 - Last week of October 2023 Unaudited Results for the quarter and nine months ended December 31, 2023 - Last week of January 2024 Audited Results for the year ended March 31, 2024 - Last week of April, 2024
Listing on Stock Exchanges	National Stock Exchange of India Limited, Mumbai (Scrip Code - GOKEX) BSE Limited, Mumbai (Scrip Code - 532630)
International Securities Identification Number (ISIN)	INE887G01027
Corporate Identification Number (CIN)	L18101KA2004PLC033475

Listing Fee:

The Company has paid annual listing fees, as prescribed, to the National Stock Exchange of India Limited and BSE Limited, Mumbai for the Financial Year 2022-23.

Registrar & Share Transfer Agents:

Share registration and other investor related activities are carried out by our Registrar and Transfer Agents, M/s Kfin Technologies Limited for both Physical and Demat securities. Their address is given below:

Kfin Technologies Limited
Selenium Tower B, Plot No. 31 & 32,
Financial District Nanakramguda, Serilingampally Mandal
Hyderabad - 500 032, Telangana
Tel: +91 40 67162222/6716 1500,
E-mail: einward.ris@kfintech.com,
Website: www.kfintech.com
Contact person: Ms. Shobha Anand/Mr. N Shiva kumar

Share Transfer System:

Effective from April 01, 2019, SEBI has disallowed listed companies from accepting request for transfer of securities which are held in physical form. The shareholders who continue to hold shares in physical form after this date, will not be able to lodge the shares with Company/its RTA for further transfer. Shareholders shall mandatorily convert them to demat form if they wish to effect any transfer. Only the requests for transmission and transposition of securities in physical form will be accepted by the Company/RTA. Shareholders whose shares are held in physical mode may consider to dematerialize the same.

Dematerialization of Shares and Liquidity:

The Company's shares are tradable in the electronic form only. The shares of the Company are in dematerialized mode with National Securities Depository Limited and Central Depository Services (India) Limited. As of March 31, 2023, 99.99% of the Company's shares were held in dematerialised form. The Company's shares are regularly traded on BSE and NSE under the ISIN INE887G01027.

Disclosures with respect to demat suspense account/unclaimed suspense account (Unclaimed Shares)

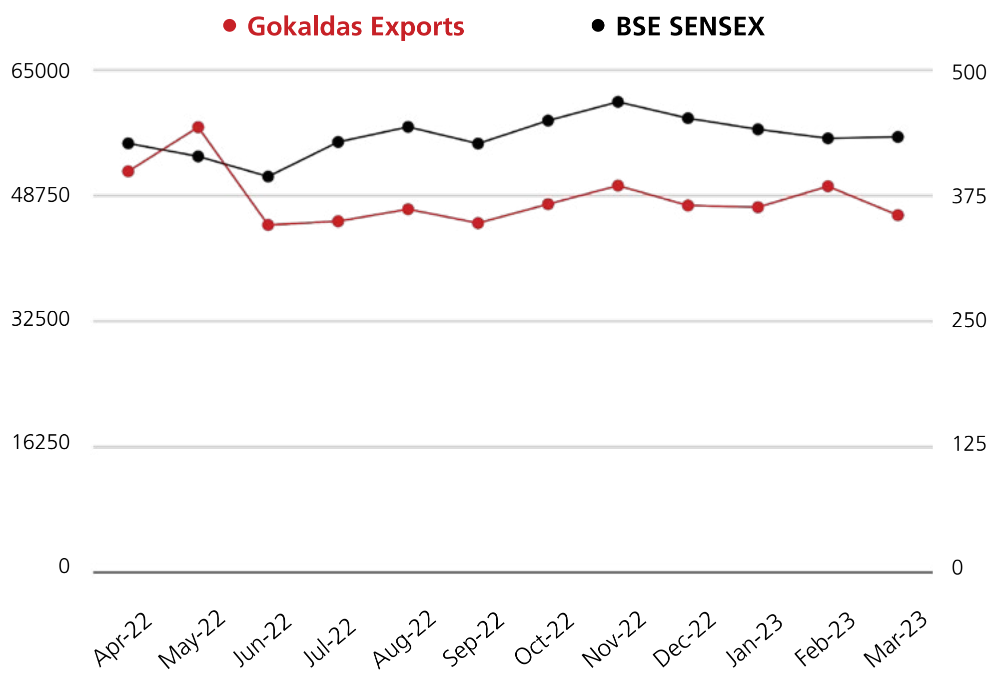
Sl. No.	Particulars	No. of shareholders	No. of shares
1	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year	12	360
2	Number of shareholders who approached listed entity for transfer of shares from suspense account during the year	Nil	Nil
3	Number of shareholders to whom shares were transferred from suspense account during the year	Nil	Nil
4	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year	12	360
5	That the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares	Yes	

Stock Price Data: (Monthly High and Low)

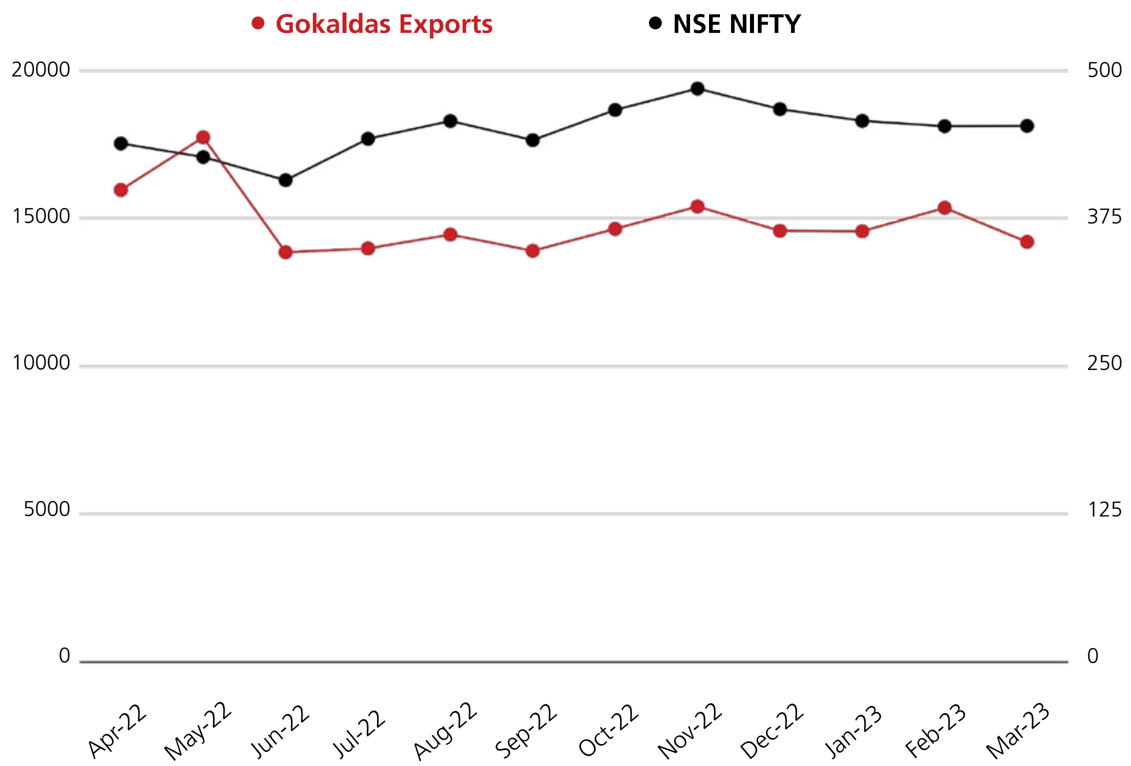
Month	BSE			NSE		
	High	Low	No. of shares traded	High	Low	No. of shares traded
Apr-22	414.0	351.1	10,29,581	414.0	351.3	83,34,221
May-22	519.6	376.2	19,26,402	519.9	375.6	2,73,75,135
Jun-22	487.2	337.6	8,04,737	488.3	337.3	89,41,661
Jul-22	385.0	301.1	13,84,501	385.0	301.1	1,54,33,170
Aug-22	368.0	326.2	10,09,279	368.0	326.0	80,05,520
Sep-22	381.9	325.7	23,93,558	382.0	328.0	80,34,945
Oct-22	424.9	348.5	17,95,267	424.7	348.5	1,40,93,191
Nov-22	396.2	355.3	7,70,371	396.5	355.5	54,00,374
Dec-22	403.0	328.6	5,47,243	403.0	328.4	51,89,312
Jan-23	392.6	358.2	3,36,978	392.8	358.5	31,67,782
Feb-23	429.0	347.5	4,48,139	429.0	347.6	55,60,927
Mar-23	416.0	340.0	13,51,815	416.2	344.5	1,46,36,051

Stock Price Performance:

BSE - S & P BSE SENSEX Vs Gokaldas Exports Share Price (Monthly Closing)

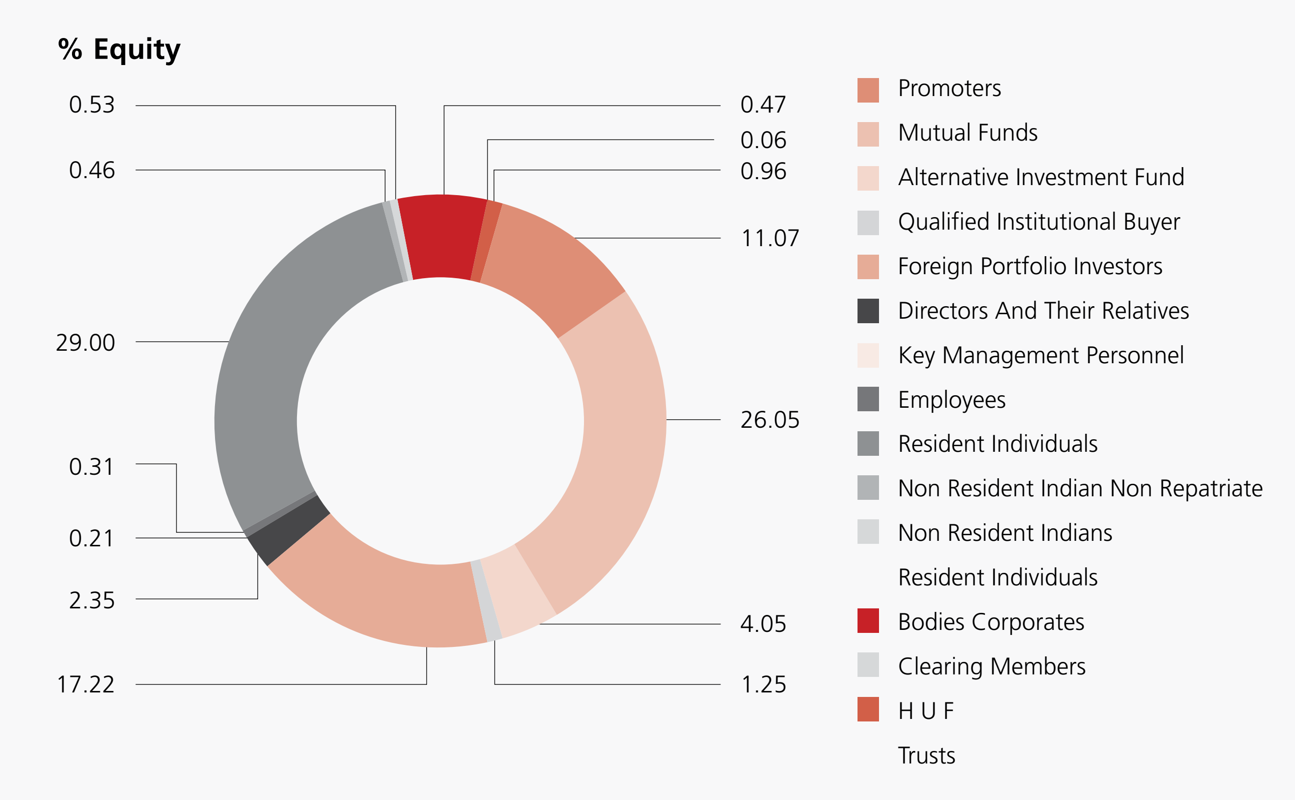


NSE - NIFTY 50 V/s Gokaldas Exports Share Price (Monthly Closing)



Shareholding Pattern as on March 31, 2023

Category	No. of shareholders	Shares held	%
Promoters	2	67,05,348	11.07
Mutual Funds	9	1,57,80,064	26.05
Alternative Investment Fund	12	24,51,745	4.05
Qualified Institutional Buyer	2	7,57,060	1.25
Foreign Portfolio Investors	33	1,04,32,778	17.22
Directors And Their Relatives	2	14,23,946	2.35
Key Management Personnel	1	1,25,000	0.21
Employees	27	1,88,770	0.31
Resident Individuals	42,006	1,75,68,871	29.00
Non Resident Indian Non Repatriable	390	2,80,331	0.46
Non Resident Indians	553	3,21,034	0.53
Resident Individuals	2	2,297	0.00
Bodies Corporates	367	39,20,932	6.47
Clearing Members	23	37,419	0.06
H U F	883	5,79,874	0.96
Trusts	4	2,525	0.00
TOTAL	**44,316**	**6,05,77,994**	**100.00**



Top Ten shareholders of the Company as on March 31, 2023

Sl. No.	Name of the shareholders	Shares	%
1	Clear Wealth Consultancy Services LLP	64,55,957	10.66
2	Nippon Life India Trustee Ltd-A/C Nippon India Small Cap Fund	40,03,779	6.61
3	SBI Magnum Midcap Fund	31,29,170	5.17
4	Goldman Sachs Funds - Goldman Sachs India Equity	28,27,763	4.67
5	Abu Dhabi Investment Authority – Monsoon	23,06,000	3.81
6	HSBC Global Investment Funds - Asia Ex Japan Equity	20,62,888	3.41
7	HSBC Small Cap Fund	17,54,595	2.90
8	Quant Mutual Fund - Quant Active Fund	15,23,232	2.51
9	Teesta Retail Private Limited	14,13,513	2.33
10	Tata Mutual Fund - Tata Small Cap Fund	13,66,101	2.26

Distribution of Shareholdings as on March 31, 2023

Category (Shares)	No. of Holders	% To Holders	No. of Shares	% To Equity
1-5000	43,869	98.99	80,93,186	13.36
5001-10000	204	0.46	15,12,961	2.50
10001-20000	98	0.22	13,79,460	2.28
20001-30000	34	0.08	8,45,847	1.40
30001-40000	21	0.05	7,44,013	1.23
40001-50000	14	0.03	6,41,541	1.06
50001-100000	22	0.05	15,80,522	2.61
100001 and above	54	0.12	4,57,80,464	75.57
Total	**44,316**	**100.00**	**6,05,77,994**	**100.00**

Shares held in Physical and Electronic mode as on March 31, 2023

Category	No. of Shares	% to total shareholding
Demat - NSDL	5,14,08,699	84.86
Demat - CDSL	91,68,681	15.14
Physical	614	0.00
Total	**6,05,77,994**	**100.00**

Plant Locations

Sr. No.	Particulars
1	Carnival Clothing Co. No.2/A-1,Chikkaveeranna Road Cross, Bannimantap Etn, Mysore – 570015, Karnataka
2	Euro Clothing Co – I, No.122/1,Doddabidarakallu Village, Yeshwanthpur Hobli, Bangalore North Taluk, Bengaluru 560073, Karnataka
3	Global Garments, Near Ring Road, Gubbi Gate, Tumkur - 572 101, Karnataka
4	Global Garments-III, No.44, 3rd Cross, Industrial Suburb, Yeshwanthpur, Bengaluru -560 022, Karnataka
5	Gokaldas India, No.21C & 21B, Survey No.34,35,36 & 37, Nallakadaranahalli, Peenya II Stage, Industrial Area, Peenya, Bengaluru -560 058, Karnataka
6	Hinduja Processing & Finishing Unit, No.2, 5th Cross, Mysore Road, Bengaluru -560 023, Karnataka
7	International Clothing Company - I, #B2, B3 & B4, Indl Estate, Madanapalli -517 325, Chittoor District, Andhra Pradesh
8	Indigo Blues, Plot No-2, KIADB Industrial Area, Doddaballapur - 581 203, Karnataka
9	J.D.Clothing Company, No.9, Rajajinagar Industrial Estate, Bengaluru -560 010, Karnataka
10	Sri Krishna Industries, No.25/26, 3rd Main Road, Industrial Suburb, Yeshwanthpur, Bengaluru -560 022, Karnataka
11	Triangle Apparels – VI, # 25/26,3rd Main Road, Industrial Suburb, Yeshwanthpur, Bengaluru - 560 022, Karnataka
12	Venkateshwara Clothing Company, No.10, KHB, Colony Industrial Area, Yelahanka, Bengaluru - 560 064, Karnataka
13	Wearcraft Apparels – I, No.17/1-38/4-1, Industrial Suburb, Yeshwanthpur, Bengaluru -560 022, Karnataka
14	The Wearwel I (Unit of SNS Clothing Private Limited), Industrial Estate N.H-206,Hindiskere Gate, Tiptur-572 201, Karnataka
15	Gokaldas Exports Ltd – Unit I (Hassan), Plot No.119, KIADB Growth Centre, SH – 57, Hassan – 573 201, Karnataka
16	Atlantic Apparels, Plot No.28D & 28E, Belavadi Industrial Area, Mysore-570 018, Karnataka
17	Gokaldas Exports Ltd -Unit 3, Plot No. 1 and 2, Sathyamangalam Industrial Area, NH4, Tumakuru, Karnataka- 572103
18	Gokaldas Exports Ltd- Unit 4, No.23/2, Khata No.157/152/121, Yellukunte Old Mangammanapalaya Road, Bommanahalli, Bengaluru Urban, Karnataka- 560068
19	Gokaldas Exports Ltd- Unit 5, No.182/4, 182/5, 183/1, 183/2K, Thippanapalli Post, Billana Kuppam Panchayath, Vepanapalli Main Road, Krishnagiri - 635 115, Tamilnadu

CREDIT RATING

The Company's financial discipline and prudence are reflected in the strong credit ratings attributed by rating agencies as exhibited below:

Particulars	Rating Agency	Rating	Outlook
Long Term	CRISIL Limited	CRISIL A	Positive
Short Term	CRISIL Limited	CRISIL A1	-
Long Term	ICRA Limited	ICRA A (reaffirmed)	Stable
Short Term	ICRA Limited	ICRA A1 (reaffirmed)	-

ADDRESS FOR CORRESPONDENCE

Company

Gokaldas Exports Limited

Registered Office:

No. 25, Second Cross, Third Main, Industrial Suburb,
Yeshwantpur Bangalore – 560022, Karnataka.
Ph: +91 80 68951000
Email: info@gokaldasexports.com
Website: www.gokaldasexports.com

Registrar and Transfer Agent:

KFin Technologies Limited
Selenium Tower B, Plot No. 31 & 32,
Financial District, Nanakramguda, Serilingampally Mandal,
Hyderabad – 500 032, Telangana.
Phone: 040-6716 2222/6716 1500
Contact Persons: Ms. K. Shobha Anand,
Deputy General Manager

Managing Director and Chief Financial Officer Certification

To

The Board of Directors

Gokaldas Exports Limited

1) We have reviewed financial statements (standalone and consolidated) and the cash flow statement for the year ended March 31, 2023 and that to the best of our knowledge and belief:
   - These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
   - These statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2) There are, to the best of our knowledge and belief, no transactions entered into by the listed entity during the year which are fraudulent, illegal or violative of the listed entity's code of conduct.
3) We accept responsibility for establishing and maintaining Internal Controls for Financial Reporting and that we have evaluated the effectiveness of Internal Control Systems of the listed entity pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies if any in the design or operation of such Internal Controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
4) We have indicated to the Auditors and the Audit Committee:
   - Significant changes in Internal Control over Financial Reporting if any during the year;
   - Significant changes in Accounting Policies if any during the year and that the same have been disclosed in the notes to the financial statements; and
   - Instances of significant fraud if any of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the listed entity's Internal Control System over Financial Reporting.

For **Gokaldas Exports Limited**

Sivaramakrishnan Ganapathi
Vice Chairman & Managing Director
DIN: 07954560

Sathyamurthy A
Chief Financial Officer

Place: Bengaluru
Date: May 25, 2023

Corporate Governance Compliance Certificate

To
The Members,
Gokaldas Exports Limited,
No. 25, Second Cross, Third Main,
Industrial Suburb, Yeshwantpur,
Bengaluru - 560 022.

I have examined the compliance of the conditions of Corporate Governance by **Gokaldas Exports Limited** ('the Company') for the year ended on March 31, 2023, as stipulated under Regulations 17 to 27, clauses (a) to (e), (g) to (r) and (t) to (z) of sub- regulation (2) of Regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

The compliance of the conditions of Corporate Governance is the responsibility of the management of the Company. My examination was limited to the review of procedures and implementation thereof, as adopted by the Company for ensuring compliance with conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and according to the explanations given to me, and the representations made by the Directors and the Management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the year ended on March 31, 2023.

I further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Nagendra D. Rao
Practising Company Secretary
Membership No. FCS: 5553
Certificate of Practice: 7731
Peer Reviewed Unit
Peer Review Certificate No.: 672/2020
UDIN: F005553E000374515

Place: Bengaluru
Date: May 25, 2023

CERTIFICATE PURSUANT TO REGULATION 34(3) AND SCHEDULE V PARA C CLAUSE (10)(I) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To,
The Members,
Gokaldas Exports Limited,
No. 25, Second Cross, Third Main,
Industrial Suburb, Yeshwantpur,
Bengaluru - 560 022.

I have examined the relevant registers, records, forms and returns filed, notices and disclosures received from the Directors, minutes books, other books and papers of Gokaldas Exports Limited having CIN - L18101KA2004PLC033475 and having registered office at No. 25, Second Cross, Third Main, Industrial Suburb, Yeshwantpur, Bangalore- 560022 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'the LODR'), as amended from time to time.

In my opinion and to the best of my information and according to the verifications (including DIN status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company, its officers, I hereby certify that none of the Directors who were on the Board of the Company as on March 31, 2023, have been debarred or disqualified from being appointed or continuing as Directors of the Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any other Statutory Authority.

Ensuring the eligibility of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification.

I have conducted necessary verification as much as is appropriate to obtain reasonable assurance about the eligibility or disqualification of the Directors on the Board of the Company.

This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Nagendra D. Rao
Practising Company Secretary
Membership No. FCS: 5553
Certificate of Practice: 7731
Peer Reviewed Unit
Peer Review Certificate No.: 672/2020
UDIN: F005553E000374317

Place: Bengaluru
Date: May 25, 2023

Business Responsibility & Sustainability Report

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1.	**Corporate Identity Number (CIN) of the Listed Entity:**	L18101KA2004PLC033475
2.	**Name of the Listed Entity:**	Gokaldas Exports Limited
3.	**Year of incorporation:**	2005
4.	**Registered office address:**	No.25, Second Cross, Third Main, Industrial Suburb, Yeshwanthpur, Bangalore - 560 022
5.	**Corporate address:**	
6.	**E-mail:**	info@gokaldasexports.com
7.	**Telephone:**	+(91)-(80)-68951000
8.	**Website:**	https://www.gokaldasexports.com/
9.	**Financial year for which reporting is being done:**	Financial Year 2022-23
10.	**Name of the Stock Exchange(s) where shares are listed:**	Bombay Stock Exchange & National Stock Exchange
11.	**Paid-up Capital:**	₹ 3,028.90 Lakhs
12.	**Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report:**	
	Name:	Prabhat Kumar Singh
	Designation:	Whole-Time Director
	Contact Number:	+(91)-(80)-68951000
13.	**Reporting boundary:**	The disclosures reported are under consolidated basis

II. Products/services

14. Details of business activities (accounting for 90% of the turnover):

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	Apparel and Clothing	The Company is in the business of Apparel Manufacturing & Exports	100%

15. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

S. No.	Product/Service	NIC Code	% of total Turnover contributed
1	Apparel and Clothing	14101	100%

III. Operations

16. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	19	1	20
International	-	-	-

17. Markets served by the entity:

a. Number of locations:

Location	Number
National (No. of States)	2
International (No. of Countries)	50 +

b. What is the contribution of exports as a percentage of the total turnover of the entity?

Exports Contribute 90% of the total turnover.

c. A brief on types of customers

Our customers are top international fashion retailers, wholesalers, and global brands, primarily based in the USA & Europe. These customers source a wide range of ready made garments such as fashion wear, outerwear, and sportswear across multiple geographies for men, women and kids for all seasons.

IV. Employees

18. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
			EMPLOYEES			
1	Permanent (D)	4294	3222	75%	1072	25%
2	Other than Permanent (E)	0	-	-	-	-
3	**Total Employees (D+E)**	**4294**	**3222**	**75%**	**1072**	**25%**
			WORKERS			
4	Permanent (F)	22130	3298	15%	18832	85%
5	Other than Permanent (G)	-	-	-	-	-
6	**Total Workers (F+G)**	**22130**	**3298**	**15%**	**18832**	**85%**

b. Differently abled Employees and workers:

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
			Differently abled Employees			
1	Permanent (D)	10	7	70%	3	30%
2	Other than Permanent (E)	-	-	-	-	-
3	**Total Employees (D+E)**	**10**	**7**	**70%**	**3**	**30%**
			Differently abled Workers			
4	Permanent (F)	49	23	47%	26	53%
5	Other than Permanent (G)	-	-	-	-	-
6	**Total Workers (F+G)**	**49**	**23**	**47%**	**26**	**53%**

19. Participation/Inclusion/Representation of women:

	Total (A)	No. and percentage of Females	
		No. (B)	% (B/A)
Board of Directors	8	2	25%
Key Management Personnel	4	-	0%

20 . Turnover rate for permanent employees and workers (Disclose trends for the past 3 years):

"Percentage for per Annum"

	FY 2022-23 (Turnover in Current FY)			FY 2021-22 (Turnover in Previous FY)			FY 2019-20 (Turnover rate in the year prior to Previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	45%	46%	46%	54%	58%	55%	51%	58%	53%
Permanent Workers	123%	82%	88%	161%	101%	110%	155%	103%	111%

V. Holding, Subsidiary and Associate Companies (including joint ventures)

21. (a) Names of holding/subsidiary/associate companies/joint ventures:

S. No.	Name of the holding/ subsidiary/associate companies/joint ventures (A)	Indicate whether holding/ subsidiary/ associate/joint venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	All Colour Garments Pvt. Ltd.	Subsidiary	100%	No
2	SNS Clothing Pvt. Ltd.	Subsidiary	100%	No
3	Vignesh Apparels Pvt. Ltd.	Subsidiary	100%	No
4	Gokaldas exports Acharpura Pvt. Ltd.	Subsidiary	100%	No
5	Sri Susamyuta Knits Pvt. Ltd.	Subsidiary	100%	No
6	Gokaldas Exports FZCO	Subsidiary	100%	No

Subsequent to the closure of this financial Year 2022-23, the Company has incorporated 2 more wholly owned subsidiaries

VI. CSR Details

22. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: Yes

(ii) Turnover: ₹ 2,24,722.93 Lakhs

(iii) Net worth: ₹ 88,625.12 Lakhs

VII. Transparency and Disclosures Compliances

23. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2022-23 (Current Financial Year)			FY 2021-22 (Previous Financial Year)		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes, the Company has adequate systems and processes for redressing employee grievances. The related documents can be accessed at www.gokaldasexports.com/policies/	Nil	Nil	-	Nil	Nil	-
Investors (other than shareholders)		Nil	Nil	-	Nil	Nil	-
Shareholders		10	Nil	-	Nil	Nil	-
Employees and workers		Nil	Nil	-	Nil	Nil	-
Customers		Nil	Nil	-	Nil	Nil	-
Value Chain Partners		Nil	Nil	-	Nil	Nil	-
Other (please specify)		Nil	Nil	-	Nil	Nil	-

Note: While the company has adequate systems and processes to address the stakeholder grievances, a further improvement and strengthening will be made in the coming year.

24. Overview of the entity's material responsible business conduct issues:

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Waste Water	Environmental Risk	Water is crucial for both businesses and communities. Climate change could cause more frequent	1. Installed ZLD (Zero Liquid Discharge) wherein more than 90% of waste water is recycled and reused for the laundry application.	**Positive:** Resource conversation, Environment positive & ESG compliant.

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
			extreme weather events, resulting in water scarcity during droughts and intense heatwaves, potentially affecting resources.	2. Change over to Low liquor ratio (1:5) laundry machines and E-Flow machines to reduce water & chemical consumption. 3. Rain water harvesting tanks have been augmented and used to increase ground water recharge.	**Negative:** Requires capital investment and incurs operational cost.
2	Energy/Power consumption	Environmental Risk	Energy plays a vital role in the textile and apparel industry's progress, but the resulting emissions pose a threat to the environment. The industry's growing global demand thereby increased production volumes drive up greenhouse gas (GHG) emissions.	1. Use of renewable source of energy like rooftop solar 2. Installation of LED across the units leading to energy savings. 3. Adoption of energy efficient sewing machines help in reduction of frictional loss leading to energy saving and low maintenance cost.	**Positives:** Resource conversation, Environment positive & ESG compliant. **Negative:** Requires capital investment and incurs operational cost.
3	Chemicals	Environmental Risk	Consumers are increasingly favouring safe and sustainable products, while regulations are becoming stricter regarding the environmental impacts of chemicals.	1. Use only authorised ZDHC non-hazardous chemicals for laundry and printing processes. 2. Change over to Low liquor ratio (1:5) laundry machines and E-Flow machines to reduce water & chemical consumption.	**Positives:** Environment positive & ESG compliant.
4	Health & Safety	Social Risk	Occupational health involves the potential risks to employees' well-being, working conditions, and safety, particularly the threat of harm or negative health effects when employees are exposed to hazards.	1. The Company conducts SLCP (Social and Labour Convergence Program) in all its facilities to assess the working conditions and how well its facilities are improving. The Company SLCP score for the year 2023 was 87% compared to 83% in the financial year 2022. 2. The Company has appointed doctors at each facility to attend employee's health and their well-being.	**Positives:** Employee Well Being, Social Compliant
5	Skill Management	Risk and Opportunity	As human resource intense industry, workers' skill and competencies play a critical role in our business operations. Access to skilled workforce and retaining trained workers are critical factors and strategically important for organizational growth	1. Conduct skill enhancement training in a continuous basis 2. Partner with external agencies to impart skill upgradation and competency building programs 3. Scout and train potential workers 4. Improve workers well-being initiatives to retain workers	**Positives:** Skill workers retentions, talent attraction

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Disclosure Questions		P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy & Management Process										
1	a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
		The NGRBC Principles and Core Elements are well covered by various organizational, business operations, corporate governance and human resource management policies								
	b. Has the policy been approved by the Board? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
	c. Web Link of the Policies, if available	www.gokaldasexports.com								
2	Whether the entity has translated the policy into procedures. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Do the enlisted policies extend to your value chain partners? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
4	Name of the national and international codes/ certifications/labels/standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g.SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle:	The Company has certifications from the global bodies for sustainability and standards such as Higg Index, SLCP, GOTS, GRS, Organic 100 content standard, BCI and Global Security Verification.								
5	Specific commitments, goals and targets set by the entity with defined timelines, if any.	The Company is committed to implement sustainability initiatives covering various aspects such as waste water management, use of chemicals, energy efficiency and labour practices. It intends to continuously identify the improvement areas in the said areas and set targets and achieve them.								
6	Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	The Company was able to reach its specific commitments focusing on waste water management, chemicals management, labour practice management, and energy efficiency practice.								
Governance, leadership and oversight										
7	Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements *(listed entity has flexibility regarding the placement of this disclosure)* The Company's importance on the ESG is emphasized in the page no. 22 of the annual report.									
8	Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Name: Prabhat Kumar Singh Designation: Executive Director - Whole-Time Director DIN: 08275987								
9	Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes/No). If yes, provide details.	The Company has corporate social responsibility committee of the Board to review the CSR activities. In addition the Company's management who take decisions with regard to social responsibility also considers sustainability related matters suitably.								

10 Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director/Committee of the Board/Any other Committee									Frequency (Annually/Half yearly/Quarterly/Any other - please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	Y	Y	Y	Y	Y	Y	Y	Y	Y	The Company follows annual review cycle for all policies								
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	Y	Y	Y	Y	Y	Y	Y	Y	Y	The Company follows annual review cycle for all policies								

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
11 Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	The Company's internal team consistently evaluate the effectiveness of policies implemented across the facilities. However, the Company has obtained certifications from international standards such as Higg and SLCP who assess, verify the data accuracy levels and award scores.								
12 If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:									
Questions	**P1**	**P2**	**P3**	**P4**	**P5**	**P6**	**P7**	**P8**	**P9**
The entity does not consider the Principles material to its business (Yes/No)	Not Applicable								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)	Not Applicable								
The entity does not have the financial or/human and technical resources available for the task (Yes/No)	Not Applicable								
It is planned to be done in the next financial year (Yes/No)	Not Applicable								
Any other reason (please specify)	Not Applicable								

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

PRINCIPLE 1 Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

Segment	Total number of training & Awareness Programmes held	Topics/Principles covered under the training & its impact	% age of persons in respective category covered by the awareness programme
Board of Directors	6	The Board of Directors and the Key Management Personnels receive updates on issues related to business strategy, regulations, corporate governance, sustainability initiatives, CSR and supply chain management.	100
Key Managerial Personnel	6		100
Employees other than BOD & KMP	1409	SST, WCP, SDP, PoSH, MDP	SST-100%, WCP-100%, SDP-100%, MDP-50%, PoSH-100%
Workers	2700	PACE, First Aid, WCP, PoSH, Committee R & R, UpSkilling	PACE-50%, First Aid 2-5%, Upskill-30%, WCP-100%, PoSH-100%

Note:

SST: Supervisory skill training,

WCP: Workplace cooperation program,

SDP: Supervisory development program,

MDP: Management development program,

PACE: Personal advancement and career enhancement.

2. Details of fines/penalties/punishment/award/compounding fees/settlement amount paid in proceedings (by the entity or by directors/KMPs) with regulators/law enforcement agencies/judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

	Monetary				
	NGRBC Principle	**Name of the regulatory/ enforcement agencies/judicial institutions**	**Amount (In INR)**	**Brief of the Case**	**Has an appeal been preferred? (Yes/No)**
Penalty/Fine	There are no instances of penalty/Fine/punishment/award/compounding fees/settlement amount paid in proceedings during the year.				
Settlement					
Compounding fee					

	Non-Monetary			
	NGRBC Principle	**Name of the regulatory/ enforcement agencies/judicial institutions**	**Brief of the Case**	**Has an appeal been preferred? (Yes/No)**
Imprisonment	There are no instances of Imprisonment or punishment against the KMP/Director during the year.			
Punishment				

3. Of the instances disclosed in Question 2 above, details of the Appeal/Revision preferred in cases where monetary or non-monetary action has been appealed.

Case Details	Name of the Regulatory/enforcement agencies/judicial institutions
Not Appliable	Not Applicable

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

   The Company's code of conduct provides sufficient guidance to its employees on anti-bribery and anti-corruption. The Company includes clauses on anti-corruption and anti-bribery appropriately in all its purchase orders and contracts to guide the vendors on ethical business practices.

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/corruption:

Particulars	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Directors	-	-
KMPs	-	-
Employees	-	-
Workers	-	-

6. Details of complaints with regard to conflict of interest:

Particulars	FY 2022-23 (Current Financial Year)		FY 2021-22 (Previous Financial Year)	
	Number	**Remarks**	**Number**	**Remarks**
Number of complaints received in relation to issues of Conflict of Interest of the Directors	No complaint received during the current & Previous financial Year			
Number of complaints received in relation to issues of Conflict of Interest of the KMPs				

7. Provide details of any corrective action taken or underway on issues related to fines/penalties/action taken by regulators/law enforcement agencies/judicial institutions, on cases of corruption and conflicts of interest.

   The Company did not have any such instances during the Year.

Leadership Indicators

1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year:

Total number of awareness topics/principles held	% age of value chain programmes covered under the programme	Partners covered (by value of business done with such partners) under the awareness programmes
-	-	-

   The Company constantly engages with the vendors to make them aware of Company's zero tolerance approach to bribery & ethics.

   The Company guides the vendors through its purchase orders/contracts on anti-bribery and anti-corruption approaches, ethical business practices, compliance with all national/international laws of the Company & reporting mechanisms in case of violation of code of conduct.

2. Does the entity have processes in place to avoid/manage conflict of interests involving members of the Board? **(Yes/No)** If Yes, provide details of the same.

   The Company's policy on code of conduct is applicable to all the officers and Directors on the board. The policy promotes ethical code of conduct, compliances to all the national and international laws & includes suitable guidance on conflict of interests. Company's "code of conduct" provides for reporting mechanisms in case of violation of conflict of interests.

PRINCIPLE 2 Businesses should provide goods and services in a manner that is sustainable and safe

Essential Indicators

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

	Current Financial Year	Previous Financial Year	Details of improvements in environmental & social impacts
R & D	0	0	
CAPEX	39%	8.9%	Company made regular investments in high energy efficiency equipment in the last 2 years. However, the environmental & social impacts of these initiatives are yet to be measured.

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)

   Fabric and Trims are the basic raw material of the Company that are purchased mostly from vendors nominated by customers. All nominated vendors are regularly assessed for compliances by the buyers with special reference to environment and social impacts of value chain.

   b. If yes, what percentage of inputs were sourced sustainably?

   5.5% of the Company's total purchases accounts for recycle fabric.

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

   The Company follows regulatory norms defined by the pollution control boards in respect of collection, segregation, storage in separately designated areas for different types of wastes. Accordingly, disposal of these waste is made through approved vendors.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes/No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

   Yes, the Company has initiated EPR registration process with the authorities. However, the Company complies with the regulator norms prescribed by the pollution control boards.

Leadership Indicators

1. Has the entity conducted Life Cycle Perspective/Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

   The Company's raw material purchases are from customer-nominated sources. It has been observed that the customers audit the vendors manufacturing processes & products with specific reference to environmental & social impacts. From this perspective, raw material purchases are covered within the system boundary of "cradle-to-gate" LCA.

NIC Code	Name of Product/ Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective/ Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No) If yes, provide the web-link
			NIL		

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products/ services, as identified in the Life Cycle Perspective/Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

   There are no significant observations that have been reported on account of social or environmental concerns arising out of our manufacturing processes or products.

Name of the Product/Service	Description of the Risk/Concern	Action Take
	NIL	

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Indicate input material	Recycled or re-used input material to total material	
	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Water	22.9%	16.9%
Recycled fabric	5.5%	1.8%

4. Of the products and packaging reclaimed at end of life of products, amount (in metrictons) reused, recycled, and safely disposed, as per the following format:

	FY 2022-23 (Current Financial Year)			FY 2021-22 (Previous Financial Year)		
	Re-used	Recycled	Safely Disposed	Re-used	Recycled	Safely Disposed
Plastics (including packaging)	-	95.55	-	-	96.14	-
E-waste	-	1.81	-	-	2.09	-
Hazardous Waste	-	-	296.5	-	-	269
Other Waste (Non-Hazardous)	4334.35		-	3757.91		-

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

Indicate Product Category	Reclaimed Products and their packaging materials as % of total products sold in respective category
-	-

PRINCIPLE 3 Businesses should respect and promote the well-being of all employees, including those in their value chains

Essential Indicators

1. a. Details of measures for the well-being of employees:

Category	% age of employees covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity benefits		Paternity benefits		Day care Facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent employees											
Male	3222	3222	100	3222	100	-	-	-	-	-	-
Female	1072	1072	100	1072	100	1072	100	-	-	-	-
Total	**4294**	**4294**	**100**	**4294**	**100**	**1072**	**100**	**-**	**-**	**-**	**-**
Other than Permanent employees											
Male	-	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

b. Details of measures for the well-being of workers:

Category	% age of workers covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity benefits		Paternity benefits		Day care Facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent workers											
Male	3298	3298	100	3298	100	-	-	-	-	-	-
Female	18832	18832	100	18832	100	18832	100	-	-	190	1
Total	**22130**	**22130**	**100**	**22130**	**100**	**18832**	**100**	**-**	**-**		
Other than Permanent workers											
Male	-	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

2. Details of retirement benefits, for Current Financial Year and Previous Financial Year.

Benefits	FY 2022-23 (Current Financial Year)			FY 2021-22 (Previous Financial Year)		
	No. of Employees covered as a % age of total employees	No. of Workers covered as a % age of total workers	Deducted & deposited with the Authority (Y/N/N.A.)	No. of Employees covered as a % age of total employees	No. of Workers covered as a % age of total workers	Deducted & deposited with the Authority (Y/N/N.A.)
PF	100	100	Y	100	100	Y
Gratuity	100	100	Y	100	100	Y
ESI	48	100	Y	46	100	Y
Others - Please specify	-	-	N.A	-	-	N.A

3. Accessibility of workplaces

Are the premises/offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

The Company is compliant with the requirements of differently abled employees & workers under the Rights of person with Disabilities act, 2016.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

The Company provides fair & equal opportunity to all the employees and workers irrespective of their race, sex, disabilities etc. in matters relating to job openings, promotions, postings thereby fulfilling non-discriminatory approach in its working.

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent Employees		Permanent Workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	-	-	-	-
Female	66%	89%	41%	92%
Total	**66%**	**89%**	**41%**	**92%**

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

	Yes/No (If Yes, then give details of the mechanisms in brief)
Permanent Workers	Yes, The Company has an internal grievances committee which constitutes of plant head and Plant HR head, Corporate HR head, Directors, Audit committee to redress grievances of all the employees and workers. Suggestion boxes, access to Hotline, whistle blower policy provides sufficient mechanisms for redressal of grievances.
Other than Permanent workers	
Permanent employees	
Other than Permanent Employees	

7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:

Category	FY 2022-23 (Current Financial Year)			FY 2021-22 (Previous Financial Year)		
	Total employees /workers in respective category A	No. of employees/ Workers in respective category who are part of sociation(s) or Union (B)	% (B/A)	Total employees /workers in respective category A	No. of employees/ Workers in respective category who are part of sociation(s) or Union (B)	% (B/A)
Total Permanent Employees	-	-	-	-	-	-
Male	-	-	-	-	-	-
Female	-	-	-	-	-	-
Total Permanent workers	-	-	-	-	-	-
Male	-	-	-	-	-	-
Female	-	-	-	-	-	-

The Company has union but present in certain units. Management engages with union and duly elects works committee to resolve work place concerns.

8. Details of training given to employees and workers:

Category	FY 2022-23 (Current Financial Year)					FY 2021-22 (Previous Financial Year)				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		Number (B)	% (B/A)	Number (C)	% (C/A)		Number (E)	% (E/D)	Number (F)	% (F/D)
Employees										
Male	3222	2061	64	68	2	3284	2135	65	51	2
Female	1072	805	75	219	21	1072	375	35	178	17
Total	**4294**	**2866**	**67**	**287**	**7**	**4356**	**2510**	**58**	**229**	**5**

Category	FY 2022-23 (Current Financial Year)					FY 2021-22 (Previous Financial Year)				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		Number (B)	% (B/A)	Number (C)	% (C/A)		Number (E)	% (E/D)	Number (F)	% (F/D)
Workers										
Male	3298	2034	62	71	2	4759	2474	52	59	1
Female	18832	16684	89	1952	11	22361	19007	85	815	4
Total	**22130**	**18718**	**86**	**2023**	**9**	**27120**	**21481**	**79**	**874**	**3**

9. Details of performance and career development reviews of employees and worker:

Category	FY 2022-23 (Current Financial Year)			FY 2021-22 (Previous Financial Year)		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Employees						
Male	3222	2322	72	3284	2009	61
Female	1072	708	67	1072	597	56
Total	**4294**	**3030**	**71**	**4356**	**2606**	**60**
Workers						
Male	3298	208	6	4759	364	8
Female	18832	6813	36	22361	6183	28
Total	**22130**	**7021**	**32**	**27120**	**6547**	**24**

10. Health and safety management system:

a. Whether an occupational health and safety management system has been implemented by the entity? **(Yes/No).** If yes, the coverage such system?

The Company has inculcated a predominant approach of "Safety First" at all its plants to ensure safe and healthy work environment to all the employees and workers.

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

The Company has a safety committee at each of its plant that works on a "Hazard identification and Risk Assessment (HIRA)" framework. The committee consists of employees/workers and management that strives to identify various work-related hazards and remove/mitigate the risks pertaining to these hazards. The committee reviews the status of identification of hazards/risks and closure status in its monthly meetings.

c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)

The Company's safety committee conducts periodic meetings at each unit for the identification and removal/mitigation of risks. All the workers are encouraged to provide suggestions to the committee on identification of risks and solutions to remove/mitigate the risks.

d. Do the employees/worker of the entity have access to non-occupational medical and healthcare services? **(Yes/No)**.

All the employees/workers have free access to the ambulance services and doctors at every facility of the Company. The ambulance is equipped with full time staff to take care of any emergencies.

11. Details of safety related incidents, in the following format:

Safety/Incident Number	Category	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	1.14	0.38
	Workers	0.38	0.13
Total recordable work-related injuries	Employees	6	2
	Workers	18	6
No. of fatalities	Employees	0	0
	Workers	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

12. Describe the measures taken by the entity to ensure a safe and healthy work place.

    The Company operates on a principle of "Safety First" approach in all its facilities. To achieve this objective, every site has formed a safety committee comprising members from both workers and management. The head of the plant will be chairing all the committee review meetings.

    The safety committee organizes safety observation tours to identify the hazards in providing workers with safe and healthy work environment.

    In this endeavor the Company identifies all the potential risks associated with the factory's equipment's, utilities, layouts, behavioral aspects of the workers. Periodical training is organized for all the workers and supervisors on the potential risks. The workers are encouraged to undergo regular health check-ups to prevent any health-related hazards. Equipment's are checked on a periodical basis to ensure its proper maintenance. Workers involved in civil work are provided suitable PPE and training before deployment. Necessary facilities are provided in order to reduce hazards pertaining to Air & Noise pollution. The factories are equipped with good fire protection equipment to prevent fire hazards.

13. Number of Complaints on the following made by employees and workers:

Category	FY 2022-23 (Current Financial Year)			FY 2021-22 (Previous Financial Year)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working conditions	0	0		0	0	
Health & Safety	0	0		0	0	

14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health & Safety Practices	100%
Working conditions	100%

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks/ concerns arising from assessments of health & safety practices and working conditions.

    The Assessments carried out identifies no significant risk/concerns related to health and safety practices and working conditions.

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).

   No. However eligible employees/workmen have been covered under ESI or under group personal accident insurance policies Compensatory packages is considered on merit basis by management.

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

   All our contracts/purchase orders with vendors explicitly spells and lays thrust on business integrity and ethical practices. Our discussions with vendors include compliances in matters pertaining to timely statutory dues deduction and remittance.

3. Provide the number of employees/workers having suffered high consequence work- related injury/ill-health/fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

Particulars	Total no. of affected employees/workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Employees	0	0	0	0
Workers	0	0	0	0

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? **(Yes/No)**

   Yes.

5. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	Nil
Working Conditions	

6. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from assessments of health and safety practices and working conditions of value chain partners.

   The Company's management as part of its business discussions with the value chain partners includes topics pertaining to compliances. Compliances pertain to and include ethical business practices, sustainability on human rights practices, providing safe and healthy working environment to workers, compliances to various requirements relating to labour laws and statutory taxes.

PRINCIPLE 4 Businesses should respect the interests of and be responsive to all its stakeholders

Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity.

   The Company identified the key stakeholders by defining the Company's scope and activities, analysing internal and external stakeholders, listing down the potential stakeholders based on their influence, interest & impact and establishing appropriate communication channels.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of Communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website, Other)	Frequency of Engagement (Annually, Half Yearly/Quarterly/ Others - Please specify)	Purpose and scope of engagement including Key topics and concerns raised during such engagement
Customers	No	Meeting with the customers on one-to-one basis through virtual and physical meeting including visits to our manufacturing plant	Continuous engagement throughout the year	To develop the long-term customer relationships, understand their expectations and meet them.
Employee & Workers	No	Communicate through emails, events and meetings. In addition, we conduct internal training programs, workshops, appraisals and rewards and recognition programs.	As per planned scheduled	To understand employee career paths, workplace concerns, and other pertinent issues faced by workers, aiming to gain a comprehensive understanding of their experiences.
Government	No	Virtual and Physical Meetings, Conference or Group meetings	Need Basis	To discuss impact of any new policy implementation, opportunities and challenges faced by the Industry.
Suppliers	No	Meeting with the Suppliers on one-to-one basis through virtual and physical meeting	Continuous engagement throughout the year	To help them understand the requirements in terms of quality, cost and timelines.

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of Communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website, Other)	Frequency of Engagement (Annually, Half Yearly/Quarterly/ Others - Please specify)	Purpose and scope of engagement including Key topics and concerns raised during such engagement
Shareholders	No	Intimation to Exchanges, New paper publication, Emails, results conference call, one-on-one meetings in either virtual or physical, and Annual General Meeting.	As per planned scheduled	To communicate our quarterly or annual financial performance and to address queries on business performance.
Media	No	Interactions through interviews via Television, Print Media, articles, and events	Need basis	To communicate our financial performance for the quarter and annual year and the general business direction.

Leadership Indicators

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

   Our management interacts with most of the Stakeholders directly. The consultations are shared with respective boards committees like Stakeholder Relationship Committee, CSR committee, Risk Management committee and NRC committee. The respective committee's reviews, monitors, and provides strategic direction to the Company's social responsibility obligations and other societal and sustainability practices.

2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes/No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.

   Yes, we maintain a continuous dialog with our key stakeholders. One such instance is that the increasing awareness of ESG among the end consumers is pushing the key brands to implement the ESG initiatives across their suppliers and aligning ourselves the Company conducts Higg Index audit through third-party auditors like Intertek Group PLC, SGS S.A that verifies all measures like energy to chemical waste, water pollution, air and chemical management.

3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.

   -

PRINCIPLE 5 Businesses should respect and promote human rights

Essential Indicators

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY 2022-23 (Current Financial Year)			FY 2021-22 (Previous Financial Year)		
	Total (A)	No. of Employees/ Workers covered (B)	% B/A	Total (C)	No. of Employees/ Workers covered (D)	% D/C
Employees						
Permanent	4294	3179	75	4356	2613	60
Other than Permanent	0	0	0	0	0	0
Total Employees	**4294**	**3179**	**75**	**4356**	**2613**	**60**
Workers						
Permanent	22130	19638	90	27120	23052	85
Other than Permanent	0	0	0	0	0	0
Total Workers	**22130**	**19638**	**90**	**27120**	**23052**	**85**

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2022-23 Current Financial Year					FY 2021-22 Previous Financial Year				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		Number (B)	% (B/A)	Number (C)	% (C/A)		Number (E)	% (E/D)	Number (F)	% (F/D)
Employees										
Permanent										
Male	3222	-	-	3222	100	3284	-	-	3284	100
Female	1072	-	-	1072	100	1072	-	-	1072	100
Other than Permanent										
Male	0	0	0	0	0	0	0	0	0	0
Female	0	0	0	0	0	0	0	0	0	0
Workers										
Permanent										
Male	3298	600	18	2698	82	4759	843	18	3916	82
Female	18832	5858	31	12974	70	22361	5637	25	16724	75
Other than Permanent										
Male	0	0	0	0	0	0	0	0	0	0
Female	0	0	0	0	0	0	0	0	0	0

3. Details of remuneration/salary/wages, in the following format:

Gender	Male		Female	
	Number	Median remuneration/ salary/wages of respective category (₹)	Number	Median remuneration/ salary/wages of respective category(₹)
Board of Directors (includes only VC&MD, WTD and ED)	3	17,80,600	2	-
Key Managerial Personnel (excludes MD and WTD)	2	1,24,429	-	-
Employees other than BOD & KMP	3215	23188	1072	17500
Workers	3298	11549	18832	11200

Note:

1. Non-Executive Directors (5 no.) are paid sitting fees only, hence not considered.
2. All the salary/wages furnished above is on a monthly basis.

4. Do you have a focal point (Individual/Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? **(Yes/No)**

   Yes, the organization has different forums in place to address the human rights issues.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

   The Company has provided various forums to the employees/workers to address the grievances related to human rights issues.

   Plant Head, Plant HR Head and grievance redressal committees at the plant are immediately available to address the grievances arising at the plants. Additionally Works Committee and HR head are available sequentially to redress the grievances along with suggestion boxes & Hotline are open to all the employees. In addition, Whistle blower policy is available to safeguard complainants from adverse consequences.

6. Number of Complaints on the following made by employees and workers:

Category	FY 2022-23 (Current Financial Year)			FY 2021-22 (Previous Financial Year)		
	Filed during the Year	Pending resolution at the end of the Year	Remarks	Filed during the Year	Pending resolution at the end of the Year	Remarks
Sexual Harassment	0	0		0	0	
Discrimination at Work Place	0	0		0	0	
Child Labour	0	0		0	0	
Forced Labour/ Involuntary Labour	0	0		0	0	
Wages	0	0		0	0	
Other human rights related Issues	0	0		0	0	

7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

The Company believes in conducting its affairs in a fair and transparent manner by adopting the highest standards of professionalism, honesty, integrity and ethical behaviour, in consonance with Code of Conduct.

In line with this commitment the Company's whistle blower policy aims to provide an avenue for Directors/employees to raise concerns and reassurance that they will be protected from reprisals or victimization for whistle blowing.

8. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes, the Company has zero tolerance approach to unethical business practices. Compliances to human rights requirements forms one of the pillars of ethical business practices.

9. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100
Forced/involuntary labour	100
Sexual harassment	100
Discrimination at workplace	100
Wages	100
Others – please specify	100

10. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 9 above.

Not Applicable

Leadership Indicators

1. Details of a business process being modified/introduced as a result of addressing human rights grievances/complaints.

No process have been modified/introduced.

2. Details of the scope and coverage of any Human rights due-diligence conducted.

As a responsible Corporate Citizen, Gokaldas Exports Ltd ensures compliance with Human Rights of its associates and stake holders, vulnerable groups and communities based on the Guiding Principles on Business and Human Rights that are endorsed by UN Human Rights Council.

The scope of human rights due-diligence broadly covers:

1. Working condition (Wage, hours, benefits, accommodation)
2. Community environment and Safety

3. End use impact
4. Occupational Health & Safety
5. Access to remedy
6. Gender and Diversity

The business process of Gokaldas Exports Ltd requires the Social Compliance audits covering the above points to be conducted by audit firms empanelled by the customers. Corrective measures are initiated and complied on any observations of deviations that might lead to violations of human rights.

Gokaldas Exports Ltd shares the vision of zero violations to human rights in the course of its business process.

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

   The Company is compliant with the requirements of differently abled visitors under the Rights of person with Disabilities act, 2016.

4. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Child labour	The Company's management as part of its business discussions with the value chain partners includes topics pertaining to compliances. Compliances pertain to and include ethical business practices, sustainability on human rights practices, providing safe and healthy working environment to workers, compliances to various requirements pertaining to labour laws and statutory taxes.
Forced/involuntary labour	
Sexual harassment	
Discrimination at workplace	
Wages	
Others – please specify	

5. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 4 above.

   No significant risks/concerns has been reported under the assessment

PRINCIPLE 6 Businesses should respect and make efforts to protect and restore the environment

Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Total electricity consumption (A)	43	41
Total fuel consumption (B)	226	200
Energy consumption through other sources (C)	2	2
Total energy consumption (A+B+C)	271	244
Energy intensity per rupee of turnover (Total energy consumption/turnover in rupees)	12074 Joules/INR	13543 Joules/INR
Energy intensity (optional) - the relevant metric may be selected by the entity		

   Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

   The Company has engaged Intertek Group plc for an assurance of greenhouse gas emissions.

2. Does the entity have any sites/facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

   The Company's sites/facilities are not identified as designated consumers (DCs) under the PAT scheme of GOI. However, the Company carries out energy saving initiatives on its own.

3. Provide details of the following disclosures related to water, in the following format:

Particulars	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Water withdrawal by source (in kilolitres)		
(i) Surface water	-	-
(ii) Groundwater	260471	222491
(iii) Third party water	-	-
(iv) Seawater/desalinated water	-	-
(v) Others	148591	148476
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	409061	370967
Total volume of water consumption (in kilolitres)	409062	370967
Water intensity per thousand rupee of turnover (Water consumed/turnover)	18.20	20.60
Water intensity (optional) – the relevant metric may be selected by the entity	-	-

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

The Company has not engaged any external agency to carry out the assessment/evaluation or assurance in this regard.

4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

Yes, the Company has installed complete ZLD system for recycling & reusing the daily waste water using state of art technology that achieves 90 to 92 % recovery.

It has installed 700 KLD capacity effluent treatment plant wherein waste water is scientifically treated to ensure treated water meets the requirement of ZLD system.

700 KLD capacity Reverse Osmosis (RO) plant has been installed with 4 stage of filtration. The permeate of RO plant is used back to processes and rejects of RO plant undergo further treatments that includes Multiple Effect Evaporator (MEE) followed by Agitated Thin Film Drier (ATFD).

5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
NOx	mg/Nm3	482	476
Sox	mg/Nm3	178	169
Particulate matter (PM)	mg/Nm3	826	819
Persistent organic pollutants (POP)		-	-
Volatile organic compounds (VOC)		0.31	0.28
Hazardous air pollutants (HAP)		-	-
Others - please Specify		-	-

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

The Company has engaged Intertek group plc for an assurance of greenhouse gas emissions.

6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	23655	20029

Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	9575	9117
Total Scope 1 and Scope 2 emissions per rupee of Turnover		0.0000014787	0.0000016183
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity		-	-

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

The Company has engaged Intertek group plc for an assurance of greenhouse gas emissions.

7. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.

   The Company is constantly engaged in evaluation of various areas to reduce Green House Gas emission.

   In this regard, the Company has installed & enhanced roof top solar panels in one of its production site. The Company is evaluating use of solar energy in other production sites.

8. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Total Waste generated (in metric tonnes)		
Plastic waste **(A)**	96	96
E-waste **(B)**	2	2
Bio-medical waste **(C)**	8	1
Construction and demotion waste **(D)**	0	0
Battery waste **(E)**	1	1
Radioactive waste **(F)**	0	0
Other Hazardous waste. Please specify, if any. **(G)**	326	291
Other Non-hazardous waste generated **(H)**. Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	4295	3734
Total (A+B + C + D + E + F + G + H)	**4728**	**4125**
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	875	808
(ii) Re-used	3557	3049
(iii) Other recovery operations	0	0
Total	**4432**	**3857**
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	8	1
(ii) Landfilling	288	267
(iii) Other disposal operations	NA	NA
Total	**296**	**268**

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? **(Y/N)** If yes, name of the external agency.

The Company has not engaged any external agency to carry out the assessment/evaluation or assurance in this regard.

9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your Company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

   The Company follows regulatory norms defined by the Pollution control boards in respect of collection, segregation, storage in separately designated areas for different types of wastes. Accordingly, disposal of these waste is made through approved vendors.

   To reduce the impact on environment, the Company follows prescribed norms/procedures by Pollution control boards for disposal of waste, especially in respect of hazardous waste water sludge generated in the production process.

10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals/clearances are required, please specify details in the following format:

    The Company does not operate any of its facilities in the ecologically sensitive areas.

11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No)	Relevant Web link
The Company does not operate any of its facilities in the ecologically sensitive areas.					

12. Is the entity compliant with the applicable environmental law/regulations/guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

    The Company is compliant with all the prescribed regulations/guidelines under the above laws in all the production facilities.

Leadership Indicators

1. Provide break-up of the total energy consumed (in Joules or multiples) from renewable and non-renewable sources, in the following format:

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
From renewable sources		
Total electricity consumption (A)	0	0
Total fuel consumption (B)	0	0
Energy consumption through other sources (C)	2	2
Total energy consumed from renewable sources (A+B+C)	**2**	**2**
From non-renewable sources		
Total electricity consumption (D)	43	41
Total fuel consumption (E)	5	5
Energy consumption through other sources (F)	221	195
Total energy consumed from non-renewable sources (D+E+F)	**269**	**241**

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

The Company has not engaged any external agency to carry out the assessment/evaluation or assurance in this regard.

2. Provide the following details related to water discharged:

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water		
- No treatment	-	-
- With treatment – please specify level of Treatment	-	-
(ii) To Groundwater		
- No treatment	-	-
- With treatment – please specify level of Treatment	-	-
(iii) To Seawater		
- No treatment	-	-
- With treatment – please specify level of Treatment	-	-
(iv) Sent to third-parties		
- No treatment	-	-
- With treatment – please specify level of Treatment	-	-
(v) Others		
- No treatment ((Discharge in municipal sewage line)	56221	45612
- With treatment – please specify level of Treatment	-	-
Total water discharged (in kilolitres)	**56221**	**45612**

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

The Company has not engaged any external agency to carry out the assessment/evaluation or assurance in this regard.

3. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):

For each facility/plant located in areas of water stress, provide the following information:

(i) Name of the area (ii) Nature of operations	As per the WRI Aqueduct Water Risk Atlas, all our facilities are in water stressed region. Most of our manufacturing facilities are based out of karnataka and as all the areas are in water stress, we have reported a combined figure.

(iii) Water withdrawal, consumption and discharge in the following format:

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Water withdrawal by source (in kilolitres)		
(i) Surface water	-	-
(ii) Groundwater	260471	222491
(iii) Third party water	-	-
(iv) Seawater/desalinated water	-	-
(v) Others	148591	148476
Total volume of water withdrawal (in kilolitres)	**409061**	**370967**
Total volume of water consumption (in kilolitres)	**409062**	**370967**
Water intensity per rupee of turnover (Water consumed/turnover)	-	-
Water intensity (optional) – the relevant metric may be selected by the Entity	-	-

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water		
- No treatment	-	-
- With treatment – please specify level of Treatment	-	-
(ii) To Groundwater		
- No treatment	-	-
- With treatment – please specify level of Treatment	-	-
(iii) To Seawater		
- No treatment	-	-
- With treatment – please specify level of Treatment	-	-
(iv) Sent to third-parties		
- No treatment	-	-
- With treatment – please specify level of Treatment	-	-
(v) Others		
- No treatment ((Discharge in municipal sewage line)	56221	45612
- With treatment – please specify level of Treatment		
Total water discharged (in kilolitres)	**56221**	**45612**

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

The Company has not engaged any external agency to carry out the assessment/evaluation or assurance in this regard.

4. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Unit	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Total Scope 3 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	**The Company has not assessed Scope 3 emissions**	
Total Scope 3 emissions per rupee of turnover	-	-	-
Total Scope 3 emission intensity (optional) - the relevant metric may be selected by the entity	-	-	-

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

5. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

   The Company does not operate any of its facilities in the ecologically sensitive areas.

6. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions/effluent discharge/waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

Sr. no	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1	Installation of Low liquor laundry machines	Installed latest Low liquor laundry machines (1:5) wherein for every process, this machine consumes less amount of water, chemical & energy thereby reducing impact on environment. The waste water generation from these machines is also relatively lesser.	Lesser consumption of water, chemicals and savings in energy consumption. Reduction in waste water consumption.

Sr. no	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
2	Energy Savings initiatives	LED lights have been installed across all our facilities. Switched to latest servo motors for our sewing lines thereby reducing energy consumption and reduction in carbon footprints.	Lesser energy consumption and reduction in carbon emission.
3	Roof top solar	Installed 400kw solar panels at the roof top.	CO2 offset is around 545 tones/annum.
4	Installation of ZLD system	We have installed ZLD system across our washing operations incorporating latest membrane technology in tertiary treatment of waste water.	Reduction in waste water generation, reduction in fresh water demand, lesser environmental impact.

7. Does the entity have a business continuity and disaster management plan? Give details in 100 words/web link.

   The Company has risk management policy that outlines ways and means to respond each element of business risks and how are such risks impact the business continuity and the going concerns. The Company has instituted emergency preparedness plans in each production location to deal with emergency situations. It also provides response mechanism to deal with hazard & risks and environmental impacts arising from emergency situations. The HR team of factory units impart regular training and share information to the employees to remain aware of the emergency situations. The Company periodically evaluates its annual business plan, assess its infrastructure adequacy, capacity utilization etc. and takes appropriate measures to mitigate risks associated with the business. The Company has risk management committee of the board who periodically reviews the risks measures and advise on the action as deemed necessary.

8. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.

   The Company does not, on its own, carry out a formal evaluation of the impact on environment due to the activities of the value chain. However, we have observed that the customers audit the vendors manufacturing processes & products with specific reference to environmental & social impacts. From this perspective, raw material purchases are covered within the system boundary of "cradle-to-gate" LCA.

9. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

   Please refer to the above.

PRINCIPLE 7 Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

1. a. Number of affiliations with trade and industry chambers/associations.

   The Company is a member of 6 chambers/associations. Designated representatives of the Company engage in various dialogues with the associations.

   b. List the top 10 trade and industry chambers/associations (determined based on the total members of such body) the entity is a member of/affiliated to.

S. no	Name of the trade and industry cambers/associations	Reach of trade and industry chambers/associations (State/National)
1	Apparel Export Promotion Council (AEPC)	National/International
2	Bangalore Chamber of Industry & Commerce (BCIC)	State
3	Confederation Of Indian Industry (CII)	National
4	Garments Exporters & Manufacturers Association (GEMA)	National/International

S. no	Name of the trade and industry cambers/associations	Reach of trade and industry chambers/associations (State/National)
5	Indian Technical Textile Association (ITTA)	National/International
6	The Clothing Manufacturers Association of India (CMAI)	National/International

2. Provide details of corrective action taken or underway on any issues related to anti- competitive conduct by the entity, based on adverse orders from regulatory authorities.

Name of Authority	Brief of the Case	Corrective action taken
The Company has not received any such adverse orders		

Leadership Indicators

1. Details of public policy positions advocated by the entity:

S. no	Public Policy advocated	Methods resort for such advocacy	Whether Information available in public domain (yes/No)	Frequency Review by Board (Annually/ Half Yearly/ Quarterly/Others – Please specify)	Web Link, if available
-	-	-	-	-	-

PRINCIPLE 8 Businesses should promote inclusive growth and equitable development

Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year:

Name & brief details of Project	SIA Notification No.	Date of Notification	Whether conducted by Independent External Agency (Yes/No)	Results communicated in Public domain (Yes/No)	Relavant Web Link
The Company was not required to undertake any such project during the current or the previous financial year					

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

S. no	Name of Project for which R & R is ongoing	State	District	No. of affected Projects (PAFs)	% of PAFs covered by R & R	Amounts paid to PAFs in the FY (in INR)
Not Applicable						

3. Describe the mechanisms to receive and redress grievances of the community.

   The Company engages with various stakeholder groups at different levels. The local management team of the production sites regularly interacts with the community representatives and takes their feedbacks. The CSR team facilitates interaction between communities and the senior leadership team to take inputs from the local stakeholders. Community development programmes are designed and implemented accordingly. In addition, various informal and formal sessions are conducted with the community to engagement with children. youth, women and community and panchayat representatives.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

Particulars	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Directly sourced from MSMEs/small producers	1.8%	2.3%
Sourced directly from within the district and neighboring districts	12.5%	9.1%

Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Details of negative social impact identified	Corrective action taken
The Company was not required to undertake any such project during the current year or the previous financial year.	

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

S. no	State	Applicant District	Amount spent in INR
1	Karnataka	Bangalore (Urban)	58,43,382
		Bangalore (Rural)	5,63,932
		Tumkur	5,55,455
		Mysore	29,11,507
		Hassan	2,39,197
2	Tamil Nadu	Krishnagiri	7,12,365

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized/vulnerable groups? (Yes/No)

No. 90 % of Fabric and Trims purchase are mostly from customer nominated/qualified sources and hence we do not have any specific policy on sourcing from marginalized/vulnerable groups

(b) From which marginalized/vulnerable groups do you procure?

Not Applicable as explained above

(c) What percentage of total procurement (by value) does it constitute?

Not Applicable as explained above

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

S. No	Intellectual Property based on traditional knowledge	Owned/Acquired (Yes/No)	Benefit shared (Yes/No)	Basis of calculating benefit share
-	-	-	-	-

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Name of the Authority	Brief of the Case	Corrective action taken
	Not Applicable	

6. Details of beneficiaries of CSR Projects:

S. No	CSR Project	No. of Persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1	Computer Lab facility at Govt. Higher Primary School Arehalli Guddadahalli	250	-
2	Toilet Facility at Govt. Higher Primary School Belavadi	350	-
3	Computer Lab Facility (30 No's Computers, chairs, Tables, one projector with screen), Library infrastructure setup & servicing of RO plant + Electrical connections	950	-
4	Donation of 50 No's Desk, 5 No's Nali-Kali table with 50 No's small chairs, 4 No's Office steel Almirah, 200 Liter per hour (LPH) RO Plant and MS grill to protect RO plant	150	-

S. No	CSR Project	No. of Persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
5	Donation of 25 No's computer with networking cabling, Projector & screen, Printer, Donation of 500 Liter per hour (LPH) drinking water facility and 25 tables & 125 baby chairs for Nali-Kali program	752	-
6	Computer Lab & Digital Library: 30 No's computers with networking cables, Printer, Projector with Screen, Furnitures & Desks	980	-
7	1000 Liter per hour (LPH) RO drinking water & 20 No's computer lab	1650	-
8	200 Liter per hour (LPH) capacity Drinking water facility, furniture & Classroom boards	150	-
9	15 No's computers & Furniture including classroom boards	320	-
10	Refurbishment of existing Toilets & Auditorium	900	-
11	Replacement of roof sheets, Painting and Furnitures	325	-
12	Computer lab (10 No's) and Bicycle stand	610	-
13	100 Liter per hour (LPH) RO Drinking water & 6 No's of computers	70	-
14	Sponsoring the ambulance to Govt maternity hospital	1000	-

Note: There are beneficiaries from vulnerable & marginalized groups in the above CSR programs which we have not assessed.

PRINCIPLE 9 Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

   The Company's activities are B2B, hence there are minimal interactions with the consumers. However, in respect of retail business, we capture the consumer complaints and feedback in our 2 retail stores in a register which are addressed appropriately.

2. Turnover of products and/services as a percentage of turnover from all products/service that carry information about:

	As a Percentage of total turnover
Environmental and Social parameters relavant to the product	This Information has not been calculated or assessed
Safe and responsible Usage	
Recycling and/or safe disposal	

3. Number of consumer complaints in respect of the following:

Category	FY 2022-23 (Current Financial Year)			FY 2021-22 (Previous Financial Year)		
	Received during the year	Pending resolution at end of the Year	Remarks	Received during the year	Pending resolution at end of the Year	Remarks
Data privacy	0	0		0	0	
Advertising	0	0		0	0	
Cyber-security	0	0		0	0	
Delivery of Essential Services	0	0		0	0	
Restrictive Trade Practices	0	0		0	0	
Unfair Trade Practices	0	0		0	0	
Other	0	0		0	0	

4. Details of instances of product recalls on account of safety issues:

	Number	Reasons for Recall
Voluntary Recalls	0	Not Applicable
Forced Recalls	0	Not Applicable

5. Does the entity have a framework/policy on cyber security and risks related to data privacy? **(Yes/No)** If available, provide a web-link of the policy.

   The Company has very well-defined cyber policies & procedures covering aspects of data privacy & information security. These policies & procedures protects the Company from unauthorized access to data and equipment ensures data confidentiality at all times. To achieve this purpose, the Company uses proven IT tools with pre-defined security protection. The logs records are reviewed on a daily basis for detection & remediation of unauthorized access. The Company has a well-defined data recovery plan in place to ensure uninterrupted business.

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty/action taken by regulatory authorities on safety of products/services.

   No instances have been observed during the last 5 years.

Leadership Indicators

1. Channels/platforms where information on products and services of the entity can be accessed (provide web link, if available).

   Most of the business is on a B2B basis and hence the organization does not have a formal channel/platform for information on products and services.

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

   The product quality and sources of products are well defined by the customers. Hence our customers take up the responsibility to educate consumers about safe and responsible usage of products and/or services.

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

   Not Applicable

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products/services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

   The Company works on a B2B business model and hence not applicable.

Provide the following information relating to data breaches:

a. Number of instances of data breaches along-with impact

b. Percentage of data breaches involving personally identifiable information of customers

   There has not been any data breaches in the last 5 years.

Independent Auditor's Report

To the Members of Gokaldas Exports Limited

Report on the Audit of the Standalone Financial Statements

OPINION

We have audited the accompanying Standalone Financial Statements of **Gokaldas Exports Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2023, and the Statement of Profit and Loss (Including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the Standalone Financial Statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 ("the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015 ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, and its profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

BASIS FOR OPINION

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements 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 (ICAI) together with the ethical requirements that are relevant to our audit of the Standalone 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.

KEY AUDIT MATTER

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements for the year ended March 31, 2023. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	How the Key Audit Matter was addressed in our audit
Refer Note 2.2 of Standalone Financial Statements with respect to the accounting policies followed by the Company for recognizing revenue. The Company derives its revenue primarily from delivery of export garments and its related products to its customer/agent nominated by customer, in accordance with commercial terms agreed. The revenue is recognised at a point in time when control of the goods has transferred to the customer. Determination of point in time includes assessment of timing of transfer of significant risk and rewards of ownership, establishing the present right to receive payment for the products, delivery specifications including incoterms, timing of transfer of legal title of the asset and determination of the point of acceptance of goods by customer. Revenue is identified as an area of significant risk and at the year-end management has to exercise significant judgement for recognition of revenue as per Ind AS 115. Accordingly, Revenue Recognition is identified as a Key Audit Matter.	**Our audit procedures included the following:** 1. Assessed the appropriateness and consistency of the Company's revenue recognition accounting policies as per Ind AS 115 "Revenue from Contracts with Customers" ("Ind AS 115"). 2. Obtained an understanding and assessed the design, implementation, and operating effectiveness of controls over recognition and measurement of revenue in accordance with customer contracts, including timing of revenue recognition. 3. Performed substantive testing by selecting samples of revenue transactions recorded during the year and verifying with the underlying documents like sales invoices/contracts and related logistics documents. 4. Performed three-way match for the sales using documents which include purchase orders from customers, invoice and proof of deliveries (bill of lading for export sales and lorry receipts etc for domestic sales). 5. Performed the cut-off testing of the revenue recorded in the appropriate period and traced the sales with Shipping bill, Bill of lading and other logistic documents to confirm the appropriateness of recognition of revenue for that period in the books of accounts. 6. Assessed manual journals posted to revenue to identify unusual items & tested the underlying documents of the same on a sample basis.

Key Audit Matter	How the Key Audit Matter was addressed in our audit
	7. Obtained management representation that revenue has been recorded as per the requirements of Ind AS 115. 8. Evaluated the appropriateness of the disclosures made in the Stanalone Financial Statements in relation to revenue recognised as per relevant accounting standards.

INFORMATION OTHER THAN THE STANDALONE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Company's Board of Directors is responsible for the other information. The other information comprises the Management report, Chairman's statement, Director's report, Business Responsibility and Sustainability Report etc but does not include the Standalone Financial Statements and our auditor's report thereon, which we obtained prior to the date of this auditor's report, The Management report, Chairman's statement, Director's report etc, is expected to be made available to us after that date.

Our opinion on the Standalone Financial Statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the Management report, Chairman's statement, Director's report, Business Responsibility and Sustainability Report etc, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance under SA 720 'The Auditor's responsibilities Relating to Other Information'.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE STANDALONE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. 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 design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Statements, the Board of Directors is 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.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Statements 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 Financial Statements.

We give in **"Annexure A"** a detailed description of Auditor's responsibilities for Audit of the Standalone Financial Statements.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in **"Annexure B"** a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143(3) of the Act, we report that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

(c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.

(d) In our opinion, the aforesaid Standalone Financial Statements comply with the Accounting Standards specified under Section 133 of the Act.

(e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164(2) of the Act.

(f) With respect to the adequacy of the internal financial controls with reference to Standalone Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure C"**.

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements - Refer Note 36 to the Standalone Financial Statements;

ii. The Company has long-term contracts including derivative contracts for which there were no material foreseeable losses.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv. 1. The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

2. The Management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities (Funding Parties), with the understanding, whether recorded in writing or otherwise, as on the date of this audit report, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

3. Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, and according to the information and explanations provided to us by the Management in this regard nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) as provided under (1) and (2) above, contain any material mis-statement.

v. The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend. (Refer Note 47 to the Standalone financial statements).

3. In our opinion, according to information, explanations given to us, the remuneration paid by the Company to its directors is within the limits laid prescribed under Section 197 of the Act and the rules thereunder.

For **M S K A & Associates**
Chartered Accountants
ICAI Firm Registration No.: 105047W

Pankaj S Bhauwala
Partner
Membership No. 233552
UDIN: 23233552BGZBRU9643

Place: Bengaluru
Date: May 25, 2023

Annexure A

To the independent auditor's report on even date on the Standalone Financial Statements of **Gokaldas Exports Limited**

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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 Financial Statements, 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 on whether the Company has adequate internal financial controls with reference to Standalone 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 made by management.

- Conclude on the appropriateness of management's 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 Company's ability to continue as a going concern. 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 Financial Statements 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 Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements for the year ended March 31, 2023 and are therefore, the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

For **M S K A & Associates**
Chartered Accountants
ICAI Firm Registration No.: 105047W

Pankaj S Bhauwala
Partner
Membership No. 233552
UDIN: 23233552BGZBRU9643

Place: Bengaluru
Date: May 25, 2023

Annexure B

To independent auditors' report of even date on the Standalone Financial Statements of **Gokaldas Exports Limited** for the year ended March 31, 2023

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report]

i. (a) A. The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment, and relevant details of right-of-use assets.

B. The Company has maintained proper records showing full particulars of intangible assets.

(b) The Company has a regular programme of physical verification of its Property, Plant and Equipment by which all fixed assets are verified once in a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us, the title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) as disclosed in the financial statements are held in the name of the Company except for the title deeds of immovable properties aggregating to ₹ 697.77 Lakhs are pledged with the banks and are not available with the Company. The same has been independently confirmed by the bank and verified by us.

(d) According to the information and explanations given to us, the Company has not revalued its property, plant and Equipment (including Right of Use assets) or intangible assets or both during the year. Accordingly, the requirements under paragraph 3(i)(d) of the Order are not applicable to the Company.

(e) According to the information and explanations given to us, no proceeding has been initiated or pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988, as amended and rules made thereunder. Accordingly, the provisions stated in paragraph 3(i)(e) of the Order are not applicable to the Company.

ii. (a) The inventory (excluding stocks with third parties) has been physically verified by the management during the year. In respect of inventory lying with third parties, these have substantially been confirmed by them. In our opinion, the frequency, coverage and procedure of such verification is reasonable. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory.

(b) The Company has not been sanctioned any working capital limits during the year. Accordingly, the requirements under paragraph 3(ii)(b) of the Order is not applicable to the Company.

iii. (a) According to the information explanation provided to us, the Company has made investments, provided loans, advances in the nature of loans, given guarantee, or provided security to any other entity.

(A) The details of such investments, loans or advances and guarantees or security to subsidiaries, Joint Ventures and Associates are as follows:

(₹ in Lakhs)

	Guarantees	Advances	Loans	Investments
Aggregate amount granted/provided during the year				
- Subsidiaries	10,000	2.78	8,630.24	85.10
Balance Outstanding as at balance sheet date in respect of above cases				
- Subsidiaries	10,000	2.34	12,113.68*	85.10

*Includes interest outstanding on loans.

(B) The details of such loans or advances and guarantees or security to parties other than Subsidiaries, Joint ventures and Associates are as follows:

(₹ in Lakhs)

	Guarantees	Security	Loans
Aggregate amount granted/provided during the year			
- Loan to Employees	-	-	115.42
Balance Outstanding as at balance sheet date in respect of above cases			
- Loan to Employees	-	-	137.04

(b) According to the information and explanations given to us and based on the audit procedures performed by us, we are of the opinion that the terms and conditions in relation to investments made, guarantees provided, securities given and grant of all loans and advances in the nature of loans and guarantees are not prejudicial to the interest of the Company.

(c) In case of the loans and advances in the nature of loan, schedule of repayment of principal and payment of interest have been stipulated and the borrowers have been regular in the payment of the principal and interest.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no amounts overdue for more than ninety days in respect of the loan granted to Company/Firm/LLP/Other Parties.

(e) According to the information explanation provided to us, the loan or advance in the nature of loan granted has not fallen due during the year. Hence, the requirements under paragraph 3(iii)(e) of the Order are not applicable to the Company.

(f) According to the information explanation provided to us, the Company has granted loans and/or advances in the nature of loans during the year. These are not repayable on demand/have stipulated the schedule for repayment of principal and interest. Hence, the requirements under paragraph 3(iii)(f) of the Order are not applicable to the Company.

iv. According to the information and explanations given to us, the Company has neither, directly or indirectly, granted any loan, or provided guarantee or security to any of its directors or to any other person in whom the director is interested, in accordance with the provisions of Section 185 of the Act nor made investments through more than two layers of investment companies in accordance with the provisions of Section 186 of the Act. Accordingly, provisions stated in paragraph 3(iv) of the Order are not applicable to the Company.

v. According to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the rules framed there under.

vi. The provisions of sub-Section(1) of Section 148 of the Act are not applicable to the Company as the Central Government of India has not specified the maintenance of cost records for any of the products of the Company. Accordingly, the provisions stated in paragraph 3(vi) of the Order are not applicable to the Company.

vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess, and other statutory dues have been regularly deposited by the Company with appropriate authorities in all cases during the year.

There are no undisputed amounts payable in respect of Goods and Services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, cess, and other statutory dues in arrears as at March 31, 2023 for a period of more than six months from the date they became payable.

(b) According to the information and explanation given to us and examination of records of the Company, the outstanding dues of income-tax, sales-tax, service tax, duty of customs, and other statutory dues details of statutory dues on account of any dispute, are mentioned below the same has been mentioned in note 36 of the financial statements:

Name of the statute	Nature of dues	Amount (In ₹ Lakhs)	Amount Paid (In ₹ Lakhs)*	Period to which the amount relates	Forum where dispute is pending
Employee's Provident Fund and Miscellaneous Provisions Act, 1952	Interest and Penalty etc.	122.54	91.81	April 2005-08, June 2008 to August 2008 & July 2008 to July 2015	Employees Provident Fund Tribunal

*₹ 91.81 has been paid as deposits to Employees Provident Fund Tribunal.

viii. According to the information and explanations given to us, there are no transactions which are not accounted in the books of account which have been surrendered or disclosed as income during the year in Tax Assessment of the Company. Also, there are no previously unrecorded income which has been now recorded in the books of account. Hence, the provision stated in paragraph 3(viii) of the Order is not applicable to the Company.

ix. (a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings or in payment of interest thereon to any lender.

(b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.

(c) In our opinion and according to the information explanation provided to us, money raised by way of term loans during the year have been applied for the purpose for which they were raised.

(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the Standalone Financial Statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) According to the information explanation given to us and on an overall examination of the Standalone Financial Statements of the Company, we report that the Company has not taken any funds from an any entity or person on account of or to meet the obligations of its subsidiaries, associates, or joint ventures.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries. Hence, reporting under the Clause 3(ix)(f) of the order is not applicable to the Company.

x. (a) In our opinion and according to the information explanation given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Hence, the provisions stated in paragraph 3(x)(a) of the Order are not applicable to the Company.

(b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully, partly, or optionally convertible debentures during the year. Hence, the provisions stated in paragraph 3(x)(b) of the Order are not applicable to the Company.

xi. (a) Based on our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we report that no material fraud by the Company or on the Company has been noticed or reported during the course of our audit.

(b) We have not come across of any instance of material fraud by the Company or on the Company during the course of audit of the standalone financial statement for the year ended March 31, 2023, accordingly the provisions stated in paragraph (xi)(b) of the Order is not applicable to the Company.

(c) As represented to us by the Management, there are no whistle-blower complaints received by the Company during the year.

xii. The Company is not a Nidhi Company. Accordingly, the provisions stated in paragraph 3(xii)(a) to (c) of the Order are not applicable to the Company.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act, where applicable and details of such transactions have been disclosed in the Standalone Financial Statements as required by the applicable accounting standards.

xiv. (a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered internal audit reports of the Company issued till date, for the period under audit.

xv. According to the information and explanations given to us, in our opinion, during the year the Company has not entered into non-cash transactions with directors or persons connected with its directors and hence, provisions of Section 192 of the Act are not applicable to Company.

xvi. (a) In our opinion, the Company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions stated in paragraph clause 3(xvi)(a) of the Order are not applicable to the Company.

(b) In our opinion, the Company has not conducted any Non-Banking Financial or Housing Finance activities without any valid Certificate of Registration from Reserve Bank of India. Hence, the reporting under paragraph clause 3(xvi)(b) of the Order are not applicable to the Company.

(c) The Company is not a Core investment Company (CIC) as defined in the regulations made by Reserve Bank of India. Hence, the reporting under paragraph clause 3(xvi)(c) of the Order are not applicable to the Company.

(d) The Company does not have more than one CIC as a part of its group. Hence, the provisions stated in paragraph clause 3(xvi)(d) of the Order are not applicable to the Company.

xvii. According to the information explanation provided to us, the Company has not incurred cash losses in the current financial year and in the immediately preceding financial year. Hence, the provisions stated in paragraph clause 3 (xvii) of the Order are not applicable to the Company.

xviii. There has been no resignation of the statutory auditors during the year. Hence, the provisions stated in paragraph 3 (xviii) of the Order are not applicable to the Company.

xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the Standalone Financial Statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. According to the information and explanations given to us and based on our verification, the provisions of Section 135 of the Act are applicable to the Company. The Company has made the required contributions during the year and there are no unspent amounts which are required to be transferred either to a Fund or to a Special Account as per the provisions of Section 135 of the Act read with schedule VII. Accordingly, reporting under Clause 3(xx)(a) and Clause 3(xx)(b) of the Order is not applicable to the Company.

xxi. The reporting under Clause 3(xxi) of the Order is not applicable in respect of audit of Standalone Financial Statements. Accordingly, no comment in respect of the said clause has been included in the report.

For **M S K A & Associates**
Chartered Accountants
ICAI Firm Registration No.: 105047W

Pankaj S Bhauwala
Partner
Membership No. 233552
UDIN: 23233552BGZBRU9643

Place: Bengaluru
Date: May 25, 2023

Annexure C

To the independent auditor's report of even date on the Standalone Financial Statements of **Gokaldas Exports Limited**

[Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the Members of Gokaldas Exports Limited on the Financial Statements for the year ended March 31, 2023

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

OPINION

We have audited the internal financial controls with reference to Standalone Financial Statements of **Gokaldas Exports Limited** ("the Company") as of March 31, 2023 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to Standalone Financial Statements and such internal financial controls with reference to Standalone Financial Statements were operating effectively as at March 31, 2023, based on the internal control with reference to Standalone Financial Statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI) (the "Guidance Note").

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to Standalone Financial Statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls with reference to Standalone Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Standalone Financial Statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to Standalone Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Standalone Financial Statements included obtaining an understanding of internal financial controls with reference to Standalone Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to Standalone Financial Statements.

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO STANDALONE FINANCIAL STATEMENTS

A Company's internal financial control with reference to Standalone Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone Financial Statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to Standalone Financial Statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Standalone Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the standalone financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO STANDALONE FINANCIAL STATEMENTS

Because of the inherent limitations of internal financial controls with reference to Standalone Financial Statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to Standalone Financial Statements to future periods are subject to the risk that the internal financial control with reference to Standalone Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **M S K A & Associates**
Chartered Accountants
ICAI Firm Registration No.: 105047W

Pankaj S Bhauwala
Partner
Membership No. 233552
UDIN: 23233552BGZBRU9643

Place: Bengaluru
Date: May 25, 2023

Standalone Balance Sheet

As at March 31, 2023

(All amounts in Indian Rupees in Lakhs, except stated otherwise)

	Notes	As at March 31, 2023	As at March 31, 2022
ASSETS			
Non-current assets			
Property, plant and equipment	3 (a)	15,432.20	15,491.94
Right-of-use assets	3 (b)	10,528.11	12,396.79
Other intangible assets	4	111.95	273.88
Financial assets			
Investments in subsidiaries and others	5(a)	2,074.85	1,989.75
Loans	6	12,113.68	2,950.00
Other financials assets	7(a)	2,711.34	4,156.44
Deferred tax assets (net)	8(a)	3,064.73	1,178.98
Non-current tax assets (net)	8(b)	386.70	1,133.41
Other non current assets	9(a)	509.69	255.70
Total non-current assets		**46,933.25**	**39,826.89**
Current assets			
Inventories	10	29,229.37	43,253.20
Financial assets			
Investments	5(b)	34,399.06	15,445.37
Trade receivables	11	13,582.42	9,217.11
Cash and cash equivalents	12	1,345.29	1,257.32
Other bank balances (other than cash and cash equivalents)	12	743.44	-
Other financials assets	7(b)	104.17	1,519.76
Other current assets	9(b)	7,928.63	12,081.00
Total Current Assets		**87,332.38**	**82,773.76**
TOTAL ASSETS		**1,34,265.63**	**1,22,600.65**
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	13	3,028.90	2,948.85
Other equity	14	86,270.07	68,014.11
TOTAL EQUITY		**89,298.97**	**70,962.96**
LIABILITIES			
Non-current liabilities			
Financial liabilities			
Borrowings	15(a)	7.42	238.06
Lease liabilities	16(a)	8,472.67	10,170.08
Provisions	17(a)	1,332.35	661.82
Total non-current liabilities		**9,812.44**	**11,069.96**
Current liabilities			
Financial liabilities			
Borrowings	15(b)	2,499.65	6,068.88
Trade payables	18		
(a) Total outstanding dues of micro, small and medium enterprises		241.02	94.75
(b) Total outstanding dues of creditors other than micro, small and medium enterprises		8,138.19	11,658.68
Lease liabilities	16(b)	3,112.31	2,638.16
Other current financial liabilities	19	15,577.04	15,087.21
Other current liabilities	20	1,192.33	1,297.77
Provisions	17(b)	4,393.68	3,722.28
Total current liabilities		**35,154.22**	**40,567.73**
TOTAL LIABILITIES		**44,966.66**	**51,637.69**
TOTAL EQUITY AND LIABILITIES		**1,34,265.63**	**1,22,600.65**
Summary of significant accounting policies	2.2		

The accompanying notes are an integral part of these Standalone Financial Statements.

As per our report of even date
For **M S K A & Associates**
Chartered Accountants
ICAI Firm registration No.: 105047W

Pankaj S Bhauwala
Partner
Membership No.: 233552

Place: Bengaluru
Date: May 25, 2023

For and on behalf of the Board of Directors of
Gokaldas Exports Limited
CIN: L18101KA2004PLC033475

Mathew Cyriac
Chairman
DIN: 01903606
Place: Mumbai

Sivaramakrishnan Ganapathi
Vice Chairman and Managing Director
DIN: 07954560
Place: Bengaluru

Sathyamurthy A
Chief Financial Officer

Place: Bengaluru
Date: May 25, 2023

Gourish Hegde
Company Secretary
Membership No: A44775

Place: Bengaluru
Date: May 25, 2023

Standalone Statement of Profit and Loss

for the year ended March 31, 2023

(All amounts in Indian Rupees in Lakhs, except stated otherwise)

		Notes	Year Ended March 31, 2023	Year Ended March 31, 2022
I	**Income**			
	Revenue from operations	21	2,22,108.59	1,78,908.80
	Other income	22	3,056.54	1,094.69
	Total income		**2,25,165.13**	**1,80,003.49**
II	**Expenses**			
	Cost of raw materials and components consumed	23	1,05,256.28	1,00,283.25
	Purchases of stock-in-trade	24	85.27	1,403.40
	Changes in inventories of finished goods and work-in-progress	25	12,324.37	(12,976.81)
	Employee benefits expense	26	61,901.53	53,850.37
	Finance costs	27	2,535.48	3,995.27
	Depreciation and amortization expense	28	7,075.33	5,829.29
	Job work charges		1,186.33	2,776.86
	(Gain)/loss on account of foreign exchange fluctuations (net)		(668.42)	(2,109.40)
	Other expenses	29	15,091.63	15,278.29
	Total expenses		**2,04,787.80**	**1,68,330.52**
III	**Profit before tax (I-II)**		**20,377.33**	**11,672.97**
IV	**Exceptional items**	30	**605.03**	**-**
V	**Profit/(Loss) after exceptional items and before tax (III-IV)**		**20,982.36**	**11,672.97**
VI	**Tax expenses**	32		
	Current tax		4,830.57	1,170.15
	Adjustment of tax relating to earlier years		(160.11)	(672.07)
	Deferred tax (credit)/charge		(1,528.14)	(498.08)
			3,142.32	**-**
VII	**Profit after tax for the year (V-VI)**		**17,840.04**	**11,672.97**
VIII	**Other comprehensive income (net of tax)**			
	Items that will not be reclassified to profit or loss in subsequent periods:			
	Re-measurement gains on defined benefit plan		206.82	312.88
	Items that will be reclassified to profit or loss in subsequent periods:			
	The effective portion of gain and loss on hedging instruments in a cash flow hedge (net)		(2,440.34)	396.02
	Total other comprehensive income for the year		**(2,233.52)**	**708.90**
IX	**Total comprehensive income for the period attributable to equity holders (VII+VIII)**		**15,606.52**	**12,381.87**
X	**Earnings per equity share (EPS) [nominal value of ₹ 5 (March 31, 2022- ₹ 5)]**			
	Basic earnings per share (refer note 33)		29.50	23.01
	Diluted earnings per share (refer note 33)		28.05	22.07

Summary of significant accounting policies 2.2

The accompanying notes are an integral part of these Standalone Financial Statements.

As per our report of even date
For **M S K A & Associates**
Chartered Accountants
ICAI Firm registration No.: 105047W

For and on behalf of the Board of Directors of
Gokaldas Exports Limited
CIN: L18101KA2004PLC033475

Pankaj S Bhauwala
Partner
Membership No.: 233552

Mathew Cyriac
Chairman
DIN: 01903606
Place: Mumbai

Sivaramakrishnan Ganapathi
Vice Chairman and Managing Director
DIN: 07954560
Place: Bengaluru

Sathyamurthy A
Chief Financial Officer

Gourish Hegde
Company Secretary
Membership No: A44775

Place: Bengaluru
Date: May 25, 2023

Place: Bengaluru
Date: May 25, 2023

Place: Bengaluru
Date: May 25, 2023

Standalone Cash Flow Statement

for the year ended March 31, 2023

(All amounts in Indian Rupees in Lakhs, except stated otherwise)

	Notes	As at March 31, 2023	As at March 31, 2022
Cash flow from operating activities			
Profit before exceptional items and tax		**20,377.33**	**11,672.97**
Adjustments to reconcile profit before tax to net cash flows:			
Depreciation/amortization expense		7,075.33	5,829.29
Net gain on disposal of property, plant and equipment		(19.26)	(60.55)
Unrealised foreign exchange (gain)/loss, (net)		48.09	102.11
Gain on sale of investments in mutual fund units (including fair value gain)		(1,589.53)	(279.19)
Income from government grant		(173.83)	(687.27)
Share based payments to employees		2,298.00	135.82
Interest income		(891.63)	(671.84)
Finance costs		2,535.48	3,995.27
Provision for doubtful deposits and advances		-	160.52
Irrecoverable balances written off		-	272.72
Provision for doubtful debts		27.70	8.07
Excess provision of earlier years written back		(190.52)	(62.31)
Operating profit before working capital changes		**29,497.16**	**20,415.61**
Changes in operating assets and liabilities:			
(Increase)/decrease in other financial assets		(72.82)	(648.77)
(Increase)/decrease in other assets		4,343.29	(6,415.18)
(Increase)/decrease in inventories		14,023.83	(17,489.77)
(Increase)/decrease in trade receivables		(4,472.99)	8,769.91
Increase/(decrease) in provisions for employee benefits		1,548.75	1,390.83
Increase/(decrease) in trade payables		(3,374.22)	2,856.85
Increase/(decrease) in other financial liabilities		(724.65)	4,241.92
Increase/(decrease) in other liabilities		(53.23)	291.06
		40,715.12	**13,412.46**
Direct taxes refunded/(paid) (net of refund/payments)		(3,870.58)	(1,318.62)
Net cash flows from operating activities (A)		**36,844.54**	**12,093.84**
Cash flow from investing activities			
Purchase of property, plant and equipment (including intangible assets and capital work-in-progress)		(4,223.38)	(5,503.14)
Proceeds from sale of property, plant and equipment		898.49	159.20
Investments in bank deposits		(5,528.27)	(14,989.14)
Proceeds from redemption of bank deposits		6,281.67	28,184.41
Investment in subsidiary companies		(85.10)	(2.00)
Loans given to subsidiary companies		(8,602.17)	(2,950.00)
Investment in mutual fund units		(36,500.00)	(27,000.00)
Proceeds from sale of investment in mutual fund units		19,135.84	15,514.71
Finance income received		327.21	885.80
Net cash flows used in investing activities (B)		**(28,295.71)**	**(5,700.16)**
Cash flow from financing activities			
Proceeds from issue of shares/exercise of share options		431.49	29,258.35
Proceeds of borrowings		41,478.81	2,11,418.05
Repayment of borrowings		(45,299.00)	(2,39,131.77)
Payment of lease liabilities (Refer note 36)		(4,092.24)	(3,222.34)
Finance costs paid		(979.92)	(2,509.41)
Net cash flows from/(used in) financing activities (C)		**(8,460.86)**	**(4,187.12)**
Net increase in cash and cash equivalents (A+B+C)		87.97	2,206.56
Cash and cash equivalents at the beginning of the year	12	1,257.32	(949.24)
Cash and cash equivalents at the end of the year		**1,345.29**	**1,257.32**
Reconciliation of cash and cash equivalents as per the cash flow statement:			
Components of cash and cash equivalents			
Balances with banks			
In current accounts		1,338.01	1,245.54
Cash on hand		7.28	11.78
Total	12	**1,345.29**	**1,257.32**

Refer note 2.2 for summary of significant accounting policies.

The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS 7) - Statement of Cash Flow.

Standalone Cash Flow Statement

for the year ended March 31, 2023

(All amounts in Indian Rupees in Lakhs, except stated otherwise)

Explanatory notes to statement of cash flows

1. Changes in liabilities arising from financial activities:

Particulars	As at March 31, 2023	As at March 31, 2022
Liabilities arising from financing activities		
Short term borrowings		
Opening balance	**5,602.28**	**29,548.45**
Cash flow changes:		
Proceeds/(repayment of borrowings) [net]	(4,722.60)	(24,000.40)
Non-cash changes		
Foreign exchange fluctuations	20.32	54.23
Closing balance	**900.00**	**5,602.28**

The accompanying notes are an integral part of these Standalone Financial Statements.

As per our report of even date
For **M S K A & Associates**
Chartered Accountants
ICAI Firm registration No.: 105047W

Pankaj S Bhauwala
Partner
Membership No.: 233552

Place: Bengaluru
Date: May 25, 2023

For and on behalf of the Board of Directors of
Gokaldas Exports Limited
CIN: L18101KA2004PLC033475

Mathew Cyriac
Chairman
DIN: 01903606
Place: Mumbai

Sivaramakrishnan Ganapathi
Vice Chairman and Managing Director
DIN: 07954560
Place: Bengaluru

Sathyamurthy A
Chief Financial Officer

Place: Bengaluru
Date: May 25, 2023

Gourish Hegde
Company Secretary
Membership No: A44775

Place: Bengaluru
Date: May 25, 2023

Standalone Statement of Changes in Equity

For the year ended March 31, 2023

(All amounts in Indian Rupees in Lakhs, except stated otherwise)

A. EQUITY SHARE CAPITAL

	No of Shares	Amount
Equity shares of ₹ 5 each issued, subscribed and fully paid		
At April 01, 2021	4,28,95,663	2,144.78
Add: Issued during the year	1,60,81,331	804.07
At March 31, 2022	**5,89,76,994**	**2,948.85**
At April 01, 2022	5,89,76,994	2,948.85
Add: Issued during the year	16,01,000	80.05
At March 31, 2023	**6,05,77,994**	**3,028.90**

B. OTHER EQUITY

For the year ended March 31, 2023

	Attributable to equity holders of the Company						Total
	Reserves and Surplus					Items of OCI	
	Securities premium	General reserve	Capital Reserve on amalgamation	Share based payments reserve	Retained earnings	Cash flow hedge reserve	
As at April 01, 2022	**49,429.05**	**2,192.09**	**9,754.45**	**1,272.32**	**3,989.17**	**1,377.03**	**68,014.11**
Profit for the year	-	-	-	-	17,840.04	-	17,840.04
The effective portion of gain and loss on hedging instruments in a cash flow hedge (net)	-	-	-	-	-	(2,440.34)	(2,440.34)
Remeasurement of post employment benefits obligations, net of tax	-	-	-	-	206.82	-	206.82
Total comprehensive income	**49,429.05**	**2,192.09**	**9,754.45**	**1,272.32**	**22,036.03**	**(1,063.31)**	**83,620.63**
Additions	351.44	-	-	-	-	-	351.44
Transfer to securities premium on exercise of equity stock options	1,197.56	-	-	(1,197.56)	-	-	-
Share based payment expense	-	-	-	2,298.00	-	-	2,298.00
At March 31, 2023	**50,978.05**	**2,192.09**	**9,754.45**	**2,372.76**	**22,036.03**	**(1,063.31)**	**86,270.07**

For the year ended March 31, 2022

	Attributable to equity holders of the Company						Total
	Reserves and Surplus					Items of OCI	
	Securities premium	General reserve	Capital Reserve on amalgamation	Share based payments reserve	Retained earnings	Cash flow hedge reserve	
As at April 01, 2021	**20,509.74**	**2,192.09**	**9,754.45**	**1,601.53**	**(7,996.68)**	**981.01**	**27,042.14**
Profit for the year	-	-	-	-	11,672.97	-	11,672.97
The effective portion of gain and loss on hedging instruments in a cash flow hedge (net)	-	-	-	-	-	396.02	396.02

Standalone Statement of Changes in Equity

For the year ended March 31, 2023

(All amounts in Indian Rupees in Lakhs, except stated otherwise)

	Attributable to equity holders of the Company						Total
	Reserves and Surplus					Items of OCI	
	Securities premium	General reserve	Capital Reserve on amalgamation	Share based payments reserve	Retained earnings	Cash flow hedge reserve	
Remeasurement of post employment benefits obligations, net of tax	-	-	-	-	312.88	-	312.88
Total comprehensive income	**20,509.74**	**2,192.09**	**9,754.45**	**1,601.53**	**3,989.17**	**1,377.03**	**39,424.01**
Additions on account of shares issued during the year	28,454.28	-	-	-	-	-	28,454.28
Transfer to securities premium on exercise of equity stock options	465.03	-	-	(465.03)	-	-	-
Share based payment expense	-	-	-	135.82	-	-	135.82
At March 31, 2022	**49,429.05**	**2,192.09**	**9,754.45**	**1,272.32**	**3,989.17**	**1,377.03**	**68,014.11**

Refer note 2.2 for summary of significant accounting policies.

The accompanying notes are an integral part of these Standalone Financial Statements.

As per our report of even date
For **M S K A & Associates**
Chartered Accountants
ICAI Firm registration No.: 105047W

Pankaj S Bhauwala
Partner
Membership No.: 233552

Place: Bengaluru
Date: May 25, 2023

For and on behalf of the Board of Directors of
Gokaldas Exports Limited
CIN: L18101KA2004PLC033475

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Chairman
DIN: 01903606
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Vice Chairman and Managing Director
DIN: 07954560
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Sathyamurthy A
Chief Financial Officer

Place: Bengaluru
Date: May 25, 2023

Gourish Hegde
Company Secretary
Membership No: A44775

Place: Bengaluru
Date: May 25, 2023

Notes to the Standalone Financial Statements

For the year ended March 31, 2023

(All amounts in Indian Rupees in Lakhs, except stated otherwise)

1. CORPORATE INFORMATION

Gokaldas Exports Limited ('the Company') (having Corporate Identity Number (CIN): L18101KA2004PLC033475) was incorporated on March 01, 2004 by converting the erstwhile partnership firm Gokaldas India under Part IX of the Companies Act,1956. Pursuant to the order of the Hon'ble High Court of Karnataka dated November 20, 2004, Gokaldas Exports Private Limited and The Unique Creations (Bangalore) Private Limited had been amalgamated with the Company, with effect from April 01, 2004 being the appointed date. The Company currently operates a 100% Export Oriented Unit, a Domestic Tariff Area Unit and a Special Economic Zone Unit.

The Company is a public Company domiciled in India and its shares are listed on National Stock Exchange and Bombay Stock Exchange in India. The registered office of the Company is located in Bangalore. The Company is engaged in the business of design, manufacture, and sale of a wide range of garments for men, women, and children and caters to the needs of several leading international fashion brands and retailers. The principal source of revenue for the Company is from manufacture and sale of garments and related products, both domestic and overseas.

2. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies applied by the Company in the preparation of its Standalone Financial Statements are listed below. Such accounting policies have been applied consistently to all the periods presented in these Standalone Financial Statements.

2.1 Statement of Compliance with Ind AS

In accordance with the notification issued by the Ministry of Corporate Affairs, the Company has adopted Indian Accounting Standards (referred to as 'Ind AS') notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) amendment Rules 2016, as amended with effect from April 01, 2016. The Standalone Financial Statements of the Company, have been prepared and presented in accordance with Ind AS.

The Standalone Financial Statements have been prepared on the historical cost basis, except for certain financial assets and liabilities (refer accounting policy regarding financial instruments) which are measured at fair value.

The functional and presentation currency of the Company is Indian Rupee (₹) which is the currency of the primary economic environment in which the Company operates. All amounts have been rounded-off to the nearest Lakhs, unless otherwise indicated.

2.2 Summary of significant accounting policies

a. Current versus non-current classification

The Company presents assets and liabilities in the standalone balance sheet based on current/non-current classification. An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Advance tax paid is classified as non-current assets.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

The Company has identified twelve months as its operating cycle.

b. Fair value measurement of financial instruments

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date using valuation techniques.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value

Notes to the Standalone Financial Statements

For the year ended March 31, 2023

(All amounts in Indian Rupees in Lakhs, except stated otherwise)

measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

> In the principal market for the asset or liability, or

> In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the Standalone Financial Statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1: Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the Standalone Financial Statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

c. Foreign currencies

In preparing the Standalone Financial Statements, transactions in the currencies other than the Company's functional currency are recorded at the rates of exchange prevailing on the date of transaction. At the end of each reporting period, monetary items denominated in the foreign currencies are re-translated at the rates prevailing at the end of the reporting period. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the retranslation or settlement of other monetary items are included in the statement of profit and loss for the period.

d. Revenue recognition

i. Revenue from Contracts with Customers:

Effective April 01, 2018, the Company adopted Ind AS 115 "Revenue from Contracts with Customers" using the cumulative catch-up transition method, applied to contracts that were not completed as of April 01, 2018. In accordance with the cumulative catch-up transition method, the comparatives have not been retrospectively adjusted.

The following is a summary of new and/or revised significant accounting policies related to revenue recognition.

Performance obligations and timing of revenue recognition:

The Company derives its revenue primarily from export of garments and related products, with revenue recognised at a point in time when control of the goods has transferred to the customer. This is generally when the goods are delivered to the customer/agent nominated by the customer.

There is limited judgement needed in identifying the point when control passes:

- once physical delivery of the products has occurred to the location as per agreement,
- the Company no longer has physical possession,
- usually will have a present right to payment (as a single payment on delivery) and
- retains none of the significant risks and rewards of the goods in question.

The Company also derives some revenue from job work contracts. In these cases, revenue is recognised as and when services are rendered i.e. the products on which job work is performed is delivered to the customer at agreed location.

Determining the transaction price:

The Company's revenue is derived from fixed price contracts and therefore the amount of revenue to be earned from each contract is determined by reference to those fixed prices. There is no significant variable consideration involved.

Notes to the Standalone Financial Statements

For the year ended March 31, 2023

(All amounts in Indian Rupees in Lakhs, except stated otherwise)

Allocating amounts to performance obligations:

For most contracts, there is a fixed unit price for each unit sold, therefore, there is no judgement involved in allocating the contract price to each unit.

Costs of fulfilling contracts:

The costs of fulfilling contracts do not result in the recognition of a separate asset because such costs are included in the carrying amount of inventory for contracts involving the sale of goods.

The Company presents revenues net of indirect taxes in its Statement of Profit and loss.

Advances received from customers are in the nature of contract liability.

ii. Revenue from export incentives:

Export incentives are recognised on accrual basis in accordance with the applicable schemes formulated, by the Government of India and where there is reasonable assurance that the enterprise will comply with the conditions attached to them.

iii. Interest income:

For all debt instruments measured either at amortised cost or at fair value through other comprehensive income ('OCI'), interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit and loss.

iv. Dividends:

Dividend income on investments is accounted when the right to receive the dividend is established, which is generally when shareholders approve the dividend.

v. Others:

Insurance/other claims are recognized on acceptance basis.

e. Non-current assets held for sale

The Company classifies non-current assets as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use.

The criteria for held for sale classification is regarded met only when the assets or disposal group is available for immediate sale in its present condition, subject only to terms that are usual and customary for sales of such assets, its sale is highly probable; and it will genuinely be sold, not abandoned. The Company treats sale of the asset to be highly probable when:

a) The appropriate level of management is committed to a plan to sell the asset,

b) An active programme to locate a buyer and complete the plan has been initiated,

c) The asset is being actively marketed for sale at a price that is reasonable in relation to its current fair value,

d) The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and

e) Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

f. Government grants

The Company recognizes government grants only when there is reasonable assurance that the conditions attached to them shall be complied with, and the grants will be received. Government grants related to assets are treated as income in the standalone statement of profit and loss upon fulfilment of the conditions attached to the grant received. These grants are presented in the standalone balance sheet by deducting the grant in arriving at the carrying amount of the asset.

Government grants related to revenue are recognized on a systematic basis in the statement of profit and loss over the periods necessary to match them with the related costs which they are intended to compensate.

Export incentives are recognized on accrual basis in accordance with the applicable schemes formulated, by the Government of India and where there is reasonable assurance that the enterprise will comply with the conditions attached to them.

g. Taxes

Current income tax

Tax expense for the year comprises current and deferred tax. The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the statement of profit and loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The Company's liability for current tax is calculated using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Notes to the Standalone Financial Statements

For the year ended March 31, 2023

(All amounts in Indian Rupees in Lakhs, except stated otherwise)

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred income tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying values of assets and liabilities in the Standalone Financial Statements and the corresponding tax bases used in the computation of the taxable profit and is accounted for using the balance sheet liability model. Deferred tax liabilities are generally recognised for all the taxable temporary differences. In contrast, deferred assets are only recognised to the extent that is probable that future taxable profits will be available against which the temporary differences can be utilised.

Deferred income tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Deferred tax assets include Minimum Alternative Tax ('MAT') paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognized as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realized.

h. Property, plant and equipment (PPE) and Intangible assets and Depreciation/amortization

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at March 31, 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment as on April 01, 2016.

Freehold land is carried at historical cost and is not depreciated. Capital work in progress and all other property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as separate assets are de-recognised when replaced. All other repairs and maintenance are charged to profit and loss during the reporting period in which they are incurred.

The Company identifies and determines cost of each component/part of the asset separately, if the component/part has a cost which is significant to the total cost of the asset having useful life that is materially different from that of the remaining asset. These components are depreciated over their useful lives; the remaining asset is depreciated over the life of the principal asset.

Depreciation is provided using the written down value method as per the useful lives of the assets estimated by the management with residual value upto 5%, which is equal to the corresponding rates prescribed under schedule II of the Companies Act, 2013.

Category of asset	Estimated useful life (in years)
Buildings	30 years
Plant and Machinery	15 years
Electrical Equipment	10 years
Furniture and fixtures	10 years
Office equipment	5 years
Vehicles	8 years
Computers	3 years

Notes to the Standalone Financial Statements

For the year ended March 31, 2023

(All amounts in Indian Rupees in Lakhs, except stated otherwise)

Leasehold improvements are capitalized at cost and amortized over their expected useful life or the non-cancellable term of the lease, whichever is less.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognized.

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period with the effect of any change in the estimate being accounted for on a prospective basis. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the standalone statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

A summary of the policies applied to the Company's intangible assets is, as follows:

Intangible assets	Useful lives	Amortisation method used	Internally generated or acquired
Computer software	Definite (2.5 years)	WDV	Acquired

i. Borrowing costs

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset until such time as the assets are substantially ready for the intended use or sale. All other borrowing costs are expensed in the period in which they occur.

j. Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

A lease is classified at the inception date as a finance lease or an operating lease.

For arrangements entered into prior to April 01, 2016, the Company has determined whether the arrangement contain lease on the basis of facts and circumstances existing on the date of transition.

Company as a lessee

A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Finance leases are capitalised at the commencement of the lease at the inception date fair value of the leased asset or, at the present value of the minimum lease payments at the inception of the lease, whichever is lower. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss unless they are directly attributable to qualifying assets,

Notes to the Standalone Financial Statements

For the year ended March 31, 2023

(All amounts in Indian Rupees in Lakhs, except stated otherwise)

in which case they are capitalized in accordance with the Company's general policy on the borrowing costs.

The Company's lease asset classes primarily consist of leases for Buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

k. Inventories

Inventories are valued as follows:

Raw materials, packing materials, stores, spares and consumables are valued at lower of cost or net realisable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on a weighted average basis. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

Work in progress and finished goods are valued at lower of cost or net realisable value. Cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs. Cost is determined on a weighted average basis. These are valued at lower of cost and net realisable value after considering provision for obsolescence and other anticipated loss, wherever considered necessary.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

l. Provisions and contingent liabilities

i. Provisions:

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

ii. Contingent liabilities:

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognise a contingent liability but discloses its existence in the Standalone Financial Statements.

Provisions and contingent liabilities are reviewed at each balance sheet.

m. Retirement and other employee benefits

Retirement benefit in the form of provident fund, employee state insurance and pension fund are defined contribution scheme. The Company has no obligation, other than the contribution payable to the respective funds. The Company recognises contribution payable to provident fund, pension fund and employee state insurance as expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet reporting date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognised as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

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All employee benefits payable/available within twelve months of rendering the service are classified as short term employee benefits. Benefits such as salaries, allowances and bonus etc., are recognised in the statement of profit and loss in the period in which the employee renders the related service.

Gratuity liability is a defined benefit obligation which is funded through policy taken from Life Insurance Corporation of India('LIC') and liability (net of fair value of investment in LIC) is provided for on the basis of actuarial valuation on projected unit credit method made at the end of each balance sheet date. Every employee who has completed 4 years 240 days or more of the service gets a gratuity on departure at 15 days' salary (last drawn salary) of each completed year of service. The fair value of the plan assets is reduced from the gross obligation under the defined benefit plans to recognise the obligation on a net basis.

Accumulated leave, which is expected to be utilized within the next twelve months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end.

The Company presents the leave as a current liability in the standalone balance sheet, to the extent it does not have an unconditional right to defer its settlement for twelve months after the reporting date.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the standalone balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

a. The date of the plan amendment or curtailment, and

b. The date that the Company recognises related restructuring costs.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

a. Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and

b. Net interest expense or income.

n. Share - based payments

Employees of the Company receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions).

Equity-settled transactions:

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

That cost is recognised, together with a corresponding increase in share-based payment (SBP) reserves in equity, over the period in which the service/performance conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The statement of standalone profit and loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Company's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

When the terms of an equity-settled award are modified, the minimum expense recognised is the expense had the

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terms had not been modified, if the original terms of the award are met. An additional expense is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share (except for anti-dilution).

o. Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contract embodying the related financial instruments. All financial assets, financial liabilities and financial guarantee contracts are initially measured at transaction cost and where such values are different from the fair value, at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit and loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability. Transaction costs directly attributable to the acquisition of financial assets and financial liabilities at fair value through profit and loss are immediately recognised in the statement of profit and loss. In case of interest free or concession loans/ debentures/preference shares given to subsidiaries, the excess of the actual amount of the loan over initial measure at fair value is accounted as an equity investment.

Investment in equity instruments issued by subsidiaries, associates and joint ventures are measured at cost less impairment.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts future cash receipts or payments through the expected life of the financial instrument, or where appropriate, a shorter period.

(a) Financial assets

Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets measured at fair value

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows or to sell these financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial asset not measured at amortised cost or at fair value through other comprehensive income is carried at fair value through the statement of profit and loss.

For financial assets maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Impairment of financial assets excluding investments in subsidiary

Loss allowance for expected credit losses is recognised for financial assets measured at amortised cost and fair value through other comprehensive income.

The Company recognises impairment loss on trade receivables using expected credit loss model, which involves use of provision matrix constructed on the basis of historical credit loss experience as permitted under Ind AS 109 – Impairment loss on investments.

For financial assets whose credit risk has not significantly increased since initial recognition, loss allowance equal to twelve months expected credit losses is recognised. Loss allowance equal to the lifetime expected credit losses is recognised if the credit risk on the financial instruments has significantly increased since initial recognition.

De-recognition of financial assets

The Company de-recognises a financial asset only when the contractual rights to the cash flows from the financial asset expire, or it transfers the financial asset and the transfer qualifies for de-recognition under Ind AS 109.

If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the assets and an associated liability for amounts it may have to pay.

If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

Notes to the Standalone Financial Statements

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On de-recognition of a financial asset in its entirety, the difference between the carrying amount measured at the date of de-recognition and the consideration received is recognised in statement of profit or loss.

(b) Financial liabilities and equity instruments

Classification as debt or equity

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

Financial Liabilities

Financial liabilities are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, using the effective interest rate method where the time value of money is significant. Interest bearing bank loans, overdrafts and issued debt are initially measured at fair value and are subsequently measured at amortised cost using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in the statement of profit and loss.

For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

i. Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

ii. De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

Off-setting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the standalone balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

p. Derivative financial instruments

The Company holds derivative financial instruments such as foreign exchange forward to mitigate the risk of changes in exchange rates on foreign currency exposures. The counterparty for these contracts is generally a bank.

(a) Financial assets or financial liabilities, at fair value through profit or loss

This category has derivative financial assets or liabilities which are not designated as hedges. Any derivative that is either not designated a hedge, or is so designated but is ineffective as per Ind AS 109, is categorized as a financial asset or financial liability, at fair value through profit or loss. Derivatives not designated as hedges are recognized initially at fair value and attributable transaction costs are recognized in net profit in the statement of profit and loss when incurred. Subsequent to initial recognition, these derivatives are measured at fair value through profit or loss and the resulting gains or losses are included in the statement of profit and loss.

(b) Cash flow hedge accounting

The Company designates certain foreign exchange forward contracts as cash flow hedges to mitigate the risk of foreign exchange exposure on highly probable forecast cash transactions. When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognized in other comprehensive income and accumulated in the cash flow hedging reserve. Any ineffective portion of changes in the fair value of the derivative is recognized immediately in the net profit in the statement of profit and loss. If the hedging instrument no longer meets the criteria for hedge accounting, then hedge accounting is discontinued prospectively. If the hedging instrument expires or is sold, terminated or exercised, the cumulative gain or loss on the hedging instrument recognized in cash flow hedging reserve till the period the hedge was effective remains in cash flow hedging reserve until the forecasted transaction occurs. The cumulative gain or loss previously recognized in the cash flow hedging reserve is transferred to the net profit in the statement of profit and loss upon the occurrence of the related forecasted transaction. If the forecasted transaction is no longer expected to occur, then the amount accumulated

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(All amounts in Indian Rupees in Lakhs, except stated otherwise)

in cash flow hedging reserve is reclassified to net profit in the standalone statement of profit and loss.

q. Impairment of non-financial assets

As at the end of each accounting year, the Company reviews the carrying amounts of its PPE, investment property, intangible assets and investments in subsidiary companies to determine whether there is any indication that those assets have suffered an impairment loss. If such indication exists, the said assets are tested for impairment so as to determine the impairment loss, if any. Goodwill and the intangible assets with indefinite life are tested for impairment each year.

Impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount. Recoverable amount is determined:

(i) in the case of an individual asset, at the higher of the net selling price and the value in use; and

(ii) in the case of a cash generating unit (a group of assets that generates identified, independent cash flows), at the higher of the cash generating unit's net selling price and the value in use.

(The amount of value in use is determined as the present value of estimated future cash flows from the continuing use of an asset and from its disposal at the end of its useful life. For this purpose, the discount rate (pre-tax) is determined based on the weighted average cost of capital of the Company suitably adjusted for risks specified to the estimated cash flows of the asset).

For this purpose, a cash generating unit is ascertained as the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

If recoverable amount of an asset (or cash generating unit) is estimated to be less than its carrying amount, such deficit is recognised immediately in the Statement of Profit and Loss as impairment loss and the carrying amount of the asset (or cash generating unit) is reduced to its recoverable amount.

When an impairment loss subsequently reverses, the carrying amount of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss is recognised for the asset (or cash generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the Statement of Profit and Loss.

r. Corporate social responsibility ('CSR') expenditure

The Company charges its CSR expenditure during the year to the statement of profit and loss.

s. Cash and Cash equivalent

Cash and cash equivalent in the standalone balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

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3 (A) PROPERTY, PLANT AND EQUIPMENT AND CAPITAL WORK-IN-PROGRESS

Particulars	Freehold land	Buildings	Leasehold improvements	Plant and machinery	Electrical equipments	Office equipments	Furniture and fixtures	Computers	Vehicles	Total
Gross carrying value [1]										
At April 01, 2021	**734.78**	**1,651.87**	**2,146.87**	**15,049.20**	**702.65**	**603.74**	**566.85**	**606.32**	**71.61**	**22,133.89**
Additions	-	33.69	531.30	4,757.01	101.51	203.58	243.84	138.80	52.84	6,062.57
Capitalised during the year	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	(1,859.16)	(13.28)	(31.40)	-	-	(13.38)	(1,917.22)
At March 31, 2022	**734.78**	**1,685.56**	**2,678.17**	**17,947.05**	**790.88**	**775.92**	**810.69**	**745.12**	**111.07**	**26,279.24**
Additions	-	32.04	430.55	2,649.45	27.38	201.82	204.72	193.68	49.77	3,789.41
Capitalised during the year	-	-	-	-	-	-	-	-	-	-
Disposals	-	(800.96)	-	(1,201.58)	(152.00)	(6.55)	(93.68)	(118.36)	(8.46)	(2,381.59)
At March 31, 2023	**734.78**	**916.64**	**3,108.72**	**19,394.92**	**666.26**	**971.19**	**921.73**	**820.44**	**152.38**	**27,687.06**
Depreciation										
At April 01, 2021	**-**	**721.67**	**932.28**	**6,669.02**	**253.04**	**324.96**	**238.54**	**438.23**	**41.59**	**9,619.33**
Charge for the year	-	87.09	516.42	1,858.49	102.62	178.45	86.76	149.62	7.09	2,986.54
Disposals				(1,766.13)	(12.26)	(27.47)	-	-	(12.71)	(1,818.57)
At March 31, 2022	**-**	**808.76**	**1,448.70**	**6,761.38**	**343.40**	**475.94**	**325.30**	**587.85**	**35.97**	**10,787.30**
Charge for the year	-	68.83	439.92	2,407.74	106.46	195.46	152.20	169.08	35.26	3,574.95
Disposals	-	(604.89)	-	(1,133.72)	(144.06)	(5.81)	(92.92)	(117.87)	(8.12)	(2,107.39)
At March 31, 2023	**-**	**272.70**	**1,888.62**	**8,035.40**	**305.80**	**665.59**	**384.58**	**639.06**	**63.11**	**12,254.86**
Net Book value										
At March 31, 2023	**734.78**	**643.94**	**1,220.10**	**11,359.52**	**360.46**	**305.60**	**537.15**	**181.38**	**89.27**	**15,432.20**
At March 31, 2022	**734.78**	**876.80**	**1,229.47**	**11,185.67**	**447.48**	**299.98**	**485.39**	**157.27**	**75.10**	**15,491.94**

[1] The Company has availed the exemption available under Ind AS 101, wherein the carrying value of property, plant and equipment and capital work-in-progress as at April 01, 2016 under the previous GAAP has been carried forward as the deemed costs under Ind AS.

Refer note 15 for information on property, plant and equipment pledged as security by the Company.

Notes to the Standalone Financial Statements

For the year ended March 31, 2023

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3 (B) RIGHT-OF-USE ASSETS

Particulars	Right-of-use		
	Buildings	Vehicles	Total
Cost			
At April 01, 2021	15,666.60	-	15,666.60
Additions	4,324.23	-	4,324.23
Deletions/Modifications	(123.39)	-	(123.39)
At March 31, 2022	**19,867.44**	**-**	**19,867.44**
Additions (including modifications)	1,085.51	327.53	1,413.04
Deletions/Modifications	-	-	-
Cost as at March 31, 2023	**20,952.95**	**327.53**	**21,280.48**
Amortisation			
Accumulated depreciation as at April 01, 2021	4,828.00	-	4,828.00
Charge during the year	2,677.05	-	2,677.05
Deletions/Modifications	(34.40)	-	(34.40)
At March 31, 2022	**7,470.65**	**-**	**7,470.65**
Charge during the year	3,244.21	37.51	3,281.72
Deletions/Modifications	-	-	-
Amortisation as at March 31, 2023	**10,714.86**	**37.51**	**10,752.37**
Net carrying value			
At March 31, 2023	**10,238.09**	**290.02**	**10,528.11**
At March 31, 2022	**12,396.79**	**-**	**12,396.79**

4. OTHER INTANGIBLE ASSETS

Particulars	Computer Software	Total
Gross carrying value [1]		
At April 01, 2021	696.26	696.26
Additions	249.47	249.47
At March 31, 2022	**945.73**	**945.73**
Additions	56.73	56.73
At March 31, 2023	**1,002.46**	**1,002.46**
Amortisation and impairment		
At April 01, 2021	506.15	506.15
Charge during the year	165.70	165.70
At March 31, 2022	**671.85**	**671.85**
Charge during the year	218.66	218.66
At March 31, 2023	**890.51**	**890.51**
Net book value		
At March 31, 2023	**111.95**	**111.95**
At March 31, 2022	**273.88**	**273.88**

[1] The Company has availed the exemption available under Ind AS 101, wherein the carrying value of property, plant and equipment and capital work-in-progress as at April 01, 2016 under the previous GAAP has been carried forward as the deemed costs under Ind AS.

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For the year ended March 31, 2023

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5 (A) FINANCIAL ASSETS - NON CURRENT INVESTMENTS IN SUBSIDIARIES AND OTHERS

Particulars	As at March 31, 2023	As at March 31, 2022
Investments in equity instruments (carried at amortised cost)		
(i) Unquoted equity shares of subsidiary companies (domestic companies)		
All Colour Garments Private Limited 20,000 (March 31, 2022: 20,000) equity shares of ₹ 10 each, fully paid-up	333.98	333.98
Vignesh Apparels Private Limited 20,000 (March 31, 2022: 20,000) equity shares of ₹ 10 each, fully paid-up	80.89	80.89
SNS Clothing Private Limited 20,000 (March 31, 2022: 20,000) equity shares of ₹ 10 each, fully paid-up	1,776.00	1,776.00
Gokaldasexports Acharpura Private Limited 10,000 (March 31, 2022: 10,000) equity shares of ₹ 10 each, fully paid-up	1.00	1.00
Sri Susamyuta Knits Private Limited 10,000 (March 31, 2022: 10,000) equity shares of ₹ 10 each, fully paid-up	1.00	1.00
	2,192.87	**2,192.87**
Less: impairment in value of investment in SNS Clothing Private Limited	203.39	203.39
Total investment in unquoted equity shares of subsidiary companies (domestic companies)	**1,989.48**	**1,989.48**
(ii) Unquoted equity shares of subsidiary companies (foreign companies)		
Gokaldas Exports FZCO 400,000 (March 31, 2022: Nil) equity shares of AED 1 each, fully paid-up	85.10	-
Total investment in unquoted equity shares of subsidiary companies (foreign companies)	**85.10**	**-**
(iii) Investment in unquoted government securities		
Investment in National Savings Certificates	0.27	0.27
Total investment in unquoted government securities	**0.27**	**0.27**
(iv) Unquoted investment in preference shares in body corporates (carried at amortised cost)		
Yepme UK Limited [22,577 (March 31, 2022: 22,577) 0.1% preference shares of GBP 1 each fully paid up]	626.56	626.56
Less: Impairment in value of investment (Refer note 1 below)	**(626.56)**	**(626.56)**
Total investment in unquoted equity shares in other body corporates	**-**	**-**
Total Non current investments (i+ii+iii+iv)	**2,074.85**	**1,989.75**

Note 1:

Particulars	As at March 31, 2023	As at March 31, 2022
Investments classified as held for sale	626.56	626.56
Less: Impairment in value of investment *	(626.56)	(626.56)
Total	**-**	**-**

* The Company has filed legal proceedings against Yepme UK which is pending before the VI Chief Metropolitan Magistrate (Economic Offences) Court, Bengaluru.

Notes to the Standalone Financial Statements

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5 (B) FINANCIAL ASSETS - CURRENT INVESTMENTS

Particulars	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
	Units	Units	Amount	Amount
Investments carried at fair value through profit and loss				
Investment in liquid mutual fund units				
Quoted				
Kotak Liquid Fund Direct - G	1,08,297	-	4,925.78	-
Kotak Money market direct-G	1,16,937	28,083	4,476.74	1,016.82
SBI Liquid Direct - G	1,32,326	15,126	4,662.25	504.17
HDFC Money market Direct -G	91,999	65,036	4,527.94	3,027.29
HDFC Liquid Direct - G	98,111	44,191	4,339.65	1,849.29
ICICI Prud Money market direct-G	12,47,736	9,86,691	4,046.52	3,028.10
ICICI Pru Liquid Direct -G	9,31,726	9,44,257	3,104.37	2,976.83
Axis Liquid Fund Direct-G	1,72,571	-	4,315.81	-
Axis Credit risk Direct-G	-	54,54,818	-	1,023.52
Aditya Birla SL Savings Direct - G	-	3,41,193	-	1,519.37
Nippon India Money Market fund	-	14,922	-	499.98
Total Investment in mutual fund units			**34,399.06**	**15,445.37**
Aggregate carrying amount and market value of mutual fund investments			34,399.06	15,445.37

6. FINANCIAL ASSETS - LOANS

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured, considered good		
Loans given to subsidiaries (Refer note 39)	12,113.68	2,950.00
Total Financial assets - Loans	**12,113.68**	**2,950.00**

7. FINANCIAL ASSETS - OTHER FINANCIAL ASSETS

Particulars	As at March 31, 2023	As at March 31, 2022
Carried at amortised cost		
Unsecured, considered good		
(a) Non current		
Security and other deposits (refer note below)	2,657.01	2,593.91
Bank balances (including term deposits)	-	1,496.84
Interest accrued on loans given to subsidiaries	-	28.08
Loan to employees	54.33	37.61
(A)	**2,711.34**	**4,156.44**
(b) Current		
Derivative instruments at fair value through OCI		
Cash flow hedges - foreign exchange forward contracts	-	1,377.03

Notes to the Standalone Financial Statements

For the year ended March 31, 2023

(All amounts in Indian Rupees in Lakhs, except stated otherwise)

Particulars		As at March 31, 2023	As at March 31, 2022
Other Financial assets at amortised cost			
Interest accrued on fixed deposits		19.12	41.29
Loan to employees		82.71	88.70
Dues from related parties (Refer note 39)		2.34	12.74
	(B)	**104.17**	**1,519.76**
Total other financial assets	(A+B)	**2,815.51**	**5,676.20**

Note: Security and other deposits are primarily in relation to public utility services and rental agreements.

8 (A) DEFERRED TAX ASSETS

Particulars	As at March 31, 2023	As at March 31, 2022
Deferred tax assets		
Impact of difference between tax depreciation and depreciation for financial reporting	400.00	302.21
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes in subsequent years on payment basis	2,664.73	876.77
Total Deferred tax assets	**3,064.73**	**1,178.98**

Movement in deferred tax asset is as below:

Particulars	As at March 31, 2023	As at March 31, 2022
Opening balance	1,178.98	680.90
Recognised in profit and loss during the year	3,064.73	1,178.98
MAT credit entitlement reversed	(1,178.98)	(680.90)
Closing balance	**3,064.73**	**1,178.98**

8 (B) NON CURRENT TAX ASSETS (NET)

Particulars	As at March 31, 2023	As at March 31, 2022
Advance payment of income tax (including tax paid under protest)	386.70	1,133.41
Total non-current tax assets	**386.70**	**1,133.41**

9. OTHER CURRENT/NON-CURRENT ASSETS

Particulars		As at March 31, 2023	As at March 31, 2022
(a) Non current			
Unsecured, considered good			
Capital advances		356.17	101.78
Prepaid expenses		153.52	117.47
Export incentives receivable		-	36.45
	(A)	**509.69**	**255.70**

Notes to the Standalone Financial Statements

For the year ended March 31, 2023

(All amounts in Indian Rupees in Lakhs, except stated otherwise)

Particulars		As at March 31, 2023	As at March 31, 2022
Unsecured, considered doubtful			
Advance to suppliers [refer note 9(a)(i)]		178.05	272.63
Export incentives receivable [refer note 9(a)(i)]		-	190.52
Less: Impairment [refer note 9(a)(i)]		(178.05)	(463.15)
	(B)	-	-
Total non-current assets	(A+B)	**509.69**	**255.70**

Note 9 (a) (i) Movement is as below:

Particulars	Advance to suppliers	Export incentive receivables	Impairment	Total
Balance as at April 01, 2021	**272.63**	**30.00**	**(302.63)**	**-**
Add: Additional provision recognised in profit and loss during the year (refer note 29)	-	160.52	(160.52)	-
Balance as at April 01, 2022	**272.63**	**190.52**	**(463.15)**	**-**
Less: Amount written off	94.58	-	(94.58)	-
Less: Provision reversal recognised in profit and loss during the year (refer note 22)	-	190.52	(190.52)	-
Balance as at March 31, 2023	**178.05**	**0.00**	**(178.05)**	**-**

Note 9 (b) Current

Particulars		As at March 31, 2023	As at March 31, 2022
Unsecured, considered good			
Prepaid expenses		890.06	1,002.78
Balances with statutory/government authorities		1,576.93	2,421.26
Advance to suppliers		2,309.97	2,137.88
Export incentives receivable		3,151.67	6,519.08
Total current assets	(C)	**7,928.63**	**12,081.00**
Total other current/non-current assets	(A+B+C)	**8,438.32**	**12,336.70**

10. INVENTORIES

Particulars	As at March 31, 2023	As at March 31, 2022
Raw materials (including packing materials) and components	12,055.92	13,674.99
Work-in-progress	12,377.82	17,646.49
Finished goods (readymade garments)	4,201.93	11,257.63
Consumables, stores and spares parts	593.70	674.09
Total inventories	**29,229.37**	**43,253.20**
Included above, goods-in-transit:		
Raw materials (including packing materials) and components	378.74	204.21
Finished goods (readymade garments)	3,195.37	9,167.36
	3,574.11	**9,371.57**

Notes to the Standalone Financial Statements

For the year ended March 31, 2023

(All amounts in Indian Rupees in Lakhs, except stated otherwise)

(a) For method of valuation for each class of inventories, refer note 2.2(k)

(b) The value of inventories above is stated net of writedown of ₹ 3,934.87 Lakhs as at March 31, 2023 (as at March 31, 2022: ₹ 3,684.59 Lakhs)

(c) The carrying value of inventories as at March 31, 2023 and March 31, 2022 is pledged as security against the borrowings (refer note 15)

11. FINANCIAL ASSETS - TRADE RECEIVABLES

Particulars		As at March 31, 2023	As at March 31, 2022
Trade receivables:			
From related parties		-	-
From others		13,582.42	9,217.11
Total		**13,582.42**	**9,217.11**
(A) Breakup of trade receivables			
Secured, considered good		-	-
Unsecured, considered good		13,582.42	9,217.11
Trade receivables which have significant increase in credit risk		243.75	231.91
Trade receivables - credit impaired		-	-
		13,826.17	9,449.02
(B) Impairment Allowance (allowance for bad and doubtful debts)			
Unsecured, considered good		-	-
Trade receivables which have significant increase in credit risk		(243.75)	(231.91)
Trade receivables - credit impaired		-	-
		(243.75)	**(231.91)**
Total financial assets - trade receivables	(A+B)	**13,582.42**	**9,217.11**

Notes:

i. The Company follows "simplified approach for recognition of impairment loss". The application of simplified approach does not require the Company to track changes in credit risk.

ii. No trade or other receivables are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any Director is a partner, a Director or a member.

iii. Trade receivables are non-interest bearing.

Aging of trade receivables:

There are no disputed trade receivables as at and for the years ended March 31, 2023 and March 31, 2022.

Below is the list of undisputed trade receivables outstanding for following periods from the due date.

March 31, 2023

Periods	Considered good	which have significant increase in credit risk	Credit impaired	Total
Less than 6 months	13,572.55	-	-	13,572.55
6 months to 1 year	9.87	91.78	-	101.65

Notes to the Standalone Financial Statements

For the year ended March 31, 2023

(All amounts in Indian Rupees in Lakhs, except stated otherwise)

Periods	Considered good	which have significant increase in credit risk	Credit impaired	Total
1 to 2 years	-	96.86	-	96.86
2 to 3 years	-	31.20	-	31.20
More than 3 years	-	23.91	-	23.91
Total	**13,826.17**	**243.75**	**-**	**13,826.17**

March 31, 2022

Periods	Considered good	which have significant increase in credit risk	Credit impaired	Total
Less than 6 months	9,217.11	48.71	-	9,265.82
6 months to 1 year	-	9.10	-	9.10
1 to 2 years	-	127.57	-	127.57
2 to 3 years	-	45.87	-	45.87
More than 3 years	-	0.66	-	0.66
Total	**9,217.11**	**231.91**	**-**	**9,449.02**

12. FINANCIAL ASSETS - CASH AND CASH EQUIVALENTS

Particulars	As at March 31, 2023	As at March 31, 2022
Current		
Balances with banks		
In current accounts [1,2]	1,338.01	1,245.54
Cash on hand	7.28	11.78
Total Financial assets - Cash and cash equivalents (Current)	**1,345.29**	**1,257.32**
Non-current		
Bank balances other than cash and cash equivalents		
Deposits with remaining maturity for more than 12 months	-	386.94
Deposits with original maturity of more than 3 months but less than/equal to 12 months	-	1,109.90
	-	1,496.84
Amount disclosed under other financial assets [refer note 7(a)]	-	(1,496.84)
Total Financial assets - Cash and cash equivalents (Non current)	**-**	**-**

Bank balances (other than cash and cash equivalents)

Particulars	As at March 31, 2023	As at March 31, 2022
Current		
In fixed deposits accounts		
Held as margin money or security against borrowings and other commitments		
With remaining maturity for more than 12 months	-	-

Notes to the Standalone Financial Statements

For the year ended March 31, 2023

(All amounts in Indian Rupees in Lakhs, except stated otherwise)

Particulars	As at March 31, 2023	As at March 31, 2022
With original maturity of more than 3 months but less than/equal to 12 months	743.44	-
Total	**743.44**	**-**

Notes:

[1] Balances with bank on current accounts does not earn interest.

[2] includes balances in Exchange Earner's Foreign Currency Accounts.

13. EQUITY SHARE CAPITAL

Particulars	Number of shares	Amount
Authorised share capital		
At April 01, 2021	5,50,00,000	2,750.00
Increase during the year	1,00,00,000	500.00
At March 31, 2022	**6,50,00,000**	**3,250.00**
Increase during the year	-	-
At March 31, 2023	**6,50,00,000**	**3,250.00**

(a) Issued equity capital

Particulars	Number of shares	Amount
Equity shares of ₹ 5 each issued, subscribed and fully paid		
At April 01, 2021	4,28,95,663	2,144.78
Add: received during the year on account of issue of shares (refer note 51)	1,54,24,164	771.21
Add: received during the year on account of exercise of share options	6,57,167	32.86
At March 31, 2022	5,89,76,994	2,948.85
Add: received during the year on account of exercise of share options	16,01,000	80.05
At March 31, 2023	**6,05,77,994**	**3,028.90**

(b) Terms/rights attached to equity shares

The rights, powers and preferences relating to each class of share capital and the qualifications, limitations and restrictions thereof are contained in the Memorandum and Articles of Association of the Company. The principal rights are as below:

(i) The Company has only one class of equity shares having a par value of ₹ 5 per share. Each holder of equity is entitled to one vote per share.

(ii) The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in ensuing Annual General Meeting, except in case of interim dividend.

(iii) In event of liquidation of the Company, the holders of equity shares would be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. However no such preferential amounts exist currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) Details of shareholders holding more than 5% shares in the Company

Particulars	As at March 31, 2023	As at March 31, 2022
Clear Wealth Consultancy Services LLP		
Number of shares (Equity shares of ₹ 5 each, fully paid up)	64,55,957	1,39,55,957
% holding in the class	10.66%	23.66%

Notes to the Standalone Financial Statements

For the year ended March 31, 2023

(All amounts in Indian Rupees in Lakhs, except stated otherwise)

Particulars	As at March 31, 2023	As at March 31, 2022
SBI Mutual Funds (refer note 13(c)(i))		
Number of shares (Equity shares of ₹ 5 each, fully paid up)	44,45,020	57,50,020
% holding in the class	7.34%	9.75%
Nippon Life India Trustee Ltd		
Number of shares (Equity shares of ₹ 5 each, fully paid up)	40,03,779	35,98,972
% holding in the class	6.61%	6.10%

As per records of the Company, including its register of shareholders/members and other declaration received from shareholders regarding beneficial interest, the above shareholding represent both legal and beneficial ownership of shares.

NOTE 13 (c)(i): SBI mutual funds comprises of (for current and previous year):

SBI Magnum Children'S Benefit Fund;

SBI Magnum Midcap Fund;

SBI Resurgent India Opportunities Scheme;

SBI Equity Savings Fund;

SBI Consumption Opportunities Fund;

SBI Conservative Hybrid Fund;

(d) Details on shareholding of promoters

Promoter name	As at March 31, 2023	As at March 31, 2022
Clear Wealth Consultancy Services LLP		
No of shares	64,55,957	1,39,55,957
% of total shares	10.66%	23.66%
% change during the year	(53.74)%	0.00%
Gautham Madhavan		
No of shares	2,49,391	2,49,391
% of total shares	0.41%	0.42%
% change during the year	0.00%	0.00%

(e) Shares reserved for issue under options

For details of shares reserved for issue under the Employee Stock Option (ESOP) plan and Restricted Stock Units (RSU) of the Company, Refer note 41.

14. OTHER EQUITY

Particulars	As at March 31, 2023	As at March 31, 2022
Reserves and Surplus		
(A) Securities premium reserve		
Balance at the beginning of the year	49,429.05	20,509.74
Add: received during the year on account of issue of shares (refer note 51)	-	28,444.08

Notes to the Standalone Financial Statements

For the year ended March 31, 2023

(All amounts in Indian Rupees in Lakhs, except stated otherwise)

Particulars		As at March 31, 2023	As at March 31, 2022
	Add: received during the year on account of exercise of share options	351.44	10.20
	Add: transfer from share based payments reserve	1,179.32	465.03
	Balance at the end of the year	**50,959.81**	**49,429.05**
	This reserve represents amount of premium recognised on issue of shares to shareholders at a price more than its face value. This reserve can be utilised in accordance with the provisions of the Companies Act, 2013.		
(B)	**General reserve**		
	Balance at the end of the year	**2,192.09**	**2,192.09**
	Under the erstwhile Companies Act, 1956, a general reserve was created through an annual transfer of net profit at a specified percentage in accordance with applicable regulations. Consequent to the introduction of the Companies Act, 2013, the requirement to mandatorily transfer a specified percentage of net profit to general reserve has been withdrawn.		
(C)	**Capital reserve on amalgamation**		
	Balance at the end of the year	**9,754.45**	**9,754.45**
	Capital reserve represents reserve recognised on amalgamation being the difference between consideration amount and net assets of the transferor Company.		
(D)	**Share based payments reserve**		
	Balance at the beginning of the year	1,272.32	1,601.53
	Add: addition during the year (refer note 41)	2,298.00	135.82
	Less: transfer to securities premium reserve	(1,179.32)	(465.03)
	Balance at the end of the year	**2,391.00**	**1,272.32**
	Share based payment reserve is used to record the fair value of equity-settled, share-based payment transactions with employees. The amounts recorded in Share based payment reserve are transferred to securities premium upon exercise of stock options by employees. Further, the amounts recorded in Share based payment reserve are transferred to securities premium reserve when stock options lapsed after the vesting period.		
(E)	**Retained earnings**		
	Balance at the beginning of the year	3,989.17	(7,996.68)
	Profit for the year	17,840.04	11,672.97
	Add: Remeasurement of post employment benefits obligations (net of deferred tax)	206.82	312.88
	Balance at the end of the year	**22,036.03**	**3,989.17**
	Retained earnings refer to net earnings not paid out as dividends, but retained by the Company to be reinvested in its core business. This amount is available for distribution of dividends to its equity shareholders.		
(F)	**Cash flow hedging reserve**		
	Balance at the beginning of the year	1,377.03	981.01
	Add: Reclassified to the statement of profit and loss	(2,440.34)	396.02
	Balance at the end of the year	**(1,063.31)**	**1,377.03**
	When a derivative is designated as a cash flow hedging instrument, the effective portion of the change in fair value of the derivative is recognised in other comprehensive income and accumulated in the cash flow hedging reserve. The cumulative gain or loss previously recognized in the cash flow hedging reserve is transferred to the Statement of Profit and Loss when related forecasted transaction (hedged item) affects the profit or loss.		
Total other equity (A+B+C+D+E+F)		**86,270.07**	**68,014.11**

Notes to the Standalone Financial Statements

For the year ended March 31, 2023

(All amounts in Indian Rupees in Lakhs, except stated otherwise)

15. FINANCIAL LIABILITIES - BORROWINGS

Particulars	As at March 31, 2023	As at March 31, 2022
(a) Non-current borrowings		
Term loans from banks (Secured)		
Indian rupee term loan from bank	7.42	238.06
Total non-current borrowings (Secured) (Refer Note 15(A))	**7.42**	**238.06**
(b) Current borrowings		
Loans repayable on demand from banks (Secured)		
Indian rupee packing credit loan [1,2,3,4,5,6]	900.00	1,500.00
Bill discounting from banks [7,8,9,10]	-	4,102.28
Current maturities of long-term borrowings	1,599.65	466.60
Total current borrowings (Secured)	**2,499.65**	**6,068.88**
Total current borrowings (Refer Note 15(B))	**2,499.65**	**6,068.88**
Total Financial liabilities - Borrowings	**2,507.07**	**6,306.94**
The above amount includes:		
Secured non-current borrowings	7.42	238.06
Secured current borrowings	2,499.65	6,068.88
	2,507.07	**6,306.94**

Note 15 (A): Notes on non-current borrowings

Indian rupee term loan from bank (Secured)

Particulars	As at March 31, 2023	As at March 31, 2022
Gross amount of indian rupee term loan taken	5,013.10	5,013.10
Outstanding balance:		
Non current borrowings	7.42	238.06
Current maturities of long-term borrowings	1,599.65	466.60
Total outstanding balance	**1,607.07**	**704.66**
Applicable Interest rate	8.85%	8.00%

Terms of repayment:

Indian rupee term loan from banks is repayable in 24 to 48 equal monthly instalments with a moratorium period of 6 months.

Particulars	As at March 31, 2023	As at March 31, 2022
Number of instalments due as at Balance sheet date (months)	13	19
Maturity profile including current maturities:		
Not later than one year	1,599.65	466.60
Later than one year but not later than two years	7.42	238.06
Later than two years but not later than three years	-	-
Later than three years but not later than four years	-	-
Later than four years but not later than five years	-	-
More than five years	-	-
	1,607.07	**704.66**

Notes to the Standalone Financial Statements

For the year ended March 31, 2023

(All amounts in Indian Rupees in Lakhs, except stated otherwise)

Repayment of non current borrowings and Interest:

During the year and as on the balance sheet date, the Company has not defaulted in repayment of non-current borrowings and interest there on.

Loans from related parties:

During the year and as on the balance sheet date, the Company has not taken any non-current borrowings from related parties.

Disclosure about the nature of security:

The loan is secured by pari passu (i) hypothecation of inventory including stores and spares (including goods in transit/goods awaiting bank negotiation/goods with processors meant for export) and (ii) Current assets (including trade receivables) of the Company (iii) hypothecation of Plant & Machinery and Equipments and Land & Buildings.

During the year and as on the balance sheet date, neither any of the promoters nor other shareholders nor directors nor any other persons/third parties (not restricted to related parties/KMP's as defined in note 39) have given any personal guarantee or personal security for any non-current borrowings taken by the Company and is outstanding as at balance sheet date.

Note 15 (B): Notes on current borrowings:

[1] Indian rupee packing credit loan from a bank of ₹ 2,000 Lakhs (March 31, 2022: ₹ 2,000 Lakhs) carries interest @ Marginal cost of funds based lending rate ('MCLR') + 0.75% (March 31, 2022: MCLR + 0.75%) and interest is payable monthly. The loan is secured by first pari passu charge on current assets of the Company. Out of the above, ₹ 300 Lakhs is outstanding as at March 31, 2023 (March 31, 2022: ₹ Nil). Also refer note 15(B) [11] and [12] below.

[2] Indian rupee packing credit loan from a bank of ₹.2500 Lakhs (March 31, 2022: ₹ Nil) carries interest @Marginal cost of funds based lending rate ('MCLR') (March 31, 2022: MCLR) and interest is payable monthly. The loan is secured by pari passu (i) hypothecation of inventory including stores and spares (including goods in transit/goods awaiting bank negotiation/goods with processors meant for export) and (ii) trade receivables of the Company. Out of the above, ₹ 200 Lakhs is outstanding as at March 31, 2023 (March 31, 2022:₹ Nil). Also refer note 15(B) [11] and [12] below.

[3] Indian rupee packing credit loan from a bank of ₹ 3,000 Lakhs (March 31, 2022: ₹ 3,000) carries interest @Marginal cost of funds based lending rate ('MCLR') (March 31, 2022: MCLR) and interest is payable monthly. The loan is secured by pari passu (i) hypothecation of inventory including stores and spares (including goods in transit/goods awaiting bank negotiation/goods with processors meant for export) and (ii) trade receivables of the Company. Out of the above, ₹ 200 Lakhs is outstanding as at March 31, 2023 (March 31, 2022:₹ Nil). Also refer note 15(B) [11] and [12] below.

[4] Indian rupee packing credit loan from a bank of ₹ 7,500 Lakhs (March 31, 2022: ₹ 7,500 Lakhs) carries interest rate linked to @3 months Marginal cost of funds based lending rate(' MCLR') plus applicatble spread of 0.45% p.a for Indian rupee packing credit loan and 6 months SOFR for foreign currency packing credit loan plus applicable spread of 2% p.a (March 31, 2022: @3 months MCLR for Indian rupee packing credit loan plus applicable spred of 0.45% p.a and 6 months SOFR for foreign currency packing credit loan plus applicable spread of 2% p.a). Interest on loans is payable monthly. These loans are secured by pari passu (i) hypothecation of inventory including stores and spares (including goods in transit/goods awaiting bank negotiation/goods with processors meant for export) and (ii) trade receivables and current assets and fixed assets of the Company. Out of the above, ₹ 200 Lakhs is outstanding as at March 31, 2023 (March 31, 2022: ₹.1,000 Lakhs) refer note 15(B) [11] and [12] below.

[5] Indian rupee packing credit loan from a bank of ₹ 6,000 Lakhs (March 31, 2022: ₹ 6,000 Lakhs) carries interest rate linked to @ 6 months Marginal cost of funds based lending rate ('MCLR') plus applicable spread of 0.55% p.a and 6 months SOFR for foreign currency packing credit loan plus applicable spread of 2% p.a (March 31, 2022: @ 6 months MCLR plus applicable spread of 0.55% and 6 months SOFR for foreign currency packing credit loan plus applicable spread of 2% p.a) Interest on loans is payable monthly. These loans are secured by pari passu (i) hypothecation of inventory including stores and spares (including goods in transit/goods awaiting bank negotiation/goods with processors meant for export) and (ii) trade receivables and current assets and fixed assets of the Company. Out of the above, ₹ Nil is outstanding as at March 31, 2023 (March 31, 2022: ₹ 500 Lakhs). Also refer note 15(B) [11] and [12] below.

[6] Indian rupee packing credit loan from a bank of ₹ 2,000 Lakhs (March 31, 2022: ₹ 2,000 Lakhs) carries interest rate linked to @ 6 months Marginal cost of funds based lending rate ('MCLR') (March 31, 2022: @ 6 months MCLR). Interest on loans is payable monthly. These loans are secured by pari passu (i) hypothecation of inventory including stores and spares (including goods in transit/goods awaiting bank negotiation/goods with processors meant for export) and (ii) trade receivables and current assets and fixed assets of the Company. Out of the above, ₹ Nil is outstanding as at March 31, 2023 (March 31, 2022: ₹ Nil). Also refer note 15(B) [11] and [12] below.

[7] Bill discounting from a bank of ₹ 3,000 Lakhs (March 31, 2022: ₹ 3,000 Lakhs) carries interest @SOFR plus applicable spread of 2.50% p.a. for foreign currency bills discounting and @ MCLR plus 0.75% for Indian Rupee bills discounting (March 31, 2022: LIBOR plus applicable spread of 2.50% p.a.

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For the year ended March 31, 2023

(All amounts in Indian Rupees in Lakhs, except stated otherwise)

for foreign currency bills discounting and @ MCLR plus 0.75% for Indian Rupee bills discounting) and interest is payable on transaction basis. The loan is secured by first pari passu charge on current assets of the Company. Out of the above, ₹ Nil is outstanding as at March 31, 2023 (March 31, 2022: ₹ 2,868.15 Lakhs). Also refer note 15(B) [11] and [12] below.

[8] Bill discounting from a bank of ₹ 2,000 Lakhs (March 31, 2022: ₹ 2,000 Lakhs) carries interest @Marginal cost of funds based lending rate ('MCLR') for Indian Rupee bills discounting (March 31, 2022: @MCLR for Indian Rupee bills discounting) and interest is payable on transaction basis. The loan is secured by pari passu (i) hypothecation of inventory including stores and spares (including goods in transit/goods awaiting bank negotiation/goods with processors meant for export) and (ii) trade receivables of the Company. Out of the above, ₹ Nil is outstanding as at March 31, 2023 (March 31, 2022: ₹ 453.45 Lakhs). Also refer note 15(B) [11] and [12] below.

[9] Bill discounting from a bank of ₹.1,500 Lakhs (March 31, 2022: ₹ 1,500 Lakhs) carries interest rate linked to @3 months Marginal cost of fund based lending rate plus applicable spread of 0.45% p.a ("MCLR')for Indian rupee bill discounting loan and @6 months SOFR plus 2% for foreign currency bill discounting loan (March 31, 2022: @3 months MCLR for Indian rupee bill discounting loan plus applicable spread of 0.45% p.a and @6 months SOFR plus 2% p.a for foreign currency bill discounting loan). Interest on the above loans is payable on transaction basis. These loans are secured by pari passu charge on (i) current assets of the Company; and (ii) Fixed assets of the Company. Out of the above, ₹ Nil is outstanding as at March 31, 2023 (March 31, 2022: ₹ 780.68 Lakhs). Also refer note 15(B) [11] and [12] below.

[10] Bill discounting from a bank of ₹ 2,500 Lakhs (March 31, 2022: ₹ 2,500 Lakhs) carries interest rate linked to @6 months Marginal cost of fund based lending rate plus applicable spread of 0.55% p.a ('MCLR') for Indian rupee bill discounting loan and 6 months SOFR for foreign currency bill discounting loan plus applicable spread of 2% p.a (March 31, 2022: @6 months MCLR for Indian rupee bill discounting loan plus applicable spread of 0.55% p.a and 6 months SOFR plus applicable spread of 2% p.a for foreign currency bill discounting loan). Interest on the above loans is payable on transaction basis. These loans are secured by pari passu charge on (i) current assets of the Company; and (ii) Fixed assets of the Company. Out of the above, ₹ Nil is outstanding as at March 31, 2023 (March 31, 2022: ₹.Nil). Also refer note 15(B) [11] and [12] below.

[11] Bank overdraft from banks of ₹ 2,500 Lakhs (March 31, 2022: ₹ 2,500 Lakhs) carries interest linked to @6 month MCLR plus applicable spreads ranging from 0.75% to 2.50% p.a. (March 31, 2022: @6 month MCLR plus applicable spreads ranging from 0.75% to 2.50% p.a.). Interest on the above loan is payable on monthly basis. These loans are secured by pari passu (i) hypothecation of inventory including stores and spares (including goods in transit/goods awaiting bank negotiation/goods with processors meant for export) and (ii) trade receivables of the Company for a bank and first pari passu charge on current assets of the Company. Out of the above, ₹ Nil is outstanding as at March 31, 2023 (March 31, 2022: ₹ Nil). Also refer note 15(B)[12] below.

[12] The Company has further provided the following as the collateral to the Multiple Banking Arrangement (MBA) lenders towards the borrowings availed by the Company and as mentioned in the aforesaid note 15(B).

a) Pari passu charge on certain factory land and building located in Bangalore and Mysore owned by the Company and its subsidiary,

b) Pari passu charge on plant and machinery and certain movable assets of the Company

[13] The Company has availed the interest subvention during the years ended March 31, 2023 and March 31, 2022 under Interest Equalisation Scheme for pre and post shipment rupee export credit of Reserve Bank of India.

[14] Repayment of current borrowings and Interest:

During the year and as on the balance sheet date, the Company has not defaulted in repayment of current borrowings and interest there on.

[15] Loans from related parties:

During the year and as on the balance sheet date, the Company has not taken any borrowings from related parties.

16. LEASE LIABILITIES

Particulars		As at March 31, 2023	As at March 31, 2022
(a)	**Non current**		
	Lease liabilities	8,472.67	10,170.08
		8,472.67	**10,170.08**

Notes to the Standalone Financial Statements

For the year ended March 31, 2023

(All amounts in Indian Rupees in Lakhs, except stated otherwise)

Particulars	As at March 31, 2023	As at March 31, 2022
(b) Current		
Lease liabilities	3,112.31	2,638.16
	3,112.31	**2,638.16**
Total Lease liabilities (Current + Non-current)	**11,584.98**	**12,808.24**

Refer Note 36 (I) for maturity profile and other details.

17. PROVISION FOR EMPLOYEE BENEFITS

Particulars	As at March 31, 2023	As at March 31, 2022
(a) Non current		
Gratuity (refer note 38)	1,332.35	661.82
	1,332.35	**661.82**
(b) Current		
Gratuity (refer note 38)	2,591.32	2,364.43
Compensated absences	1,802.36	1,357.85
	4,393.68	**3,722.28**
Total provision for employee benefits	**5,726.03**	**4,384.10**

18. FINANCIAL LIABILITIES - TRADE PAYABLES

Particulars	As at March 31, 2023	As at March 31, 2022
Current		
Total outstanding dues of micro, small and medium enterprises; and	241.02	94.75
Total outstanding dues of creditors other than micro, small and medium enterprises	8,138.19	11,658.68
Total financial liabilities - Trade payables	**8,379.21**	**11,753.43**

Terms and conditions of the above financial liabilities:

- Trade payables are non interest bearing.
- For explanations on the Company's credit risk management processes, Refer note 42.

Aging of trade payables:

There are no disputed trade payables as at and for the years ended March 31, 2023 and March 31, 2022.

Below is the list of undisputed trade payables outstanding for following periods from the due date.

March 31, 2023

Periods	MSME	Others
Less than 1 year	241.02	8,138.19
1 to 2 years	-	-
2 to 3 years	-	-
More than 3 years	-	-
Total	**241.02**	**8,138.19**

Notes to the Standalone Financial Statements

For the year ended March 31, 2023

(All amounts in Indian Rupees in Lakhs, except stated otherwise)

March 31, 2022

Periods	MSME	Others
Less than 1 year	94.75	11,437.84
1 to 2 years	-	220.84
2 to 3 years	-	-
More than 3 years	-	-
Total	**94.75**	**11,658.68**

19. FINANCIAL LIABILITIES - OTHER CURRENT FINANCIAL LIABILITIES

Particulars	As at March 31, 2023	As at March 31, 2022
Financial liabilities at fair value through OCI		
Cash flow hedges - foreign exchange forward contracts	1,420.92	-
Other Financial liabilities at amortised cost		
Interest accrued and not due on loans	323.98	233.75
Payable to related parties	1,645.50	1,690.43
Employee related payables	7,900.85	8,610.89
Accrued expenses *	4,191.90	4,161.57
Liability for capital assets	93.89	390.57
Total financial liabilities - other current financial liabilities	**15,577.04**	**15,087.21**

* Accrued expenses represent amounts accrued for other operational expenses.

20. OTHER CURRENT LIABILITIES

Particulars	As at March 31, 2023	As at March 31, 2022
Advances received from customers	197.81	250.02
Statutory liabilities payable*	994.52	1,047.75
Total other current liabilities	**1,192.33**	**1,297.77**

* Statutory liabilities primarily relate to payables in respect of Employee state insurance, provident fund, professional tax and tax deducted at source.

21. REVENUE FROM OPERATIONS

Particulars	As at March 31, 2023	As at March 31, 2022
(a) Sale of finished goods		
Exports	1,85,190.38	1,49,112.14
Domestic	21,262.73	17,616.75
	2,06,453.11	**1,66,728.89**
(b) Other operating revenues		
Export incentives and others *	11,492.43	8,813.05
Sale of accessories, fabrics, scrap and others	3,381.00	3,096.27

Notes to the Standalone Financial Statements

For the year ended March 31, 2023

(All amounts in Indian Rupees in Lakhs, except stated otherwise)

Particulars	As at March 31, 2023	As at March 31, 2022
Job work income	782.05	270.59
	15,655.48	**12,179.91**
Total revenue from operations	**2,22,108.59**	**1,78,908.80**

* Others represents government grant, which is in the form of import duty savings, have been received upon import of certain property, plant and equipment. There are no unfulfilled conditions or contingencies attached to these grants as at March 31, 2023 and March 31, 2022.

i. Disaggregation of Revenue from sale of finished goods

The Company has disaggregated revenue into various categories in the following table which is intended to enable users to understand the relationship with revenue segment information provided in note 35.

Primary Geographic Markets (Name of the country)	Sale of finished goods	
	As at March 31, 2023	As at March 31, 2022
United States of America	1,65,149.21	1,34,221.24
Canada	8,273.13	5,595.42
Netherlands	4,311.42	2,203.18
United Kingdom	1,459.83	1,355.07
France	1,296.21	1,116.98
China	1,151.89	729.86
Australia	495.54	231.86
Japan	466.36	320.02
Panama	467.32	82.51
Denmark	296.05	622.58
Spain	145.36	506.02
Germany	149.96	122.20
Other Overseas Countries	1,528.10	2,005.20
India	21,262.73	17,616.75
Total	**2,06,453.11**	**1,66,728.89**

Apart from geographic location of customers; the characteristics of Company's revenue are uniform in terms of product type, contract counterparties, timing of transfer of goods, uncertainty of revenue and cashflows etc. Therefore, disaggregation of revenue as per these categories is not applicable.

ii. Remaining performance obligations

All of the Company's contracts are for the delivery of goods within the next 12 months for which the practical expedient in paragraph 121(a) of Ind AS 115 applies. As a result, the Company has not disclosed the information pertaining to remaining performance obligations as required by paragraph 120 of Ind AS 115.

iii. Estimates and assumptions

There are no significant estimates and assumptions.

Notes to the Standalone Financial Statements

For the year ended March 31, 2023

(All amounts in Indian Rupees in Lakhs, except stated otherwise)

iv. Contract balances

Particulars	Contract liabilities	
	As at March 31, 2023	As at March 31, 2022
Balance at the beginning of the year	250.02	144.47
Less: Amount included in contract liabilities that was recognised as revenue during the period	(250.02)	(144.47)
Add: Cash received in advance of performance and not recognised as revenue during the period	197.81	250.02
Balance at the end of the year	**197.81**	**250.02**

22. OTHER INCOME

Particulars	As at March 31, 2023	As at March 31, 2022
Interest income on:		
Bank deposits	112.86	453.74
Security deposits	164.10	134.37
Loans given to subsidiaries	561.51	31.19
Income tax refunds	53.16	52.54
Other non-operating income:		
Net gain on disposal of property, plant and equipment	19.26	60.55
Gain on sale of investments in mutual fund units	425.98	85.36
Fair value gain on investments in mutual fund units	1,163.55	193.83
Provision no longer required written back	190.52	62.31
Miscellaneous income	365.60	20.80
Total other income	**3,056.54**	**1,094.69**

23. COST OF RAW MATERIALS AND COMPONENTS CONSUMED

Particulars	As at March 31, 2023	As at March 31, 2022
Inventory at the beginning of the year	13,674.99	9,200.50
Add: Purchases	1,03,637.21	1,04,757.74
	1,17,312.20	**1,13,958.24**
Less: inventory at the end of the year	12,055.92	13,674.99
Total cost of raw materials and components consumed	**1,05,256.28**	**1,00,283.25**

24. PURCHASES OF STOCK-IN-TRADE

Particulars	As at March 31, 2023	As at March 31, 2022
Purchases of stock-in-trade	85.27	1,403.40
Total Purchases of stock-in-trade	**85.27**	**1,403.40**

Notes to the Standalone Financial Statements

For the year ended March 31, 2023

(All amounts in Indian Rupees in Lakhs, except stated otherwise)

25. CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS

Particulars	As at March 31, 2023	As at March 31, 2022
Inventories at the beginning of the year		
Work-in-progress	17,646.49	11,736.31
Finished goods (Readymade garments)	11,257.63	4,191.00
	28,904.12	**15,927.31**
Inventories at the end of the year		
Work-in-progress	12,377.82	17,646.49
Finished goods (Readymade garments)	4,201.93	11,257.63
	16,579.75	**28,904.12**
Total Changes in inventories of finished goods and work-in-progress	**12,324.37**	**(12,976.81)**

26. EMPLOYEE BENEFITS EXPENSE

Particulars	As at March 31, 2023	As at March 31, 2022
Salaries and wages	50,433.28	46,026.44
Contribution to provident and other funds	5,849.03	5,042.99
Share based payment expenses (Refer note 41)	2,298.00	135.82
Gratuity expense (net) (Refer note 38)	1,609.40	1,327.80
Staff welfare expense	1,711.82	1,317.32
Total employee benefit expenses	**61,901.53**	**53,850.37**

27. FINANCE COSTS

Particulars	As at March 31, 2023	As at March 31, 2022
Interest charge		
on Indian rupee packing credit loan/Indian rupee loan from bank	178.13	1,259.38
on bill discounting and others	23.80	410.20
on lease liabilities	1,465.33	1,353.04
Bank charges and other borrowing costs	868.22	972.65
Total finance costs	**2,535.48**	**3,995.27**

28. DEPRECIATION AND AMORTIZATION EXPENSE

Particulars	As at March 31, 2023	As at March 31, 2022
Depreciation of property, plant and equipment	3,574.95	2,986.54
Amortisation of other intangible assets	218.66	165.70
Amortisation on right-of-use assets	3,281.72	2,677.05
Total depreciation and amortisation expenses	**7,075.33**	**5,829.29**

Notes to the Standalone Financial Statements

For the year ended March 31, 2023

(All amounts in Indian Rupees in Lakhs, except stated otherwise)

29. OTHER EXPENSES

Particulars	As at March 31, 2023	As at March 31, 2022
Consumption of stores, spares and other manufacturing expenses	2,076.35	1,901.22
Water, electricity and fuel charges	3,087.31	2,601.20
Clearing, forwarding and freight	2,043.47	3,208.06
Rental charges	1,400.67	1,698.40
Legal and professional fees	1,281.36	1,127.45
Travelling and conveyance	678.68	534.55
Rates and taxes	322.11	236.60
Insurance	450.10	526.69
Repairs and maintenance		
Plant and machinery	903.48	827.30
Buildings	216.94	161.24
Others	960.20	630.71
Telephone and internet expenses	182.49	170.29
Payments to auditors [Refer note 29(a)]	52.55	34.64
Sitting fees	51.20	58.40
Corporate social responsibility expenditure [Refer note 29(b)]	103.55	46.58
Provision for doubtful deposits and advances	-	160.52
Irrecoverable balances written off	-	272.72
Provision for doubtful debts	27.70	8.07
Miscellaneous expenses	1,253.47	1,073.65
Total other expenses	**15,091.63**	**15,278.29**

Note 29 (a): Payment to auditors (exclusive of GST)

Particulars	As at March 31, 2023	As at March 31, 2022
As auditor:		
Audit fees (including fees for audit of consolidated and Standalone Financial Statements and quarterly limited reviews)	45.00	33.00
In other capacity:		
Certificates	2.00	-
Reimbursement of expenses	5.55	1.64
Total payment to auditors (exclusive of GST)	**52.55**	**34.64**

Note 29 (b): Corporate social responsibility expenditure

As per Section 135 of the Companies Act, 2013, a Company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. A CSR committee has been formed by the Company as per the Act. The funds are utilized through the year on the activities specified in Schedule VII of the Companies Act, 2013.

Notes to the Standalone Financial Statements

For the year ended March 31, 2023

(All amounts in Indian Rupees in Lakhs, except stated otherwise)

The nature of the corporate social responsibility activities undertaken by the Company for the year ended March 31, 2023 and March 31, 2022 includes education and healthcare.

Particulars	As at March 31, 2023	As at March 31, 2022
Gross Amount required to be spent as per Section 135 of the Act	103.55	46.58
Add: Amount Unspent from previous years	-	-
Total Gross amount required to be spent during the year	103.55	46.58
Amount approved by the Board to be spent during the year	103.55	46.58

Details related to amount spent/unspent

Particulars	As at March 31, 2023	As at March 31, 2022
Contribution to the trust by the Company (A)	103.55	36.00
CSR expenditure directly incurred by the Company (B)	-	11.00
Total amount incurred by the Company (A+B)	**103.55**	**47.00**
Amount of expenditure incurred by the trust	71.51	-
Amount remaining unspent by the trust for the year	32.04	36.00
Cumulative amount remaining unspent by the trust at the end of the year	32.04	36.00
Amount deposited in specified fund of schedule VII of the Act within 6 months (₹)	-	-
Nature of activity as part of ongoing CSR project	Healthcare	Education

There are no contributions to Related Parties/no CSR Expenditure incurred with Related Parties.

30. EXCEPTIONAL ITEMS

Particulars	As at March 31, 2023	As at March 31, 2022
Net gain on disposal of Property, plant and equipment (Refer note 48)	605.03	-
	605.03	**-**

31. RATIO ANALYSIS AND ITS ELEMENTS

Particulars	As at March 31, 2023	As at March 31, 2022
Current ratio [Refer note 31(a)]	2.25	1.37
Debt equity ratio [Refer note 31(b)]	0.05	0.43
Debt Service Coverage ratio [Refer note 31(c)]	0.66	0.09
Return on Equity ratio [Refer note 31(d)]	0.22	0.23
Inventory turnover ratio [Refer note 31(e)]	3.25	2.57
Trade receivables Turnover Ratio [Refer note 31(f)]	18.11	12.26
Trade Payable Turnover Ratio [Refer note 31(g)]	10.30	10.46
Net Capital Turnover Ratio [Refer note 31(h)]	2.77	3.57
Net Profit ratio [Refer note 31(i)]	8.03%	6.52%
Return on Capital Employed [Refer note 31(j)]	38.31%	24.82%
Return on Investment [Refer note 31(k)]	23.35%	19.27%

Notes to the Standalone Financial Statements

For the year ended March 31, 2023

(All amounts in Indian Rupees in Lakhs, except stated otherwise)

Formula for computation of ratios:

Particulars	Numerator	Denominator
Current ratio	Average Current Assets	Average Current Liabilities
Debt equity ratio	Average Debt (Borrowing)	Average total Equity
	Average Debt (Borrowing)= (opening debt+closing debt)/2	Average total Equity = (opening total equity+closing total equity)/2
Debt Service Coverage ratio	Earnings before interest, depreciation and taxes (Profit Before Tax + Finance cost + Depreciation)	Total Debt (Borrowing+interest paid) repaid during the year
Return on Equity ratio	Profit for the period/year	Average total Equity
		Average total Equity = (opening total equity+closing total equity)/2
Inventory turnover ratio	Cost of goods sold	Average Inventory
		Average Inventory = (opening inventory+closing inventory)/2
Trade receivables Turnover Ratio	Total sale of finished goods	Average trade receivables
		Average trade receivables = (opening trade receivables+closing trade receivables)/2
Trade Payable Turnover Ratio	Total Purchases	Average trade payables
		Average trade payable = (opening trade payable+closing trade payable)/2
Net Capital Turnover Ratio	Revenue from operations	Average total Equity
		Average total Equity = (opening total equity+closing total equity)/2
Net Profit ratio	Profit for the period/year (PAT)	Revenue from operations
Return on Capital Employed	Profit Before Tax + Finance cost	((Total Assets - ROU Assets - investment in mutual funds)-(Current Liabilities-borrowings-current lease liabilities))
Return on Investment	Earnings before interest, depreciation and taxes (Profit Before Tax + Finance cost + Depreciation)	Average total assets = (opening total assets+closing total assets)/2

Notes on reason for variances:

31(a): Due to increased current investment.

31(b): Reduced due to repayment of borrowings.

31(c): Increased DSCR due to repayment of borrowing while increasing the operating profit.

31(d): No major variance.

31(e): Better inventory management in a higher revenue base helped higher turns.

31(f): Early realisation from customers in a growing revenue base helped higher receivable turns.

31(g): No major variance.

31(h): change in equity was consequent to infusion of equity capital during the previous year, thereby reduced the net capital ratio.

31(i): Increased due to higher profit after tax in relation to increase in sales of finished goods.

31(j): Increased due to higher earnings before interest and tax consequent to increase in sales of finished goods.

31(k): Increased due to higher operating profit during the year in relation to the increase in the total assets.

Notes to the Standalone Financial Statements

For the year ended March 31, 2023

(All amounts in Indian Rupees in Lakhs, except stated otherwise)

32. INCOME TAX

The Company is subject to income tax in India on the basis of its Standalone Financial Statements. The Company can claim tax exemptions/deductions under specific sections of the Income Tax Act, 1961 subject to fulfilment of prescribed conditions, as may be applicable. As per the Income Tax Act, 1961, the Company is liable to pay income tax based on higher of regular income tax payable or the amount payable based on the provisions applicable for Minimum Alternate Tax (MAT). MAT paid in excess of regular income tax during a year can be carried forward for a period of fifteen years and can be offset against future tax liabilities arising from regular income tax.

Section 115BAA has newly been inserted in the Income Tax Act, 1961 vide Taxation Laws (Amendment) Ordinance, 2019 (subsequently enacted on December 11, 2019 as The Taxation Laws (Amendment) Act, 2019) which provides a domestic Company with an irrevocable option to pay tax at a lower rate of 22% (effective rate of 25.168%) for any previous year relevant to the assessment year beginning on or after April 01, 2020. The lower rate shall be applicable subject to certain conditions, including that the total income should be computed without claiming specific deduction or exemptions. MAT would be inapplicable to companies opting to apply the lower tax rate.

Business loss can be carried forward for a maximum period of eight assessment years immediately succeeding the assessment year to which the loss pertains. Unabsorbed depreciation can be carried forward for an indefinite period.

Income tax expenses in the standalone statement of profit and loss consist of the following:

Particulars	As at March 31, 2023	As at March 31, 2022
(a) Current tax	4,830.57	1,170.15
(b) Adjustment of tax relating to earlier periods	(160.11)	(672.07)
(c) Deferred tax (credit)/charge	(1,528.14)	(498.08)
Total tax expenses	**3,142.32**	**-**

Reconciliation of taxes to the amount computed by applying the statutory income tax rate to the income before taxes is summarized below:

Particulars	As at March 31, 2023	As at March 31, 2022
Profit/(Loss) after exceptional items and before tax	20,982.36	11,672.97
Applicable normal income tax rate in India	25.168%	25.168%
Computed tax expense	5,280.84	2,937.85
Tax effect of:		
Exempted income	(5,293.46)	(4,566.39)
Expenses disallowed	3,154.94	3,207.04
Carried forwarded tax losses	-	(1,578.50)
Total tax expenses	**3,142.32**	**-**

33. EARNINGS PER SHARE (EPS)

Basic EPS amounts are calculated by dividing the profit/(loss) for the year attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year. Partly paid equity shares are treated as a fraction of an equity share to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share spilt and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

Diluted EPS amounts are calculated by dividing the loss attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

Notes to the Standalone Financial Statements

For the year ended March 31, 2023

(All amounts in Indian Rupees in Lakhs, except stated otherwise)

The following table reflects the data used in the basic and diluted EPS computations:

Particulars	As at March 31, 2023	As at March 31, 2022
Face value of equity shares (₹ per share)	5.00	5.00
Profit attributable to equity holders of the Company	17,840.04	11,672.97
Weighted average number of equity shares used for computing earning per share (basic)	6,04,80,887	5,07,30,394
Weighted average number of equity shares used for computing earning per share (diluted)	6,35,91,768	5,28,84,069
EPS - basic (₹)	29.50	23.01
EPS - diluted (₹)	28.05	22.07

34. SIGNIFICANT ACCOUNTING ESTIMATES AND ASSUMPTIONS

The preparation of the Company's Standalone Financial Statements requires management to make judgements, estimates and assumptions that affect the reported amount of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

The estimates and the underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected.

Significant judgements and estimates relating to the carrying values of assets and liabilities include provision for obsolete inventory, impairment of investments, impairment of non current assets, provision for employee benefits and other provisions, fair value measurement of financial assets and liabilities, commitments and contingencies.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

a. Income taxes

The Company's tax jurisdiction is India. Significant judgements are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions.

b. Property, plant and equipment

Property, plant and equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by the management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technical or commercial obsolescence arising from changes or improvements in production or from a change in market demand of the product or service output of the asset.

c. Right-of-use assets and lease liability

The Company has exercised judgement in determining the lease term as the non-cancellable term of the lease, together with the impact of options to extend or terminate the lease if it is reasonably certain to be exercised. Where the rate implicit in the lease is not readily available, an incremental borrowing rate is applied. This incremental borrowing rate reflects the rate of interest that the lessee would have to pay to borrow over a similar term, with a similar security, the funds necessary to obtain an asset of a similar nature and value to the right-of-use asset in a similar economic environment. Determination of the incremental borrowing rate requires estimation.

d. Impairment of non current asset including investments

Determining whether investment are impaired requires an estimation of the value in use of the individual investment or the relevant cash generating units ('CGU'). The value in use calculation is based on DCF model over the estimated useful life of the CGU's. Further, the cash flow projections are based on estimates and assumptions relating to sale price/customer orders on hand, efficiency in operations etc.

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e. Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

f. Contingencies

Contingent liabilities may arise from the ordinary course of business in relation to claims against the Company, including legal and contractual claims. By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgement and the use of estimates regarding the outcome of future events.

In respect of bank guarantees provided by the Company to third parties, the Company considers that it is more likely than not that such an amount will not be payable under the guarantees provided.

g. Defined benefit obligations

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds.

The mortality rate is based on publicly available mortality tables for India. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

Further details about gratuity obligations are given in note 38.

h. Provision for obsolete inventory

Inventory write downs are accounted, considering the nature of inventory, ageing, liquidation plan and net realisable value. These write downs are recognised as an expense and are included in "(Increase)/decrease in inventories of finished goods and work-in-progress" in the statement of profit and loss.

i. Expected credit losses on financial assets

The impairment provisions of financial assets and contract assets are based on assumptions about risk of default and expected timing of collection. The Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history of collections, customer's creditworthiness, existing market conditions as well as forward looking estimates at the end of each reporting period.

j. Non current assets held for sale

Non current assets held for sale are measured at the lower of carrying amount or fair value less costs to sell. Determination of fair value involves management estimate. Fair value of assets held for sale is determined using valuation technique involving unobservable inputs. Judgement is involved in estimating future cash flow, determining discount rate etc.

k. Employee share based payments

Company's share based payments to employees primarily consist of Employee Stock Option Plans ('ESOPs') and Restricted Stock Units ('RSUs'). The share-based compensation expense is determined based on the Company's estimate of fair value at grant date of the ESOPs/RSUs granted. The Company estimates fair value of ESOPs/RSUs using Black-Scholes-Merton ('BSM') option pricing model. The BSM model is based on various assumptions including expected volatility, expected life, interest rate.

l. Revenue from Export incentives

For measurement of income from the export incentives, significant estimates and judgments are made which include, eligibility of the export transaction for the claim, the timing of processing such claim and its subsequent realization and also the rate notified/to be notified by the government authorities.

35. SEGMENT INFORMATION- DISCLOSURE PURSUANT TO IND AS 108 'OPERATING SEGMENT'

(a) Basis of identifying operating segments:

Operating segments are identified as those components of the Company (a) that engage in business activities to earn revenues and incur expenses (including transactions with any of the Company's other components); (b) whose operating results are regularly reviewed by the Company's Chief Executive Officer to make decisions about resource allocation and performance assessment and (c) for which discrete financial information is available.

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The accounting policies consistently used in the preparation of the financial statements are also applied to record revenue and expenditure in individual segments. Assets, liabilities, revenues and direct expenses in relation to segments are categorised based on items that are individually identifiable to that segment, while other items, wherever allocable, are apportioned to the segments on an appropriate basis. Certain items are not specifically allocable to individual segments as the underlying services are used interchangeably.

(b) The Company is engaged in a single business segment of sale of garment and hence no additional disclosures are required.

(c) Geographic information:

The Company mainly operates in two geographical areas of the world, i.e., India and Rest of World, the details of which are as below:

Particulars	Segment revenue*		Non current assets**	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
India	35,511.77	27,810.54	26,581.95	28,418.31
Rest of world	1,86,596.82	1,51,098.26	-	-
Total	**2,22,108.59**	**1,78,908.80**	**26,581.95**	**28,418.31**

The revenue information above is based on the locations of the customers and includes other operating revenues.

Revenue from three (March 31, 2022: Three) customer amounted to ₹ 154,269.69 Lakhs (March 31, 2022: ₹ 125,129.35 Lakhs), arising from sales of readymade garments.

*Total Revenue from operations by geographical area are based on the geographical location of the client.

**Non-current assets excludes non current financial assets and non current tax assets.

36. COMMITMENTS AND CONTINGENCIES

I. Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgement. The Company uses judgement in assessing whether a contract (or part of contract) include a lease, the lease term (including anticipated renewals), the applicable discount rate, variable lease payments whether are in-substance fixed. The judgement involves assessment of whether the asset included in the contract is a fully or partly identified asset based on the facts and circumstances, whether the contract include a lease and nonlease component and if so, separation thereof for the purpose of recognition and measurement, determination of lease term basis, inter alia the non-cancellable period of lease and whether the lessee intends to opt for continuing with the use of the asset upon the expiry thereof, and whether the lease payments are fixed or variable or a combination of both. The Company records the lease liability at the present value of the lease payments discounted at the incremental borrowing rate.

The movement in lease liabilities is as follows:

Particulars	As at March 31, 2023	As at March 31, 2022
Opening balance	12,808.24	11,103.15
Additions	1,403.65	3,663.38
Deletions	-	(88.99)
Finance cost accrued	1,465.33	1,353.04
Payment of lease liabilities	(4,092.24)	(3,222.34)
Closing balance	**11,584.98**	**12,808.24**

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The break-up of current and non-current lease liabilities is as follows:

Particulars	As at March 31, 2023	As at March 31, 2022
Current lease liabilities	3,112.31	2,638.16
Non-current lease liabilities	8,472.67	10,170.08
Total	**11,584.98**	**12,808.24**

The details of the contractual maturities of lease liabilities on an undiscounted basis are as follows:

Particulars	As at March 31, 2023	As at March 31, 2022
Less than one year	4,230.64	3,968.83
One to five years	10,103.24	11,914.33
More than five years	776.33	1,345.24
Total	**15,110.21**	**17,228.40**

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

Rental charges recorded for short-term leases during the year is ₹ 1,400.67 Lakhs (March 31, 2022: ₹ 1,698.40 Lakhs).

II. Contingencies

In the ordinary course of business, the Company faces claims and assertions by various parties. The Company assesses such claims and assertions and monitors the legal environment on an ongoing basis with the assistance of external legal counsel, wherever necessary. The Company records a liability for any claims where a potential loss is probable and capable of being estimated and discloses such matters in its financial statements, if material. For potential losses that are considered possible, but not probable, the Company provides disclosure in the financial statements but does not record a liability in its accounts unless the loss becomes probable.

The following is a description of claims and assertions where a potential loss is possible, but not probable. The Company believes that none of the contingencies described below would have a material adverse effect on the Company's financial condition, results of operations or cash flows.

Particulars		As at March 31, 2023	As at March 31, 2022
(a)	**Bank Guarantees**		
	Sanctioned	270.00	150.00
	Outstanding	98.76	150.00
(b)	**Outstanding letters of credit**		
	Sanctioned	13,822.00	6,322.00
	Outstanding	3,709.35	3,587.68
(c)	**Litigations**		
	(i) Matters relating to direct taxes under dispute *	-	278.43
	(ii) Matters relating to other taxes under dispute	122.54	122.54

* Certain demands from income tax authorities have been set off against the brought forward business loss and unabsorbed depreciation of previous years and accordingly amount disclosed as contingent liabilities represent the demands after setting off such brought forward loss and depreciation.

Notes to the Standalone Financial Statements

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(i) The aforementioned demand amounts under dispute are as per the demands from various authorities for the respective periods and have not been adjusted to include further interest and penalty leviable, if any, at the time of final outcome of the appeals.

(ii) The Company is also involved in various other litigations and claims other than as tabulated above, the impact of which is not quantifiable. These cases are pending with various courts/forums and are scheduled for hearings. After considering the circumstances and legal evaluation thereon, the Company's management believes that these cases are not tenable/ material and accordingly have not made any further adjustments, other than amount already provided in the Standalone Financial Statements.

III. Capital and other commitments

Particulars	As at March 31, 2023	As at March 31, 2022
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	1,848.98	93.46
Commitments relating to forward contract- hedge of highly probable forecast sales	1,43,037.06	1,44,555.43

IV. Corporate guarantee

The Company has provided corporate guarantee to the banks for the credit limits obtained by the wholly owned subsidiaries namely "Sri Susamyuta Knits Private Limited" and "Gokaldasexports Acharpura Private Limited".

37. HEDGING ACTIVITIES

Cash flow hedges

Foreign exchange forward contracts measured at fair value through OCI are designated as hedging instruments in cash flow hedges of forecast sales in foreign currency. These forecast transactions are highly probable, and they comprise about 100% of the Company's total expected sales in foreign currency.

The foreign exchange forward contract balances vary with the level of expected foreign currency sales and changes in foreign exchange forward rates.

The Company is holding the following foreign currency forward contracts to hedge the exposure on its highly probable sales over the next 12 months:

Particulars	Currency	Amount	Average Strike rate
March 31, 2023	USD	1,731.16	82.62
March 31, 2023	INR	1,43,037.06	
March 31, 2022	USD	1,850.43	78.12
March 31, 2022	INR	1,44,555.43	

Details relating to hedging instrument with respect to foreign currency risk arising from sales:

Particulars	As at March 31, 2023	As at March 31, 2022
Nominal amount of hedging instrument	1,43,037.06	1,44,555.43
Carrying amount of cash flow hedges- foreign exchange forward contracts:		
Assets	-	1,377.03
Liabilities	1,420.92	-
Line item in balance sheet where hedging instrument is disclosed	Refer Note 19	Refer Note 7
Changes in fair value for calculating hedge ineffectiveness	-	-

Notes to the Standalone Financial Statements

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Details relating to hedged item with respect to foreign currency risk arising from sales:

Particulars	As at March 31, 2023	As at March 31, 2022
Change in value used for calculating hedge ineffectiveness	-	-
Balance in cash flow hedge reserve		
For continuing hedges	1,063.31	1,377.03
For hedges no longer applied	-	-
Total balance	**1,063.31**	**1,377.03**

Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument, including whether the hedging instrument is expected to offset changes in cash flows of hedged items.

The cash flow hedges of the expected future sales during the year ended March 31, 2023 and March 31, 2022 were assessed to be highly effective and a net unrealised gain/loss relating to hedging instrument is included in OCI. The amounts retained in OCI at March 31, 2023 are expected to mature and affect the statement of profit and loss during the year ended March 31, 2024 and March 31, 2025.

Details relating to impact of cash flow hedge with respect to foreign currency risk arising from sales in statement of profit and loss for the year ended as on:

Cash flow hedge reserve	As at March 31, 2023	As at March 31, 2022
Opening balance	1,377.03	981.01
Movement in OCI:		
Gain/(loss) recognised in OCI during the year	(553.81)	2,130.54
Less: amount reclassified to standalone statement of profit and loss as hedged item has affected profit or loss	(1,886.53)	(1,734.52)
Less: amount reclassified to standalone statement of profit and loss for which future cash flows are no longer expected to occur	-	-
Net (gain)/loss recognised in OCI for the year	(2,440.34)	396.02
Less: amount recognised in the standalone statement of profit and loss on account of hedge ineffectiveness	-	-
Closing balance	**(1,063.31)**	**1,377.03**

The Company offsets a financial asset and financial liability when it currently has a legally enforceable right to set off the recognized amounts and the Company intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

38. GRATUITY AND OTHER POST-EMPLOYMENT BENEFIT PLANS

The Company has a defined benefit gratuity plan. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the Payment of Gratuity Act, 1972, every employee who has completed four years and 240 days or more of service gets gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The level of benefits provided depends on the member's length of service and salary at retirement age. The scheme is funded with Life Insurance Corporation of India in the form of a qualifying insurance policy.

The following tables summarise the components of net benefit expenses recognised in the standalone statement of profit or loss and the funded status and amounts recognised in the standalone balance sheet for gratuity benefit.

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(a) Net benefit expenses (recognised in the standalone statement of profit and loss)

Particulars	As at March 31, 2023	As at March 31, 2022
Current service cost	1,406.65	1,173.36
Net interest cost on defined benefit obligations/(assets)	202.75	154.44
Net benefit expenses	**1,609.40**	**1,327.80**

(b) Remeasurement (gain)/loss recognised in other comprehensive income

Particulars	As at March 31, 2023	As at March 31, 2022
Actuarial (gain)/loss on obligations arising from changes in demographic assumption	-	-
Actuarial (gain)/loss on obligations arising from changes in financial assumptions	316.86	(131.50)
Actuarial (gain)/loss on obligations arising from changes in experience adjustments	(525.96)	(181.42)
Actuarial (gain)/loss arising during the year	**(209.10)**	**(312.92)**
Return on plan assets (greater)/less then discount rate	2.28	0.04
Actuarial (gain)/loss recognised in other comprehensive income	**(206.82)**	**(312.88)**

(c) Net defined benefit asset/(liability)

Particulars	As at March 31, 2023	As at March 31, 2022
Defined benefit obligation	3,951.27	3,053.85
Fair value of plan assets	27.60	27.60
Plan liability/(asset)	**3,923.67**	**3,026.25**

(d) Changes in the present value of defined benefit obligation are as follows

Particulars	As at March 31, 2023	As at March 31, 2022
Opening defined benefit obligation	3,053.85	2,471.40
Current service cost	1,406.65	1,173.36
Interest cost on the defined benefit obligation	204.78	156.20
Benefits paid	(504.91)	(434.19)
Actuarial (gain)/loss on obligations arising from changes in demographic assumption	-	-
Actuarial (gain)/loss on obligations arising from changes in financial assumptions	316.86	(131.50)
Actuarial (gain)/loss on obligations arising from changes in experience adjustments	(525.96)	(181.42)
Closing defined benefit obligation	**3,951.27**	**3,053.85**

(e) Changes in the fair value of plan assets are as follows

Particulars	As at March 31, 2023	As at March 31, 2022
Opening fair value of plan assets	27.60	25.88
Interest income on plan assets	2.03	1.76
Contributions by employer	505.16	434.19
Benefits paid	(504.91)	(434.19)

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Particulars	As at March 31, 2023	As at March 31, 2022
Return on plan assets (lesser)/greater than discount rate	(2.28)	(0.04)
Closing fair value of plan assets	**27.60**	**27.60**

The Company expects to contribute ₹ 2,591.32 Lakhs (March 31, 2022: ₹ 2,364.43 Lakhs) towards gratuity fund.

(f) The following benefit payments (undiscounted) are expected in future years

Particulars	As at March 31, 2023
March 31, 2024	791.82
March 31, 2025	557.26
March 31, 2026	429.17
March 31, 2027	320.49
March 31, 2028	316.83
March 31, 2029 to March 31, 2033	3,366.00

(g) The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

Particulars	As at March 31, 2023	As at March 31, 2022
Investments with insurer	100%	100%

(h) The principal assumptions used in determining gratuity for the Company's plan is as shown below:

Particulars	As at March 31, 2023	As at March 31, 2022
Discount rate (in %)	7.31%	6.93%
Salary escalation (in %)	5% to 8%	5% to 8%
Employee turnover (in %)	40.00%	40.00%
Retirement age (yrs)	60	60
Mortality rate	Refer note 4 below	

Notes:

1. Plan assets are fully represented by balance with the Life Insurance Corporation of India.
2. The expected return on plan assets is determined considering several applicable factors mainly the composition of the plan assets held, assessed risks of asset management, historical results of the return on plan assets and the Company's policy for plan asset management.
3. The estimates of future salary increase in compensation levels, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.
4. As per Indian Assured Lives Mortality (2012-14) ultimate.
5. Refer note 17 for current and non current classification.

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(i) A quantitative sensitivity analysis for significant assumption is as shown below:

Particulars	As at March 31, 2023	As at March 31, 2022
Discount rate		
Impact of defined benefit obligation due to 1% increase in discount rate	(166.83)	(156.38)
Impact of defined benefit obligation due to 1% decrease in discount rate	181.82	173.10
Salary escalation rate		
Impact of defined benefit obligation due to 1% increase in salary escalation rate	157.04	157.98
Impact of defined benefit obligation due to 1% decrease in salary escalation rate	(146.87)	(144.84)
Attrition rate		
Impact of defined benefit obligation due to 1% increase in attrition rate	(38.81)	(17.69)
Impact of defined benefit obligation due to 1% decrease in attrition rate	40.62	17.49

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

39. RELATED PARTY TRANSACTIONS

a. Names of related parties and description of relationships:

Description of relationship	Name of related parties
Entity which has significant influence on the Company	Clear Wealth Consultancy Services LLP
Wholly owned subsidiaries	All Colour Garments Private Limited
	SNS Clothing Private Limited
	Vignesh Apparels Private Limited
	Gokaldasexports Acharpura Private Limited
	Sri Susamyuta Knits Private Limited
	Gokaldas Exports FZCO
Other body corporates	Yepme UK Limited
Key management personnel and their relatives	Mr. Richard B Saldanha, (Chairman and Independent Director) (upto November 28, 2022)
	Mr. Mathew Cyriac, (Chairman and Non Executive Director) (appointed as Chairman w.e.f November 29, 2022)
	Mr. Sivaramakrishnan Ganapathi, Vice Chairman and Managing Director
	Mr. George Varughese (Independent Director) (w.e.f October 27, 2022)
	Mr. Shivanandan Ashok Dalvie (Independent Director) (w.e.f October 27, 2022)
	Ms. Rama Bijapurkar (Independent Director) (w.e.f October 27, 2022)
	Mr. Prabhat Kumar Singh (Wholetime Director)
	Mr. Poorana Seenivasan (Executive Director) (w.e.f October 27, 2022)
	Mr. Sathyamurthy A, (Chief Financial Officer)
	Mr. Gourish Hegde, (Company Secretary) (w.e.f February 10, 2023)
	Ms. Anuradha Sharma (Independent Director) (upto February 07, 2023)
	Mr. Gautham Madhavan (Non Executive Director) (upto October 27, 2022)
	Ms. Shrithee MS (Company Secretary) (upto November 11, 2022)

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b. Summary of transactions during the year with the above related parties are as follows:

Particulars	As at March 31, 2023	As at March 31, 2022
i) Sale of accessories, fabrics, etc		
Wholly owned Subsidiary companies		
SNS Clothing Private Limited	21.90	13.53
Gokaldasexports Acharpura Private Limited	20.15	-
	42.05	**13.53**
ii) Sale of property, plant and equipment		
Wholly owned Subsidiary companies		
Gokaldasexports Acharpura Private Limited	7.05	-
Sri Susamyuta Knits Pvt Ltd	1.50	-
	8.55	**-**
iii) Rent		
Wholly owned Subsidiary companies		
SNS Clothing Private Limited	162.00	246.00
	162.00	**246.00**
iv) Interest income on loan given to subsidiary		
Wholly owned Subsidiary companies		
Gokaldasexports Acharpura Private Limited	286.45	31.19
Sri Susamyuta Knits Pvt Ltd	275.06	-
	561.51	**31.19**
v) Stock options exercised during the year (face value + Security premium)		
Richard B Saldanha	15.24	-
Sivaramakrishnan Ganapathi	307.88	-
Sathyamurthy A	61.79	3.75
	384.91	**3.75**
vi) Managerial remuneration to		
a) Key managerial personnel		
Sivaramakrishnan Ganapathi	962.09	687.59
Sathyamurthy A	169.85	173.94
Prabhat Kumar Singh	65.00	65.00
Poorana Seenivasan	89.03	-
Gourish Hegde	2.01	-
Shrithee MS	8.71	13.53
	1,296.69	**940.06**
b) Sitting fees paid to directors (independent directors and non-executive directors)		
Richard B. Saldanha	10.40	14.40
Mathew Cyriac	14.40	14.40
George Varughese	3.20	-
Shivanandan Ashok Dalvie	1.60	-

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Particulars	As at March 31, 2023	As at March 31, 2022
Rama Bijapurkar	2.40	-
Anuradha Sharma	10.40	16.80
Gautham Madhavan	8.80	12.80
	51.20	**58.40**
c) Summary of compensation of key managerial personnel of the Company		
Managerial remuneration	1,296.69	940.06
Sitting fees	51.20	58.40
Share based payment expenses	1,161.86	72.77
	2,509.75	**1,071.23**

c. Summary of outstanding balances with the above related parties are as follows:

Particulars		As at March 31, 2023	As at March 31, 2022
i)	**Other financial liabilities**		
	Payable to wholly owned Subsidiary companies		
	All Colour Garments Private Limited	368.11	368.49
	SNS Clothing Private Limited	1,181.93	1,225.85
	Vignesh Apparels Private Limited	95.46	96.09
		1,645.50	**1,690.43**
ii)	**Loans**		
	Receivable from wholly owned Subsidiary companies		
	Gokaldasexports Acharpura Private Limited	5,299.83	1,800.00
	Sri Susamyuta Knits Pvt Ltd	6,813.85	1,150.00
		12,113.68	**2,950.00**
iii)	**Other financial assets**		
	Receivable from wholly owned Subsidiary companies		
	Gokaldasexports Acharpura Private Limited	-	33.20
	Sri Susamyuta Knits Pvt Ltd	-	7.62
	Gokaldas Exports FZCO	2.34	-
		2.34	**40.82**
iv)	**Investment made in wholly owned Subsidiary Company**		
	Gokaldas Exports FZCO	85.10	-
		85.10	**-**
v)	**Remuneration payable to Key managerial personnel**		
	Sivaramakrishnan Ganapathi	719.37	423.37
	Poorana Seenivasan	38.71	-
	Sathyamurthy A	50.00	40.00
		808.08	**463.37**

As the liability for gratuity and leave encashment to key managerial personnel is provided on actuarial basis for the Company as a whole, the gratuity and leave encashment amount pertaining to the key management personnel is not disclosed separately.

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40. DISCLOSURES OF DUES/PAYMENTS TO MICRO, SMALL AND MEDIUM ENTERPRISES TO THE EXTENT SUCH ENTERPRISES ARE IDENTIFIED BY THE COMPANY

Particulars		As at March 31, 2023	As at March 31, 2022
i.	The principal amount due thereon remaining unpaid as at the year end Interest amount due and remaining unpaid as at the year end	241.02	94.75
ii.	The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	-	-
iii.	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
iv.	The amount of interest accrued and remaining unpaid as the year end in respect of principal amount settled during the year	-	-
v.	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-

41. SHARE- BASED PAYMENTS

The Company's employee benefit plans are as summarised below:

In September 2010, the shareholders of the Company approved Stock Option Plan (ESOP 2010) in accordance with the guidelines issued by the Securities and Exchange Board of India (SEBI) for Employees Stock Options Plan. The plan covered all employees of the Company including employees of subsidiaries and directors and provided for the issue of 1,718,800 shares of ₹ 5 each.

Further, the shareholders of the Company by way of special resolution dated August 26, 2018 approved Employee Restricted Stock Unit Plan (RSU 2018) in accordance with the guidelines issued by the SEBI for employees Stock Options Plan. The plan covered all the senior management employees of the Company and provided for the issue of 2,133,040 shares of ₹ 5 each.

Further, the shareholders of the Company by way of special resolution dated April 03, 2022 approved Stock Option Plan (ESOP 2022) in accordance with the guidelines issued by the SEBI for employees Stock Options Plan. The plan covered all the senior management employees of the Company and provided for the issue of 3,000,000 shares of ₹ 5 each.

The fair value of the stock options is estimated at the grant date using a Black-Scholes-Merton ('BSM') option pricing model. The BSM option pricing model incorporates various assumptions including expected volatility, expected life and interest rates. The Company recognises share based compensation cost as expense over the requisite service period.

The contractual term of each option granted is ranging from two to three years. There are no cash settlement alternatives. The Company does not have a past practice of cash settlement for these share options

Employee stock option expense is as set out below:

Particulars	As at March 31, 2023	As at March 31, 2022
Expense arising from equity-settled share based payment transactions	2,298.00	135.82
	2,298.00	**135.82**

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(All amounts in Indian Rupees in Lakhs, except stated otherwise)

Movement during the year for ESOP 2010 Plan

The activity in the ESOP 2010 Plan for equity-settled share based payment transactions is set out below:

Particulars	March 31, 2023		March 31, 2022	
	Shares arising out of options	Weighted average exercise price (₹)	Shares arising out of options	Weighted average exercise price (₹)
Opening balance	4,85,000	78.30	5,41,667	78.30
Granted during the year	-	-	-	-
Exercised during the year	(4,65,000)	-	(21,667)	-
Lapsed during the year	-	-	(35,000)	-
Closing balance	**20,000**	**-**	**4,85,000**	**78.30**
Exercisable as at year end	20,000		4,85,000	

The weighted average share price at the date of exercise of the options during the period is ₹ 376.27 (March 31, 2022: ₹ 231.99).

The weighted average remaining contractual life for the share options outstanding is 3.17 years (March 31, 2022: 4.88 years).

The range of exercise prices for options outstanding at the end of the year was ₹ 60.95 to ₹ 85.96 (March 31, 2022: ₹ 60.95 to ₹ 85.96).

Movement during the year for RSU 2018 Plan:

The activity in the RSU 2018 Plan for equity-settled share based payment transactions is set out below:

Particulars	March 31, 2023		March 31, 2022	
	Shares arising out of options	Weighted average exercise price (₹)	Shares arising out of options	Weighted average exercise price (₹)
Opening balance	12,69,500	5.00	18,05,000	5.00
Granted during the year	-	-	1,00,000	5.00
Exercised during the year	(11,36,000)	5.00	(6,35,500)	5.00
Lapsed during the year	-	-	-	-
Closing balance	**1,33,500**	**5.00**	**12,69,500**	**5.00**
Exercisable as at year end	83,500		11,69,500	

The weighted average share price at the date of exercise of the options during the period is ₹ 380.01 (March 31, 2022: ₹ 193.52).

The weighted average remaining contractual life for the share options outstanding is 4.88 years (March 31, 2022: 4.40 years).

The weighted average fair value of options granted during the year was ₹ Nil (March 31, 2022: ₹ 194.00).

The range of exercise prices for options outstanding at the end of the year was ₹ 5 (March 31, 2022: ₹ 5).

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Movement during the year for ESOP 2022 Plan:

The activity in the ESOP 2022 Plan for equity-settled share based payment transactions is set out below:

Particulars	March 31, 2023		March 31, 2022	
	Shares arising out of options	Weighted average exercise price (₹)	Shares arising out of options	Weighted average exercise price (₹)
Opening balance	-	-	-	-
Granted during the year	30,00,000	302.20	-	-
Exercised during the year	-	-	-	-
Lapsed during the year	(1,09,500)	-	-	-
Closing balance	28,90,500	302.20	-	-
Exercisable as at year end	-		-	

The weighted average remaining contractual life for the share options outstanding is 7 years (March 31, 2022: Not Applicable)

The weighted average fair value of options granted during the year was ₹ 236.25 (March 31, 2022: Not Applicable)

The range of exercise prices for options outstanding at the end of the year was ₹ 302.20 (March 31, 2022: Not Applicable).

The following table list the inputs to the models used for the RSU 2018 plan:

Particulars	As at March 31, 2023	As at March 31, 2022
Dividend yield (%)	-	-
Expected volatility (%)	-	59.00%
Risk-free interest rate (%)	-	5.50% to 7.70%
Expected life of share options (years)	-	6 to 7
Weighted average exercise price (₹)	-	5.00
Model used	-	Black-Scholes Merton (BSM) options pricing model

* No options were granted under RSU 2018 during the year ended March 31, 2023.

The following table list the inputs to the models used for the ESOP 2022 plan:

Particulars	As at March 31, 2023	As at March 31, 2022
Dividend yield (%)	-	-
Expected volatility (%)	54.43%	-
Risk-free interest rate (%)	6.77%	-
Expected life of share options (years)	7.00	-
Weighted average exercise price (₹)	302.20	-
Model used	Black-Scholes Merton (BSM) options pricing model	-

* No options were granted under ESOP 2022 during the year ended March 31, 2022.

Notes to the Standalone Financial Statements

For the year ended March 31, 2023

(All amounts in Indian Rupees in Lakhs, except stated otherwise)

The expected life of the share options is based on historical data and current expectations and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may not necessarily be the actual outcome.

42. DISCLOSURES ON FINANCIAL INSTRUMENTS

This section gives an overview of the significance of financial instruments for the Company and provides additional information on balance sheet items that contain financial instruments.

The details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised in respect of each class of financial asset and financial liability are disclosed in Note 2.2 (b) and Note 2.2 (o) to the Standalone Financial Statements.

(a) Financial assets and liabilities

The following tables presents the carrying value and fair value of each category of financial assets and liabilities:

As at March 31, 2023

Particulars	Amortised cost	Fair value through OCI	Total
Financial assets			
Investments (other than investments in subsidiaries)	34,399.33	-	34,399.33
Loans	12,113.68	-	12,113.68
Trade receivables	13,582.42	-	13,582.42
Cash and cash equivalents	1,345.29	-	1,345.29
Other bank balances (other than cash and cash equivalents)	743.44	-	743.44
Other financials assets	2,815.51	-	2,815.51
Foreign exchange forward contracts	-	-	-
Total assets	**64,999.67**	**-**	**64,999.67**
Financial liabilities			
Lease liabilities	11,584.98	-	11,584.98
Borrowings	2,499.65	-	2,499.65
Trade payables	8,379.21	-	8,379.21
Other financial liabilities	14,156.12	-	14,156.12
Foreign exchange forward contracts	-	1,420.92	1,420.92
Total liabilities	**36,619.96**	**1,420.92**	**38,040.88**

As at March 31, 2022

Particulars	Amortised cost	Fair value through OCI	Total
Financial assets			
Investments (other than investments in subsidiaries)	15,445.64	-	15,445.64
Loans	2,950.00	-	2,950.00
Trade receivables	9,217.11	-	9,217.11
Cash and cash equivalents	1,257.32	-	1,257.32

Notes to the Standalone Financial Statements

For the year ended March 31, 2023

(All amounts in Indian Rupees in Lakhs, except stated otherwise)

Particulars	Amortised cost	Fair value through OCI	Total
Other bank balances (other than cash and cash equivalents)	-	-	-
Other financials assets	4,299.17	-	4,299.17
Foreign exchange forward contracts	-	1,377.03	1,377.03
Total assets	**33,169.24**	**1,377.03**	**34,546.27**
Financial liabilities			
Lease liabilities	12,808.24	-	12,808.24
Borrowings	6,068.88	-	6,068.88
Trade payables	11,753.43	-	11,753.43
Other financial liabilities	15,087.21	-	15,087.21
Total liabilities	**45,717.76**	**-**	**45,717.76**

(b) Fair value hierarchy

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Level 1 to Level 3, as described below:

Quoted prices in an active market (Level 1): This level of hierarchy includes financial assets that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities. This category consists of investment in quoted equity shares, and mutual fund investments.

Valuation techniques with observable inputs (Level 2): This level of hierarchy includes financial assets and liabilities, measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

Valuation techniques with significant unobservable inputs (Level 3): This level of hierarchy includes financial assets and liabilities measured using inputs that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

Particulars	Fair value measurements at reporting date using			
	Level 1	Level 2	Level 3	Total
March 31, 2023				
Financial liabilities				
Foreign exchange forward contracts	-	1,420.92	-	1,420.92
March 31, 2022				
Financial assets				
Foreign exchange forward contracts	-	1,377.03	-	1,377.03

(i) Short-term financial assets and liabilities are stated at carrying value which is approximately equal to their fair value.

Fair value of loans (security deposits) having a carrying amount of ₹ 2,657.01 Lakhs as at March 31, 2023 (March 31, 2022: ₹ 2,593.91 Lakhs) was ₹ 2,657.01 Lakhs (March 31, 2022: ₹ 2,593.91)

(ii) Foreign exchange forward contracts are fair valued using market observable rates and published prices together with forecasted cash flow information where applicable.

(iii) Management uses its best judgement in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimation technique. Therefore, for substantially all financial instruments, the fair value estimates presented above are not necessarily indicative of the amounts that the Company could have

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For the year ended March 31, 2023

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realised or paid in sale transactions as of respective dates. As such, fair value of financial instruments subsequent to the reporting dates may be different from the amounts reported at each reporting date.

(iv) There have been no transfers between Level 1, Level 2 and Level 3 during the year ended March 31, 2023 and March 31, 2022.

(c) Financial risk management objectives and policies

In the course of its business, the Company is exposed primarily to fluctuations in foreign currency exchange rates, interest rates, equity prices, liquidity and credit risk, which may adversely impact the fair value of its financial instruments. The Company has a risk management policy which not only covers the foreign exchange risks but also other risks associated with the financial assets and liabilities such as interest rate risks and credit risks. The risk management policy is approved by the Board of Directors. The risk management framework aims to:

(i) create a stable business planning environment by reducing the impact of currency and interest rate fluctuations on the Company's business plan.

(ii) achieve greater predictability to earnings by determining the financial value of the expected earnings in advance.

Market risk

Market risk is the risk of any loss in future earnings, in realisable fair values or in future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in interest rates, foreign currency exchange rates, equity price fluctuations, liquidity and other market changes. Future specific market movements cannot be normally predicted with reasonable accuracy.

(i) Market risk - Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates. The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings.

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

Particulars	Increase/ (decrease) in basis points	Effect on profit before tax
March 31, 2023	50	12.54
March 31, 2022	50	31.53

(ii) Market risk- Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating and financing activities. The Company's exposure to foreign currency changes from investing activities is not material.

The Company manages its foreign currency risk by hedging transactions that are expected to occur within a maximum 12-month period for hedges of forecasted sales.

As at March 31, 2023 and March 31, 2022, the Company hedged ₹ 143,037.06 Lakhs (USD 1,731.16 Lakhs) and ₹ 144,555.43 Lakhs (USD 1,850.43 Lakhs) respectively of it expected foreign currency sales. Those hedged sales were highly probable at the reporting date. This foreign currency risk is hedged by using foreign currency forward contracts.

The following table represents foreign currency risk from non derivative financial instruments as at March 31, 2023 and March 31, 2022:

Particulars	Currency	As at March 31, 2023	As at March 31, 2022
Assets			
Trade receivables	USD	154.88	43.53
Trade receivables	EUR	2.08	-
Advance to suppliers	USD	24.12	25.25
Advance to suppliers	HKD	0.37	-
Capital advances	USD	2.98	0.06
Capital advances	EUR	0.54	-

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For the year ended March 31, 2023

(All amounts in Indian Rupees in Lakhs, except stated otherwise)

Particulars	Currency	As at March 31, 2023	As at March 31, 2022
Liabilities			
Trade payables	USD	3.91	7.34
Liability for capital assets	USD	-	2.71
Liability for capital assets	EUR	0.84	0.97
Advances received from customers	USD	4.02	1.10
Advances received from customers	EUR	-	0.46

Note: All figures are in Lakhs.

Foreign currency sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in USD exchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities. The Company's exposure to foreign currency changes for all other currencies is not material.

Particulars	Change in USD rate	Effect on profit before tax
March 31, 2023		
₹ in Lakhs	5%	715.17
March 31, 2022		
₹ in Lakhs	5%	218.41

The sensitivity analysis has been based on the composition of the Company's financial assets and liabilities at March 31, 2023 and March 31, 2022. The period end balances are not necessarily representative of the average debt outstanding during the period.

Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Financial instruments that are subject to credit risk and concentration thereof principally consist of trade receivables, loans receivables, investments and cash and cash equivalents.

The carrying value of financial assets represents the maximum credit risk. The maximum exposure to credit risk was ₹ 64,999.67 Lakhs, ₹ 34,546.27 Lakhs, as at March 31, 2023 and March 31, 2022 respectively, being the total carrying value of trade receivables, balances with bank, bank deposits, investments other than investments in subsidiaries and other financial assets.

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. An impairment analysis is performed at each reporting date on an individual basis for major customers. The Company does not hold collateral as security.

With respect to Trade receivables, the Company has constituted the terms to review the receivables on periodic basis and to take necessary mitigations, wherever required. The Company creates allowance for all unsecured receivables based on lifetime expected credit loss based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and rates used in the provision matrix.

Credit risk from balances with bank and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

Liquidity risk

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company has obtained fund and non-fund based working capital lines from various banks. The Company invests its surplus funds in bank fixed deposit and government securities, which carry no or low market risk.

The Company monitors its risk of a shortage of funds on a regular basis. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank borrowings etc. The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low.

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The following table shows a maturity analysis of the anticipated cash flows excluding interest obligations for the Company's financial liabilities on an undiscounted basis, which therefore differ from both carrying value and fair value:

Particulars	0-1 year	> 1 year	Total
March 31, 2023			
Lease liabilities	3,112.31	8,472.67	11,584.98
Borrowings	2,499.65	7.42	2,507.07
Trade payables	8,379.21	-	8,379.21
Other financial liabilities	15,577.04	-	15,577.04
	29,568.21	**8,480.09**	**38,048.30**
March 31, 2022			
Lease liabilities	2,638.16	10,170.08	12,808.24
Borrowings	6,068.88	238.06	6,306.94
Trade payables	11,532.59	220.84	11,753.43
Other financial liabilities	15,087.21	-	15,087.21
	35,326.84	**10,628.98**	**45,955.82**

Equity Price Risk

Equity Price Risk is related to the change in fair value of the investments in equity securities. Company's investments in equity securities, including investments held for sale, are subject to changes in fair value of investments. The carrying value of investments represents the maximum equity risk. The maximum exposure to equity price risk was ₹ Nil and ₹ Nil as on March 31, 2023 and March 31, 2022 respectively, being the carrying value (net of provisions) of investments in unquoted equity shares. The risk is arising primarily on account of the Company's investment in a foreign associate.

43. CAPITAL MANAGEMENT

The Company's capital management is intended to create value for shareholders by facilitating the meeting of long term and short term goals of the Company.

The Company determines the amount of capital required on the basis of annual business plan coupled with long term and short term strategic investment and expansion plans. The funding needs are met through equity, cash generated from operations and sale of certain assets, long term and short term bank borrowings and issue of securities.

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Company.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is total debt divided by total capital plus total debt. The Company's policy is to keep the gearing ratio at an optimum level to ensure that the debt related covenant are complied with.

Particulars	As at March 31, 2023	As at March 31, 2022
Borrowings including current maturities	2,507.07	6,306.94
Total debts	**2,507.07**	**6,306.94**
Capital components		
Equity share capital	3,028.90	2,948.85
Other equity	86,270.07	68,014.11
Total capital	**89,298.97**	**70,962.96**

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Particulars	As at March 31, 2023	As at March 31, 2022
Capital and borrowings	**91,806.04**	**77,269.90**
Gearing ratio (%)	**2.73%**	**8.16%**

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no material breaches in the financial covenants of any interest-bearing loans and borrowing for all the periods presented.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2023 and March 31, 2022.

44.

The Company is in process of taking necessary steps to comply with the Transfer Pricing requirements relating to the preparation & maintenance of the Transfer Pricing documentation with respect to the specified domestic transactions entered into by the Company during financial year ended March 31, 2023. The Management is of the opinion that the specified domestic transactions are at arm's length and hence the aforesaid legislation will not have any impact on the Standalone Financial Statements, particularly on the amount of tax expense and that of provision for taxation.

45.

The Company assessed the fair value less cost of sale of the investment in an associate held for sale. Change in the regulatory environment and the market conditions effecting the associate has adversely affected the fair value of the Company's investment. The Company has written down the carrying value of the asset by recognizing an impairment loss of ₹ 626.56 Lakhs as an exceptional charge during the year ended March 31, 2019. The Company continues to make efforts to mitigate the loss by selling such investment in the near future, which could result in a partial or full reversal of the impairment loss. Further to related developments during the year on this matter, including claims filed by the Company for the recovery, the Company has reassessed that it is appropriate to reclassify the Investment from 'Associate' to 'Others'.

46.

The Company had filed petition with the Company Law Board for compounding of offence u/s. 297 of the erstwhile Companies Act, 1956 for the transactions entered with CMS Info Systems Private Limited between July 2009 to October 2011 and as at date, the petition is pending with the Company Law Board.

For periods subsequent to October 2011, the Company had filed an application with Central Government, Ministry of Corporate Affairs, seeking its approval u/s. 297(1) of the erstwhile Companies Act, 1956 for entering into contract with CMS Info Systems Private Limited which is pending approval.

47.

The Board of Directors of the Company at their meeting held on May 25, 2023 have recommended a final dividend of ₹1/- (one rupee only) per equity share (i.e. 20% of face value of ₹ 5 per equity share) for the financial year ended March 31, 2023. The dividend recommended by the Board of Directors is subject to approval of the shareholders at the ensuing Annual General Meeting of the Company and if approved, would result in a cash outflow of approximately ₹ 605.78 Lakhs. The final dividend on shares is recorded as a liability on the date of approval by the shareholders.

48.

During the year, pursuant to the approval of the Board of Directors, the Company has concluded the sale of one of its building on leasehold land and other assets. The transaction has resulted in a gain of ₹ 605.03 Lakhs, which has been recognised as an exceptional item.

49.

The Company is in the process of augmenting its production capacity at cost-efficient locations. The Company intends to carry out the expansion projects under new wholly-owned subsidiary companies to regulate the business in an efficient manner and to be in a better position to service international customers.

In view of the above, during the board meeting held on February 10, 2023, the Company has obtained approval of the board to incorporate a new wholly-owned subsidiary Company. Consequently, "Gokaldas Exports Corporation" was incorporated on April 14, 2023.

Further, the board of directors have approved on March 31, 2023 to incorporate a new wholly-owned subsidiary Company in Dubai, UAE. Consequently, "Nava Apparels L.L.C-FZ" was incorporated on May 01, 2023.

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50.

The World Health Organization announced a global health emergency because of a new strain of coronavirus ("COVID-19") and classified its outbreak as a pandemic on March 11, 2020. On March 24, 2020, the Indian government announced a strict 21-day lockdown across the country to contain the spread of the virus, which has been/was further extended till May 03, 2020. This pandemic and government response are creating disruption in global supply chain and adversely impacting most of the industries which has resulted in global slowdown.

The management has made an assessment of the impact of COVID-19 on the Company's operations, financial performance and position as at and for the year ended March 31, 2022 and has concluded that the impact is primarily on the operational aspects of the business. Management has been able to address and counter the potential impact on the financial statements as at March 31, 2022 such as enhancing borrowing limits, strengthening liquidity, optimisation of resource utilisation, etc.

In assessing the recoverability of receivables including receivables, investments, and other assets, the Company has considered internal and external information up to the date of approval of these financial results including status of existing and future customer orders, cash flow forecasts, commitments with suppliers, etc. The Company has performed sensitivity analysis on the assumptions used and based on current indicators of future economic conditions, the Company expects to recover the carrying amount of these assets, the Company has also considered the impact of subsequent events in its assessment and concluded that there is no significant impact which is required to be recognised in the financial results. Accordingly, no further adjustments have been made to the financial results.

Considering the dynamic nature of the issue, the impact of the global health pandemic may be different from that estimated as at the date of approval of these financial results and the Company will continue to closely monitor any material changes to future economic conditions.

51. THE BOARD OF DIRECTORS, IN THEIR MEETING HELD ON AUGUST 24, 2021, HAD APPROVED:

(a) To increase the authorised share capital of the Company, from existing ₹ 275,000,000 (Rupees Twenty Seven Crores Fifty Lakhs Only) divided into 55,000,000 (Five Crores Fifty Lakhs Only) equity shares of ₹ 5/- each ("Equity Shares") to ₹ 325,000,000/- (Rupees Thirty Two Crores Fifty Lakhs Only) divided into 65,000,000 (Six Crores Fifty Lakhs Only) Equity Shares of ₹ 5/- each ranking pari-passu in all respect with the existing Equity Shares of the Company as per the Memorandum and Articles of Association of the Company, and consequent to alteration of capital clause V of the Memorandum of Association of the Company.

(b) Raising of funds for an amount aggregating up to ₹ 300 Crores, by way of issuance of any instrument or security including equity shares, fully or partly convertible debentures, non-convertible debenture warrants, any other equity based instruments or securities or any combination thereof in one or more tranches, including by way of a public issue, preferential allotment or a private placement (including one or more Qualified Institutions Placement ("QIP")) in accordance with the applicable provisions of the Companies Act, 2013, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, (each as amended) and any other applicable law, or through any other permissible mode and/or any combination thereof, in such manner, and on such terms and conditions as may be deemed appropriate by the Board in its absolute discretion, subject to the receipt of necessary approvals, including the approval of the members of the Company and such other regulatory and statutory approvals as maybe required.

In order to give effect to the above, the Board has also constituted and authorized the Fund Raise Committee of the Board to, inter-alia, decide the terms and conditions of the proposed fund raise.

In relation to the above, pursuant to the resolution passed by the Board of Directors of the Company on August 24, 2021 and the resolution passed by the shareholders of the Company on September 17, 2021, the Fund Raise Committee have, on October 07, 2021, issued and allotted 15,424,164 equity shares of ₹ 5 each, at an issue price of ₹ 194.50 per equity share (including ₹ 189.50 per equity share towards securities premium) aggregating to ₹ 300 Crores (rounded off) to Qualified Institutional Buyers under chapter VI of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended and under provisions of all other applicable laws.

52. ADDITIONAL REGULATORY INFORMATION REQUIRED BY SCHEDULE III

a. No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

b. The Company has borrowings from banks on the basis of security of current assets. The quarterly returns or statements of current assets filed by the group with banks are in agreement with the books of accounts.

Notes to the Standalone Financial Statements

For the year ended March 31, 2023

(All amounts in Indian Rupees in Lakhs, except stated otherwise)

c. The Company has not been declared as wilful defaulter by any bank or financial institution or government or any government authority.

d. The Company has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

e. The Company has complied with the number of layers prescribed under the Companies Act, 2013.

f. The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

g. The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

   i. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or

   ii. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

   The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

   i. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

   ii. provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

h. There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

i. The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

j. The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

53. UNDISCLOSED INCOME

The Company does not have any undisclosed income which is not recorded in the books of account that has been surrendered or disclosed as income during the year March 31, 2023 and March 31, 2022 in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

54.

The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

55.

The Indian Parliament had approved the Code on Social Security, 2020. The Ministry of Labour and Employment has notified the draft rules under the Code on Social Security, 2020 on November 13, 2020 inviting objections and suggestions, if any, from the stakeholders. The draft rules provide for operationalization of provisions in the Code on Social Security, 2020 relating to Employees' Provident Fund, Employees' State Insurance Corporation, Gratuity, Maternity Benefit, Social Security and Cess in respect of Building and Other Construction Workers, Social Security for Unorganised Workers, Gig Workers and Platform Workers.

The Group will assess the impact and will give appropriate accounting treatment in its financial statements in the period in which the Code on Social Security, 2020 (including the related rules framed thereunder) becomes effective.

56.

For the period/days of the respective covid lockdowns imposed by the government during FY 2020-21, the Company had evaluated the various directions, circulars and orders issued by relevant government authorities regarding payment of wages to employees, accordingly had paid certain ex-gratia amount to eligible employees. Management evaluated further directions, orders issued by relevant government authorities and understand that the matter should be settled based on mutual discussion between relevant stakeholders. Pending conclusion of such matter, management believes that the Company continues to be in compliance with the directives and will reassess this periodically.

57.

The statement of audited Standalone Financial Statements for the year ended March 31, 2023 have been reviewed by the Audit Committee in their meeting on May 25, 2023 and approved by the Board of Directors in their meeting held on May 25, 2023.

Notes to the Standalone Financial Statements

For the year ended March 31, 2023

(All amounts in Indian Rupees in Lakhs, except stated otherwise)

58.

Certain amounts (currency value or percentages) shown in the various tables and paragraphs included in the Standalone Financial Statements have been rounded off or truncated as deemed appropriate by the management of the Company.

59.

Previous period/year's figures have been regrouped/reclassified, wherever necessary to confirm to the current period/year's classification.

As per our report of even date
For **M S K A & Associates**
Chartered Accountants
ICAI Firm registration No.: 105047W

For and on behalf of the Board of Directors of
Gokaldas Exports Limited
CIN: L18101KA2004PLC033475

Pankaj S Bhauwala
Partner
Membership No.: 233552

Mathew Cyriac
Chairman
DIN: 01903606
Place: Mumbai

Sivaramakrishnan Ganapathi
Vice Chairman and Managing Director
DIN: 07954560
Place: Bengaluru

Sathyamurthy A
Chief Financial Officer

Gourish Hegde
Company Secretary
Membership No: A44775

Place: Bengaluru
Date: May 25, 2023

Place: Bengaluru
Date: May 25, 2023

Place: Bengaluru
Date: May 25, 2023

Independent Auditor's Report

To the Members of Gokaldas Exports Limited

Report on the Audit of the Consolidated Financial Statements

OPINION

We have audited the accompanying Consolidated Financial Statements of **Gokaldas Exports Limited** (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group") which comprise the Consolidated Balance Sheet as at March 31, 2023, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the Consolidated Financial Statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on consideration of reports of other auditors on separate financial statements and on the other financial information of subsidiaries, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015 ("Ind AS")and other accounting principles generally accepted in India, of their consolidated state of affairs of the Group as at March 31, 2023, of consolidated profit and other comprehensive income, consolidated changes in equity and its consolidated cash flows for the year then ended.

BASIS FOR OPINION

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group, in accordance with the ethical requirements that are relevant to our audit of the Consolidated Financial Statements in terms of the Code of Ethics issued by Institute of Chartered Accountant of India ("ICAI"), and the relevant provisions of the Act and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained and on consideration of audit reports of other auditors referred to in paragraph (a) of the "Other Matters" section below, is sufficient and appropriate to provide a basis for our opinion.

KEY AUDIT MATTER

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements for the year ended March 31, 2023 (current period). These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	How the Key Audit Matter was addressed in our audit
Refer Note 2.3 of Consolidated Financial Statements with respect to the accounting policies followed by the Company for recognizing revenue. The Company derives its revenue primarily from delivery of export garments and its related products to its customer/agent nominated by customer, in accordance with commercial terms agreed. The revenue is recognised at a point in time when control of the goods has transferred to the customer. Determination of point in time includes assessment of timing of transfer of significant risk and rewards of ownership, establishing the present right to receive payment for the products, delivery specifications including incoterms, timing of transfer of legal title of the asset and determination of the point of acceptance of goods by customer.	**Our audit procedures included the following:** 1. Assessed the appropriateness and consistency of the Company's revenue recognition accounting policies as per Ind AS 115 "Revenue from Contracts with Customers" ("Ind AS 115"). 2. Obtained an understanding and assessed the design, implementation, and operating effectiveness of controls over recognition and measurement of revenue in accordance with customer contracts, including timing of revenue recognition. 3. Performed substantive testing by selecting samples of revenue transactions recorded during the year and verifying with the underlying documents like sales invoices/contracts and related logistics documents. 4. Performed three-way match for the sales using documents which include purchase orders from customers, invoice and proof of deliveries (bill of lading for export sales and lorry receipts etc for domestic sales).

Key Audit Matter	How the Key Audit Matter was addressed in our audit
Revenue is identified as an area of significant risk and at the year-end management has to exercise significant judgement for recognition of revenue as per Ind AS 115. Accordingly, Revenue Recognition is identified as a Key Audit Matter.	5. Performed the cut-off testing of the revenue recorded in the appropriate period and traced the sales with Shipping bill, Bill of lading and other logistic documents to confirm the appropriateness of recognition of revenue for that period in the books of accounts. 6. Assessed manual journals posted to revenue to identify unusual items & tested the underlying documents of the same on a sample basis. 7. Obtained management representation that revenue has been recorded as per the requirements of Ind AS 115. 8. Evaluated the appropriateness of the disclosures made in the Consolidated Financial Statements in relation to revenue recognised as per relevant accounting standards.

INFORMATION OTHER THAN THE CONSOLIDATED FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the Management report, Chairman's statement, Director's report etc, but does not include the Consolidated Financial Statements and our auditor's report thereon, which we obtained prior to the date of this auditor's report. The Management report, Chairman's statement, Director's report etc report is expected to be made available to us after that date.

Our opinion on the Consolidated Financial Statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the Management report, Chairman's statement, Director's report etc, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance under SA 720 'The Auditor's responsibilities Relating to Other Information'.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Holding Company's Board of Directors is responsible for the preparation and presentation of these Consolidated Financial Statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective 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 the assets of the Group and for preventing and detecting frauds and other irregularities; the 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 Financial Statements 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 Financial Statements by the Directors of the Holding Company, as aforesaid.

In preparing the Consolidated Financial Statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group 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 Group 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 are responsible for overseeing the financial reporting process of the Group.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Statements 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 Standards on Auditing ("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 Consolidated Financial Statements.

We give in **"Annexure A"** a detailed description of Auditor's responsibilities for Audit of the Consolidated Financial Statements.

OTHER MATTERS

a. We did not audit the financial statements of six subsidiaries, whose financial statements reflect total assets of ₹ 16,433.86 Lakhs as at March 31, 2023, total revenues of ₹ 323.36 Lakhs and net cash flows amounting to ₹ 116 Lakhs for the year ended on that date, as considered in the Consolidated Financial Statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.

   One of the aforementioned subsidiaries is located outside India whose financial statements have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India.

   We have audited these conversion adjustments made by the Holding Company's Management. Our opinion in so far as it relates to the balances and affairs of such subsidiary located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by another auditor.

   Our opinion on the Consolidated Financial Statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the Management.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by Section 143(3) of the Act, we report, to the extent applicable, that:

   a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements.

   b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

   c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements.

   d. In our opinion, the aforesaid Consolidated Financial Statements comply with the Accounting Standards specified under Section 133 of the Act.

   e. On the basis of the written representations received from the directors of the Holding Company as on March 31, 2023 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India are disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164(2) of the Act.

   f. With respect to the adequacy of internal financial controls with reference to Consolidated Financial Statements of the Group, and the operating effectiveness of such controls, refer to our separate report in **"Annexure B"**.

   g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

      i. The Consolidated Financial Statements disclose the impact of pending litigations on the consolidated financial position of the Group, Refer Note 34 to the Consolidated Financial Statements.

      ii. The Group has long-term contracts including derivatives as on March 31, 2023 for which there were no material foreseeable losses.

      iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its subsidiary companies incorporated in India.

      iv. (1) The respective Managements of the Holding Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of their knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiaries, to or in any other persons or entities, including foreign entities with the understanding, whether recorded in writing or otherwise, as on the date of this audit report, that such parties shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(2) The respective Managements of the Holding Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of their knowledge and belief, no funds have been received by the Holding Company or any of such subsidiaries from any person(s) or entity(ies), including foreign entities with the understanding, whether recorded in writing or otherwise, as on the date of this audit report, that the Holding Company or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(3) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, and according to the information and explanations provided to us by the Management of the Holding Company in this regard nothing has come to our or other auditors' notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) as provided under (1) and (2) above, contain any material mis-statement.

v. On the basis of our verification and on consideration of the reports of the statutory auditors of subsidiaries that are Indian companies under the Act, we report that the Board of Directors of the Holding Company, its subsidiaries have proposed final dividend for the year which is subject to the approval of their respective members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend. (Refer Note 45 to the Consolidated Financial Statements).

2. In our opinion, according to information, explanations given to us, the remuneration paid by the Holding Company, to its directors is within the limits laid prescribed under Section 197 of the Act and the rules thereunder except in case of five subsidiaries which are companies incorporated in India, as the provisions of the aforesaid section is not applicable to private companies.

3. According to the information and explanations given to us and based on the CARO reports issued by us for the Holding Company and on consideration of CARO reports issued by the statutory auditors of subsidiaries associates included in the Consolidated Financial Statements of the Group to which reporting under CARO is applicable, we report that there are no Qualifications/adverse remarks.

For **M S K A & Associates**
Chartered Accountants
ICAI Firm Registration No.: 105047W

Pankaj S Bhauwala
Partner
Membership No. 233552
UDIN: 23233552BGZBRV5322

Place: Bengaluru
Date: May 25, 2023

Annexure A

To the independent auditor's report on even date on the Consolidated Financial Statements of **Gokaldas Exports Limited**

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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 Financial Statements, 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 on whether the Company has adequate internal financial controls with reference to Consolidated 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 made by management.

- Conclude on the appropriateness of management's 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 ability of the Group to continue as a going concern. 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 Financial Statements 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 Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the Consolidated Financial Statements of which we are the independent auditors. For the other entities included in the Consolidated Financial Statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the Consolidated Financial Statements 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Financial Statements for the year ended March 31, 2023 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

For **M S K A & Associates**
Chartered Accountants
ICAI Firm Registration No.: 105047W

Pankaj S Bhauwala
Partner
Membership No. 233552
UDIN: 23233552BGZBRV5322

Place: Bengaluru
Date: May 25, 2023

Annexure B

To the independent auditor's report of even date on the Consolidated Financial Statements of **Gokaldas Exports Limited**

[Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the Members of Gokaldas Exports Limited on the consolidated Financial Statements for the year ended March 31, 2023]

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

OPINION

In conjunction with our audit of the Consolidated Financial Statements of the Company as of and for the year ended March 31, 2023, we have audited the internal financial controls reference to Consolidated Financial Statements of Gokaldas Exports Limited (hereinafter referred to as "the Holding Company") and its subsidiary companies (the Holding Company and its subsidiaries together referred to as "the Group") which are companies incorporated in India, as of that date.

In our opinion, and to the best of our information and according to the explanations given to us, the Holding Company, its subsidiary companies which are companies incorporated in India, have, in all material respects, an adequate internal financial controls with reference to Consolidated Financial Statements and such internal financial controls with reference to Consolidated Financial Statements were operating effectively as at March 31, 2023, based on the internal with reference to Consolidated Financial Statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("the ICAI").

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The respective Board of Directors of the Holding Company, its subsidiary companies which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control with reference to Consolidated Financial Statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the internal financial controls with reference to Consolidated Financial Statements of the Holding Company, its subsidiary companies which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Consolidated Financial Statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to Consolidated Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Consolidated Financial Statements included obtaining an understanding of internal financial controls with reference to Consolidated Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to Consolidated Financial Statements of the Holding Company, its subsidiary companies, its associate companies and jointly controlled companies, which are companies incorporated in India.

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED FINANCIAL STATEMENTS

A Company's internal financial control with reference to Consolidated Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Consolidated Financial Statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to Consolidated Financial Statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Consolidated Financial

Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the Consolidated Financial Statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED FINANCIAL STATEMENTS

Because of the inherent limitations of internal financial controls with reference to Consolidated Financial Statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to Consolidated Financial Statements to future periods are subject to the risk that the internal financial control with reference to Consolidated Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

OTHER MATTER

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to Consolidated Financial Statements in so far as it relates to Five subsidiaries companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

For **M S K A & Associates**
Chartered Accountants
ICAI Firm Registration No.: 105047W

Pankaj S Bhauwala
Partner
Membership No. 233552
UDIN: 23233552BGZBRV5322

Place: Bengaluru
Date: May 25, 2023

Consolidated Balance Sheet

For the year ended March 31, 2023

(All amounts in Indian Rupees in Lakhs, except stated otherwise)

	Notes	As at March 31, 2023	As at March 31, 2022
ASSETS			
Non- current assets			
Property, plant and equipment	3(a)	16,611.71	15,530.43
Right-of-use assets	3(b)	11,252.12	12,985.61
Capital work-in-progress	3(a)	10,786.62	1,104.36
Other intangible assets	4	111.95	273.88
Financial assets			
Investments	5(a)	0.29	0.29
Other financial assets	6(a)	2,821.95	4,219.40
Deferred tax assets	7(a)	3,064.73	1,178.98
Non-current tax assets (net)	7(b)	408.85	1,176.97
Other non-current assets	8(a)	1,164.55	1,772.55
Total non-current assets		**46,222.77**	**38,242.47**
Current assets			
Inventories	9	29,299.22	43,362.00
Financial assets			
Investments	5(b)	34,399.06	15,445.37
Trade receivables	10	13,582.68	9,219.38
Cash and cash equivalents	11	1,472.21	1,268.24
Other bank balances (other than cash and cash equivalents)	11	926.48	-
Other financial assets	6(b)	114.03	1,507.02
Other current assets	8(b)	8,185.08	12,082.72
Total current assets		**87,978.76**	**82,884.73**
TOTAL ASSETS		**1,34,201.53**	**1,21,127.20**
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	12	3,028.90	2,948.85
Other equity	13	85,596.22	67,868.70
TOTAL EQUITY		**88,625.12**	**70,817.55**
LIABILITIES			
Non-current liabilities			
Financial liabilities			
Borrowings	14(a)	964.31	238.06
Lease liabilities	15(a)	8,676.98	10,315.19
Provision for employee benefits	16(a)	1,346.89	668.33
Total non-current liabilities		**10,988.18**	**11,221.58**
Current liabilities			
Financial liabilities			
Borrowings	14(b)	2,580.76	6,068.88
Trade payables	17		
Total outstanding dues of micro, small and medium enterprises		241.02	94.75
Total outstanding dues of creditors other than micro, small and medium enterprises		8,160.12	11,689.58
Lease liabilities	15(b)	3,219.09	2,682.17
Other current financial liabilities	18	14,769.18	13,524.03
Other current liabilities	19	1,220.25	1,304.92
Provision for employee benefits	16(b)	4,397.81	3,723.74
Total current liabilities		**34,588.23**	**39,088.07**
TOTAL EQUITY AND LIABILITIES		**1,34,201.53**	**1,21,127.20**
Summary of significant accounting policies	2.3		

The accompanying notes are an integral part of these Consolidated Financial Statements.

As per our report of even date
For **M S K A & Associates**
Chartered Accountants
ICAI Firm registration No.: 105047W

Pankaj S Bhauwala
Partner
Membership No.: 233552

Place: Bengaluru
Date: May 25, 2023

For and on behalf of the Board of Directors of
Gokaldas Exports Limited
CIN: L18101KA2004PLC033475

Mathew Cyriac
Chairman
DIN: 01903606
Place: Mumbai

Sivaramakrishnan Ganapathi
Vice Chairman and Managing Director
DIN: 07954560
Place: Bengaluru

Sathyamurthy A
Chief Financial Officer

Place: Bengaluru
Date: May 25, 2023

Gourish Hegde
Company Secretary
Membership No: A44775

Place: Bengaluru
Date: May 25, 2023

Consolidated Statement of Profit and Loss

For the year ended March 31, 2023

(All amounts in Indian Rupees in Lakhs, except stated otherwise)

		Notes	As at March 31, 2023	As at March 31, 2022
I	**Income**			
	Revenue from operations	20	2,22,219.58	1,79,031.57
	Other income	21	2,503.35	1,068.77
	Total income		**2,24,722.93**	**1,80,100.34**
II	**Expenses**			
	Cost of raw materials and components consumed	22	1,05,234.38	1,00,269.72
	Purchases of stock-in-trade	23	119.58	1,478.89
	Changes in inventories of finished goods and work-in-progress	24	12,363.32	(12,929.02)
	Employee benefits expense	25	61,931.65	53,877.58
	Finance costs	26	2,571.81	4,020.74
	Depreciation and amortization expense	27	7,175.03	5,894.82
	Job work charges		1,186.44	2,776.86
	(Gain)/loss on account of foreign exchange fluctuations (net)		(668.42)	(2,109.40)
	Other expenses	28	14,975.21	15,117.02
	Total expenses		**2,04,889.00**	**1,68,397.21**
III	**Profit before exceptional items and tax (I-II)**		**19,833.93**	**11,703.13**
IV	**Exceptional items**	29	605.03	-
V	**Profit/(Loss) after exceptional items and before tax (III+IV)**		**20,438.96**	**11,703.13**
VI	**Tax expenses**	30		
	Current tax		4,830.57	1,170.15
	Adjustment of tax relating to earlier years		(160.11)	(677.07)
	Deferred tax (credit)/charge		(1,528.14)	(498.08)
			3,142.32	**(5.00)**
VII	**Profit/(Loss) after tax for the period (V-VI)**		**17,296.64**	**11,708.13**
VIII	**Other comprehensive income/(loss) (net of tax)**			
	Items that will not be reclassified to profit or loss in subsequent periods:			
	Re-measurement gains on defined benefit plan		207.91	312.46
	Items that will be reclassified to profit or loss in subsequent periods:			
	The effective portion of gain and loss on hedging instruments in a cash flow hedge (net)		(2,430.35)	396.02
	Total other comprehensive income for the year		**(2,222.44)**	**708.48**
IX	**Total comprehensive income for the period attributable to equity holders (VII+VIII)**		**15,074.20**	**12,416.61**
X	**Earnings per equity share (EPS) [nominal value of ₹ 5 (March 31, 2022- ₹ 5)]**			
	Basic earnings per share (refer note 31)		28.60	23.08
	Diluted earnings per share (refer note 31)		27.20	22.14

Summary of significant accounting policies 2.3

The accompanying notes are an integral part of these Consolidated Financial Statements.

As per our report of even date
For **M S K A & Associates**
Chartered Accountants
ICAI Firm registration No.: 105047W

For and on behalf of the Board of Directors of
Gokaldas Exports Limited
CIN: L18101KA2004PLC033475

Pankaj S Bhauwala
Partner
Membership No.: 233552

Mathew Cyriac
Chairman
DIN: 01903606
Place: Mumbai

Sivaramakrishnan Ganapathi
Vice Chairman and Managing Director
DIN: 07954560
Place: Bengaluru

Sathyamurthy A
Chief Financial Officer

Gourish Hegde
Company Secretary
Membership No: A44775

Place: Bengaluru
Date: May 25, 2023

Place: Bengaluru
Date: May 25, 2023

Place: Bengaluru
Date: May 25, 2023

Consolidated Cash Flow Statement

For the year ended March 31, 2023

(All amounts in Indian Rupees in Lakhs, except stated otherwise)

	Notes	As at March 31, 2023	As at March 31, 2022
Cash flow from operating activities			
Profit before exceptional items and tax		**19,833.93**	**11,703.13**
Adjustments to reconcile profit before tax to net cash flows:			
Depreciation and amortisation expenses		7,175.03	5,894.82
Net loss/(gain) on disposal of property, plant and equipment		(19.26)	(60.55)
Unrealised foreign exchange (gain)/loss, (net)		51.97	102.11
Gain on sale of investments in mutual fund units		(1,589.53)	(279.19)
Income from government grants		(173.83)	(687.27)
Share based payment expenses		2,298.00	135.82
Interest income		(338.44)	(645.92)
Finance costs		2,571.81	4,020.74
Irrecoverable balances written off		-	272.72
Provision for doubtful deposits and advances		-	160.52
Provision for doubtful debts		27.70	8.07
Excess provision of earlier years written back		(190.52)	(62.31)
Operating profit/(loss) before working capital changes		**29,646.86**	**20,562.69**
Changes in operating assets and liabilities:			
(Increase)/decrease in other financial assets		(119.80)	(1,058.50)
(Increase)/decrease in other assets		4,340.99	(6,493.65)
(Increase)/decrease in inventories		14,062.78	(17,441.98)
(Increase)/decrease in trade receivables		(4,646.66)	8,767.83
Increase/(decrease) in provisions for employee benefits		1,560.54	1,391.67
Increase/(decrease) in trade payables		(3,383.19)	2,843.13
Increase/(decrease) in other financial liabilities		(700.18)	4,199.36
Increase/(decrease) in other liabilities		(32.46)	292.43
		40,728.88	**13,062.98**
Direct taxes refunded/(paid) (net of refund/payments)		(3,846.58)	(1,343.22)
Net cash flows from/(used in) operating activities (A)		**36,882.30**	**11,719.76**
Cash flow from investing activities			
Purchase of property, plant and equipment (including intangible assets and capital work-in-progress)		(13,542.44)	(7,981.09)
Proceeds from sale of property, plant and equipment		898.49	159.20
Investments in bank deposits		(5,528.27)	(14,989.14)
Proceeds from redemption of bank deposits		6,098.63	28,184.41
Investment in mutual funds		(36,500.00)	(27,000.00)
Proceeds from sale of investment in mutual funds		19,135.84	15,514.71
Interest income		302.63	882.69
Net cash flows from/(used in) investing activities (B)		**(29,135.12)**	**(5,229.22)**
Cash flow from financing activities			
Proceeds from issue of shares/exercise of share options		431.49	29,258.35
Proceeds of borrowings		41,478.81	2,11,418.05
Repayment of borrowings		(44,261.00)	(2,39,131.77)
Payment of lease liabilities		(4,208.62)	(3,335.12)
Finance costs		(983.89)	(2,511.19)
Net cash flows from/(used in) financing activities (C)		**(7,543.21)**	**(4,301.68)**
Net increase/(decrease) in cash and cash equivalents (A+B+C)		203.97	2,188.86
Cash and cash equivalents at the beginning of the year	11	1,268.24	(920.62)
Cash and cash equivalents at the end of the year		**1,472.21**	**1,268.24**
Reconciliation of cash and cash equivalents as per the cash flow statement:			
Components of cash and cash equivalents			
Balances with banks			
In current accounts		1,464.13	1,255.45
Cash on hand		8.08	12.79
Total cash and cash equivalents	11	**1,472.21**	**1,268.24**

Refer note 2.3 for summary of significant accounting policies.

The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS 7) - Statement of Cash Flow.

Consolidated Cash Flow Statement

For the year ended March 31, 2023

(All amounts in Indian Rupees in Lakhs, except stated otherwise)

Explanatory notes to statement of cash flows

1. Changes in liabilities arising from financial activities:

Particulars	As at March 31, 2023	As at March 31, 2022
Liabilities arising from financing activities		
Short term borrowings		
Opening balance	**5,602.28**	**29,548.45**
Cash flow changes:		
Proceeds/(repayment of borrowings) [net]	(4,722.60)	(24,000.40)
Non-cash changes		
Foreign exchange fluctuations	20.32	54.23
Closing balance	**900.00**	**5,602.28**

The accompanying notes are an integral part of these Consolidated Financial Statements.

As per our report of even date
For **M S K A & Associates**
Chartered Accountants
ICAI Firm registration No.: 105047W

Pankaj S Bhauwala
Partner
Membership No.: 233552

Place: Bengaluru
Date: May 25, 2023

For and on behalf of the Board of Directors of
Gokaldas Exports Limited
CIN: L18101KA2004PLC033475

Mathew Cyriac
Chairman
DIN: 01903606
Place: Mumbai

Sivaramakrishnan Ganapathi
Vice Chairman and Managing Director
DIN: 07954560
Place: Bengaluru

Sathyamurthy A
Chief Financial Officer

Place: Bengaluru
Date: May 25, 2023

Gourish Hegde
Company Secretary
Membership No: A44775

Place: Bengaluru
Date: May 25, 2023

Consolidated Statement of Changes in Equity

For the year ended March 31, 2023

(All amounts in Indian Rupees in Lakhs, except stated otherwise)

A. EQUITY SHARE CAPITAL

	No of Shares	Amount
Equity shares of ₹ 5 each issued, subscribed and fully paid		
At April 01, 2021	4,28,95,663	2,144.78
Add: Issued during the year	1,60,81,331	804.07
At March 31, 2022	**5,89,76,994**	**2,948.85**
At April 01, 2022	5,89,76,994	2,948.85
Add: Issued during the year	16,01,000	80.05
At March 31, 2023	**6,05,77,994**	**3,028.90**

B. OTHER EQUITY

For the year ended March 31, 2023

	Reserves and Surplus						Items of OCI	Total
	Securities premium	General reserve	Capital Reserve on amalgamation	Share based payments reserve	Foreign Currency Translation Reserve	Retained earnings	Cash flow hedge reserve	
As at April 01, 2022	**49,429.05**	**2,192.09**	**9,769.12**	**1,272.32**	**-**	**3,829.09**	**1,377.03**	**67,868.70**
Profit for the year	-	-	-	-	3.88	17,296.64	-	17,300.52
The effective portion of gain and loss on hedging instruments in a cash flow hedge (net)	-	-	-	-	-	-	(2,430.35)	(2,430.35)
Remeasurement of post employment benefits obligations, net of tax	-	-	-	-	-	207.91	-	207.91
Total comprehensive income	**49,429.05**	**2,192.09**	**9,769.12**	**1,272.32**	**3.88**	**21,333.64**	**(1,053.32)**	**82,946.78**
Additions	351.44	-	-	-	-	-	-	351.44
Transfer to securities premium on exercise of equity stock options	1,197.56	-	-	(1,197.56)	-	-	-	-
Share based payment expense	-	-	-	2,298.00	-	-	-	2,298.00
At March 31, 2023	**50,978.05**	**2,192.09**	**9,769.12**	**2,372.76**	**3.88**	**21,333.64**	**(1,053.32)**	**85,596.22**

For the year ended March 31, 2022

	Reserves and Surplus						Items of OCI	Total
	Securities premium	General reserve	Capital Reserve on amalgamation	Share based payments reserve	Foreign Currency Translation Reserve	Retained earnings	Cash flow hedge reserve	
As at April 01, 2021	**20,509.74**	**2,192.09**	**9,769.12**	**1,601.53**	**-**	**(8,191.50)**	**981.01**	**26,861.99**
Profit for the year	-	-	-	-	-	11,708.13	-	11,708.13
The effective portion of gain and loss on hedging instruments in a cash flow hedge (net)	-	-	-	-	-	-	396.02	396.02
Remeasurement of post employment benefits obligations, net of tax	-	-	-	-	-	312.46	-	312.46
Total comprehensive income	**20,509.74**	**2,192.09**	**9,769.12**	**1,601.53**	**-**	**3,829.09**	**1,377.03**	**39,278.60**

Consolidated Statement of Changes in Equity

For the year ended March 31, 2023

(All amounts in Indian Rupees in Lakhs, except stated otherwise)

	Reserves and Surplus						Items of OCI	Total
	Securities premium	General reserve	Capital Reserve on amalgamation	Share based payments reserve	Foreign Currency Translation Reserve	Retained earnings	Cash flow hedge reserve	
Additions	28,454.28	-	-	-	-	-	-	28,454.28
Transfer to securities premium on exercise of equity stock options	465.03	-	-	(465.03)	-	-	-	-
Share based payment expense	-	-	-	135.82	-	-	-	135.82
At March 31, 2022	**49,429.05**	**2,192.09**	**9,769.12**	**1,272.32**	**-**	**3,829.09**	**1,377.03**	**67,868.70**

Refer note 2.3 for summary of significant accounting policies.

The accompanying notes are an integral part of these Consolidated Financial Statements.

As per our report of even date
For **M S K A & Associates**
Chartered Accountants
ICAI Firm registration No.: 105047W

Pankaj S Bhauwala
Partner
Membership No.: 233552

Place: Bengaluru
Date: May 25, 2023

For and on behalf of the Board of Directors of
Gokaldas Exports Limited
CIN: L18101KA2004PLC033475

Mathew Cyriac
Chairman
DIN: 01903606
Place: Mumbai

Sivaramakrishnan Ganapathi
Vice Chairman and Managing Director
DIN: 07954560
Place: Bengaluru

Sathyamurthy A
Chief Financial Officer

Place: Bengaluru
Date: May 25, 2023

Gourish Hegde
Company Secretary
Membership No: A44775

Place: Bengaluru
Date: May 25, 2023

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023

(All amounts in Indian Rupees in Lakhs, except stated otherwise)

1. CORPORATE INFORMATION

Gokaldas Exports Limited ('GEL' or 'the Company') (having Corporate Identity Number(CIN): L18101KA2004PLC033475) and its subsidiaries ('the Group') are mainly engaged in the business of design, manufacture, and sale of a wide range of garments for men, women, and children and caters to the needs of several leading international fashion brands and retailers. The principal source of revenue for the Group is from manufacture and sale of garments and related products, both domestic and overseas.

The Company is a public Company domiciled in India and its shares are listed on National Stock Exchange and Bombay Stock Exchange in India. The registered office of the Company is located in Bengaluru.

2. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies applied by the Group in the preparation of its Consolidated Financial Statements are listed below. Such accounting policies have been applied consistently to all the periods presented in these Consolidated Financial Statements, unless otherwise indicated.

2.1 Statement of Compliance

In accordance with the notification issued by the Ministry of Corporate Affairs, the Group has adopted Indian Accounting Standards (referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) amendment Rules 2016, as amended with effect from April 01, 2016. The Consolidated Financial Statements of the Group, have been prepared and presented in accordance with Ind AS.

Effective April 01, 2017, the Group has adopted all the Ind AS standards and the adoption was carried out in accordance with Ind AS 101, First time adoption of Indian Accounting Standards, with April 01, 2016 as the transition date. The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP.

The Consolidated Financial Statements have been prepared on a historical cost basis, except for certain financial assets and liabilities (refer accounting policy regarding financial instruments) which have been measured at fair value.

These Consolidated Financial Statements are presented in Indian Rupees ("₹"), which is the functional currency of GEL and all values are rounded to nearest Lakhs except when otherwise indicated.

2.2 Basis of consolidation

The Consolidated Financial Statements comprise the financial statements of the Company and its subsidiaries as at March 31, 2023. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights
- The size of the Group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed off during the year are included in the Consolidated Financial Statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the Consolidated Financial Statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the Consolidated Financial Statements to ensure conformity with the group's accounting policies.

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023

(All amounts in Indian Rupees in Lakhs, except stated otherwise)

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the Company, i.e., year ended on March 31.

Consolidation procedure:

(a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the Consolidated Financial Statements at the acquisition date.

(b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary.

(c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the Consolidated Financial Statements.

(d) Non-controlling interest represents that part of the total comprehensive income and net assets of subsidiaries attributable to interests which are not owned, directly or indirectly, by the Parent Company.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary;
- Derecognises the carrying amount of any non-controlling interests;
- Derecognises the cumulative translation differences recorded in equity;
- Recognises the fair value of the consideration received;
- Recognises the fair value of any investment retained;
- Recognises any surplus or deficit in profit or loss;
- Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

2.3 Summary of significant accounting policies

a. Current versus non-current classification

The Group presents assets and liabilities in the consolidated balance sheet based on current/non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Advance tax paid is classified as non-current assets.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

The Group has identified twelve months as its operating cycle.

b. Fair value measurement of financial instruments

The Group measures financial instruments, such as, derivatives at fair value at each balance sheet date using valuation techniques.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023

(All amounts in Indian Rupees in Lakhs, except stated otherwise)

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the Consolidated Financial Statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the Consolidated Financial Statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

c. Foreign currencies

In preparing the Consolidated Financial Statements, transactions in foreign currencies are recorded at the rates of exchange prevailing on the date of transaction. At the end of each reporting period, monetary items denominated in the foreign currencies are re-translated at the rates prevailing at the end of the reporting period. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the retranslation or settlement of other monetary items are included in the Consolidated Statement of Profit and Loss for the year.

The translation of financial statements of the foreign subsidiaries to the presentation currency is performed for assets and liabilities using the exchange rate in effect at the Balance Sheet date and for revenue, expense and cash flow items using the average exchange rate for the respective periods. The gains or losses resulting from such translation are included in foreign currency translation reserves under other components of equity. When a subsidiary is disposed off, in full, the relevant amount is transferred to net profit in the Consolidated Statement of Profit and Loss. However when a change in the parent's ownership does not result in loss of control of a subsidiary, such changes are recorded through equity.

d. Revenue recognition

i. Revenue from Contracts with Customers:

Effective April 01, 2018, the Group adopted Ind AS 115 "Revenue from Contracts with Customers" using the cumulative catch-up transition method, applied to contracts that were not completed as of April 01, 2018. In accordance with the cumulative catch-up transition method, the comparatives have not been retrospectively adjusted.

The following is a summary of new and/or revised significant accounting policies related to revenue recognition.

Performance obligations and timing of revenue recognition:

The Group derives its revenue primarily from export of garments and related products, with revenue recognised at a point in time when control of the goods has transferred to the customer. This is generally when the goods are delivered to the customer/agent nominated by the customer.

There is limited judgement needed in identifying the point when control passes:

- once physical delivery of the products has occurred to the location as per agreement;
- the Company no longer has physical possession;
- usually will have a present right to payment (as a single payment on delivery) and
- retains none of the significant risks and rewards of the goods in question.

The Group also derives some revenue from job work contracts. In these cases, revenue is recognised as and when services are

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023

(All amounts in Indian Rupees in Lakhs, except stated otherwise)

rendered i.e. the products on which job work is performed is delivered to the customer at agreed location.

Determining the transaction price:

The Groups's revenue is derived from fixed price contracts and therefore the amount of revenue to be earned from each contract is determined by reference to those fixed prices. There is no significant variable consideration involved.

Allocating amounts to performance obligations:

For most contracts, there is a fixed unit price for each unit sold, therefore, there is no judgement involved in allocating the contract price to each unit.

Costs of fulfilling contracts:

The costs of fulfilling contracts do not result in the recognition of a separate asset because such costs are included in the carrying amount of inventory for contracts involving the sale of goods.

The Group presents revenues net of indirect taxes in its Consolidated Statement of Profit and loss.

Advances received from customers are in the nature of contract liability.

ii. Revenue from export incentives:

Export incentives are recognised on accrual basis in accordance with the applicable schemes formulated, by the Government of India and where there is reasonable assurance that the enterprise will comply with the conditions attached to them.

iii. Interest income:

For all debt instruments measured either at amortised cost or at fair value through other comprehensive income ('OCI'), interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses. Interest income is included in finance income in the Consolidated Statement of Profit and Loss.

iv. Dividends:

Dividend income on investments is accounted when the right to receive the dividend is established, which is generally when shareholders approve the dividend.

v. Others:

Insurance/other claims are recognised on acceptance basis.

e. Non-current assets held for sale

The Group classifies non-current assets as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use.

The criteria for held for sale classification is regarded met only when the assets or disposal group is available for immediate sale in its present condition, subject only to terms that are usual and customary for sales of such assets, its sale is highly probable; and it will genuinely be sold, not abandoned. The Group treats sale of the asset to be highly probable when:

a) The appropriate level of management is committed to a plan to sell the asset;

b) An active programme to locate a buyer and complete the plan has been initiated;

c) The asset is being actively marketed for sale at a price that is reasonable in relation to its current fair value;

d) The sale is expected to qualify for recognition as a completed sale within one year from the date of classification; and

e) Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Assets held for sale are measured at the lower of their carrying amount and the fair value less costs to sell. Assets and liabilities classified as held for sale are presented separately in the consolidated balance sheet.

f. Government grants

The Group recognizes government grants only when there is reasonable assurance that the conditions attached to them shall be complied with, and the grants will be received. Government grants related to assets are treated as income in the Consolidated Statement of Profit and Loss upon fulfilment of the conditions attached to the grant received. These grants are presented in the Consolidated Balance Sheet by deducting the grant in arriving at the carrying amount of the asset.

Government grants related to revenue are recognized on a systematic basis in the statement of profit and loss over the periods necessary to match them with the related costs which they are intended to compensate.

Export incentives are recognized on accrual basis in accordance with the applicable schemes formulated, by the Government of India and where there is reasonable assurance that the enterprise will comply with the conditions attached to them.

g. Taxes on income

Current income tax

Tax expense for the year comprises current and deferred tax. The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the consolidated statement of profit and loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. Current income tax assets and liabilities

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are measured at the amount expected to be recovered from or paid to the taxation authorities. The Group's liability for current tax is calculated using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred income tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying values of assets and liabilities in the Consolidated Financial Statements and the corresponding tax bases used in the computation of the taxable profit and is accounted for using the balance sheet liability model. Deferred tax liabilities are generally recognised for all the taxable temporary differences. In contrast, deferred tax assets are only recognised to the extent that is probable that future taxable profits will be available against which the temporary differences can be utilised.

Deferred income tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Deferred tax assets include Minimum Alternative Tax ('MAT') paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognised as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realized.

h. Property, plant and equipment (PPE)

On transition to Ind AS, the Group had elected to continue with the carrying value of all of its property, plant and equipment recognised as at March 31, 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment as on April 01, 2016.

Freehold land is carried at historical cost and is not depreciated. Capital work-in-progress and all other property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as separate assets are de-recognised when replaced. All other repairs and maintenance are charged to profit and loss during the reporting period in which they are incurred.

The Group identifies and determines cost of each component/ part of the asset separately, if the component/part has a cost which is significant to the total cost of the asset having useful life that is materially different from that of the remaining asset. These components are depreciated over their useful lives; the remaining asset is depreciated over the life of the principal asset.

Depreciation is provided using the written down value method ('WDV') as per the useful lives of the assets estimated by the management with residual value upto 5%, which is equal to the corresponding rates prescribed under Schedule II of the Companies Act, 2013 ('the Act').

Category of assets	Estimated useful life
Buildings	30 years
Plant and machinery	15 years
Electrical equipment's	10 years
Furniture and fixtures	10 years
Office equipment	5 years
Vehicles	8 years
Computers	3 years

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Leasehold improvements are capitalised at cost and amortized over their expected useful life or the non-cancellable term of the lease, whichever is less on a straight line basis.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the consolidated statement of profit and loss when the asset is derecognised.

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period with the affect of any change in the estimate being accounted for on a prospective basis. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the consolidated statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Consolidated Statement of Profit and Loss when the asset is derecognised.

A summary of the policies applied to the Group's intangible assets is, as follows:

Intangible assets	Useful lives	Amortisation method used	Internally generated or acquired
Computer software	Definite (2.5 years)	WDV	Acquired

i. Borrowing cost

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset until such time as the assets are substantially ready for the intended use or sale. All other borrowing costs are expensed in the period in which they occur.

j. Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

A lease is classified at the inception date as a finance lease or an operating lease.

For arrangements entered into prior to April 01, 2016, the Company had determined whether the arrangement contain lease on the basis of facts and circumstances existing on the date of transition.

Group as a lessee

A lease that transfers substantially all the risks and rewards incidental to ownership to the Group is classified as a finance lease.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Group will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Finance leases are capitalised at the commencement of the lease at the inception date fair value of the leased asset or, at the present value of the minimum lease payments at the inception of the lease, whichever is lower. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the consolidated statement of profit and loss unless they are directly attributable to qualifying

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assets, in which case they are capitalized in accordance with the Group's general policy on the borrowing costs.

The Group's lease asset classes primarily consist of leases for Buildings. The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (i) the contract involves the use of an identified asset (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

k. Inventories

Inventories are valued as follows:

Raw materials, packing materials, stores, spares and consumables are valued at lower of cost and net realisable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on a weighted average basis. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

Work in progress and finished goods are valued at lower of cost and net realizable value. Cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs. Cost is determined on a weighted average basis. These are valued at lower of cost and net realisable value after considering provision for obsolescence and other anticipated loss, wherever considered necessary.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

l. Provisions and contingent liabilities

i. Provisions:

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the consolidated statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

ii. Contingent liabilities:

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Group does not recognise a contingent liability but discloses its existence in the Consolidated Financial Statements.

Provisions and contingent liabilities are reviewed at each balance sheet.

m. Retirement and other employee benefits

Retirement benefit in the form of provident fund, employee state insurance and pension fund are defined contribution schemes. The Group has no obligation, other than the contribution payable to the respective funds. The Group recognises contribution payable to provident fund, pension fund and employee state insurance as expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet reporting date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognised as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

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All employee benefits payable/available within twelve months of rendering the service are classified as short term employee benefits. Benefits such as salaries, allowances and bonus etc., are recognised in the consolidated statement of profit and loss in the period in which the employee renders the related service.

Gratuity liability is a defined benefit obligation which is funded through policy taken from Life Insurance Corporation of India and liability (net of fair value of investment in LIC) is provided for on the basis of actuarial valuation on projected unit credit method made at the end of each balance sheet date. Every employee who has completed 4 years 240 days or more of the service gets a gratuity on departure at 15 days' salary (last drawn salary) of each completed year of service. The fair value of the plan assets is reduced from the gross obligation under the defined benefit plans to recognise the obligation on a net basis.

Accumulated leave, which is expected to be utilized within the next twelve months, is treated as short-term employee benefit. The Group measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Group treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end.

The Group presents the leave as a current liability in the Consolidated Balance Sheet, to the extent it does not have an unconditional right to defer its settlement for twelve months after the reporting date.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the Consolidated Balance Sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

a. The date of the plan amendment or curtailment, and

b. The date that the Group recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognises the following changes in the net defined benefit obligation as an expense in the consolidated statement of profit and loss:

a. Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and

b. Net interest expense or income

n. Share- based payments

Employees of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions).

Equity-settled transactions:

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

That cost is recognised, together with a corresponding increase in share-based payment (SBP) reserves in equity, over the period in which the service/performance conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The Consolidated Statement of Profit and Loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

When the terms of an equity-settled award are modified, the minimum expense recognised is the expense had the terms had not been modified, if the original terms of the

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award are met. An additional expense is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share (except in anti-dilution cases).

o. Financial instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contract embodying the related financial instruments. All financial assets, financial liabilities and financial guarantee contracts are initially measured at transaction cost and where such values are different from the fair value, at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit and loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability. Transaction costs directly attributable to the acquisition of financial assets and financial liabilities at fair value through profit and loss are immediately recognised in the consolidated statement of profit and loss.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts future cash receipts or payments through the expected life of the financial instrument, or where appropriate, a shorter period.

(a) Financial assets

Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets measured at fair value

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows or to sell these financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial asset not measured at amortised cost or at fair value through other comprehensive income is carried at fair value through the consolidated statement of profit and loss. For financial assets maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Impairment of financial assets

Loss allowance for expected credit losses is recognised for financial assets measured at amortised cost and fair value through the consolidated statement of profit and loss.

The Group recognises impairment loss on trade receivables using expected credit loss model, which involves use of provision matrix constructed on the basis of historical credit loss experience as permitted under Ind AS 109 – Impairment loss on investments.

For financial assets whose credit risk has not significantly increased since initial recognition, loss allowance equal to twelve months expected credit losses is recognised. Loss allowance equal to the lifetime expected credit losses is recognised if the credit risk on the financial instruments has significantly increased since initial recognition.

De-recognition of financial assets

The Group de-recognises a financial asset only when the contractual rights to the cash flows from the financial asset expire, or it transfers the financial asset and the transfer qualifies for de-recognition under Ind AS 109.

If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the assets and an associated liability for amounts it may have to pay.

If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On de-recognition of a financial asset in its entirety, the difference between the carrying amount measured at the date of de-recognition and the consideration received is recognised in consolidated statement of profit or loss.

(b) Financial liabilities and equity instruments

Classification as debt or equity

Financial liabilities and equity instruments issued by the Group are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

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Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

Financial Liabilities

Financial liabilities are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, using the effective interest rate method where the time value of money is significant. Interest bearing bank loans, overdrafts and issued debt are initially measured at fair value and are subsequently measured at amortised cost using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in the consolidated statement of profit and loss.

For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

i. Financial guarantee contracts

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

ii. De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the consolidated statement of profit and loss.

Off-setting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

p. Derivative financial instruments

The Group uses derivative financial instruments such as foreign exchange forward to mitigate the risk of changes in exchange rates on foreign currency exposures. The counterparty for these contracts is generally a bank.

(a) Financial assets or financial liabilities, at fair value through profit or loss

This category has derivative financial assets or liabilities which are not designated as hedges. Any derivative that is either not designated a hedge, or is so designated but is ineffective as per Ind AS 109, is categorized as a financial asset or financial liability, at fair value through profit or loss. Derivatives not designated as hedges are recognised initially at fair value and attributable transaction costs are recognised in net profit in the consolidated statement of profit and loss when incurred. Subsequent to initial recognition, these derivatives are measured at fair value through profit or loss and the resulting gains or losses are included in the consolidated statement of profit and loss.

(b) Cash flow hedge accounting

The Group designates certain foreign exchange forward contracts as cash flow hedges to mitigate the risk of foreign exchange exposure on highly probable forecast cash transactions. When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognised in other comprehensive income and accumulated in the cash flow hedging reserve. Any ineffective portion of changes in the fair value of the derivative is recognised immediately in the net profit in the Consolidated Statement of Profit and Loss. If the hedging instrument no longer meets the criteria for hedge accounting, then hedge accounting is discontinued prospectively. If the hedging instrument expires or is sold, terminated or exercised, the cumulative gain or loss on the hedging instrument recognised in cash flow hedging reserve till the period the hedge was effective remains in cash flow hedging reserve until the forecasted transaction occurs. The cumulative gain or loss previously recognised in the cash flow hedging reserve is transferred to the net profit in the Consolidated Statement of Profit and Loss upon the occurrence of the related forecasted transaction. If the forecasted transaction is no longer expected to occur, then the amount accumulated in cash flow hedging reserve is reclassified to net profit in the Consolidated Statement of Profit and Loss.

q. Impairment of non-financial assets

As at the end of each accounting year, the Group reviews the carrying amounts of its PPE, investment property, intangible assets and investments in subsidiary to determine whether there is any indication that those assets have suffered an impairment loss. If such indication exists, the said assets are tested for impairment so as to determine the impairment loss,

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if any. Goodwill and the intangible assets with indefinite life are tested for impairment each year.

Impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount. Recoverable amount is determined:

(i) in the case of an individual asset, at the higher of the net selling price and the value in use; and

(ii) in the case of a cash generating unit (a group of assets that generates identified, independent cash flows), at the higher of the cash generating unit's net selling price and the value in use.

(The amount of value in use is determined as the present value of estimated future cash flows from the continuing use of an asset and from its disposal at the end of its useful life. For this purpose, the discount rate (pre-tax) is determined based on the weighted average cost of capital of the Group suitably adjusted for risks specified to the estimated cash flows of the asset).

For this purpose, a cash generating unit is ascertained as the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

If recoverable amount of an asset (or cash generating unit) is estimated to be less than its carrying amount, such deficit is recognised immediately in the consolidated statement of profit and loss as impairment loss and the carrying amount of the asset (or cash generating unit) is reduced to its recoverable amount.

When an impairment loss subsequently reverses, the carrying amount of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss is recognised for the asset (or cash generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the consolidated statement of profit and loss.

r. Corporate Social Responsibility ('CSR') expenditure

The Group charges its CSR expenditure during the year to the consolidated statement of profit and loss.

s. Cash and Cash equivalent

Cash and cash equivalents in the consolidated balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

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2.4 The entities consolidated in the Consolidated Financial Statements are listed below:

Particulars	Gokaldas Exports Limited		All Colour Garments Private Limited		SNS Clothing Private Limited		Vignesh Apparels Private Limited		Gokaldasexports Acharpura Private Limited		Sri Susamyuta Knits Private Limited		Gokaldas Exports FZCO		Total	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Country of incorporation	India		India		India		India		India		India		Dubai			
Relationship as at the year end	Holding Company		Subsidiary		Subsidiary		Subsidiary		Subsidiary		Subsidiary		Subsidiary			
Percentage of effective ownership interest held (directly and indirectly)	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%		
Percentage of voting rights held	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%		
Net assets i.e. total assets minus total liabilities																
- As a % of consolidated net assets	100.76%	100.21%	0.42%	0.52%	1.65%	1.98%	0.11%	0.14%	-0.01%	0.00%	0.01%	0.00%	0.09%	-	103.02%	102.84%
- ₹ in Lakhs (A)	89,298.97	70,962.96	369.16	369.57	1,461.64	1,404.18	96.17	96.56	(9.17)	(2.88)	9.99	0.50	78.46	-	91,305.22	72,830.89
Consolidation adjustments/eliminations (B)															(2,680.10)	(2,013.34)
Total (A-B)															88,625.12	70,817.55
Share in profit and loss																
- As a % of profit and loss	103.14%	99.70%	0.00%	0.00%	0.33%	0.57%	0.00%	0.00%	-0.04%	-0.03%	0.00%	0.00%	-0.06%	0.00%	103.36%	102.84%
- ₹ in Lakhs (C)	17,840.03	11,672.98	(0.40)	(0.39)	56.37	66.46	(0.38)	(0.35)	(6.29)	(3.88)	(0.50)	(0.50)	(10.52)	-	17,878.31	11,734.32
Consolidation adjustments/eliminations (D)															(581.67)	(26.19)
Total (C-D)															17,296.64	11,708.13
Share in other Comprehensive income																
- As a % of profit and loss	100.50%	100.06%	0.00%	0.00%	-0.05%	-0.06%	0.00%	0.00%	0.00%	0.00%	-0.45%	0.00%	0.00%	0.00%	100.00%	102.84%
- ₹ in Lakhs (E)	(2,233.52)	708.90	-	-	1.09	(0.42)	-	-	-	-	9.99	-	-	-	(2,222.44)	708.48
Consolidation adjustments/eliminations (F)															-	-
Total (E-F)															(2,222.44)	708.48
Share in total comprehensive income																
- As a % of total comprehensive income	103.53%	99.72%	0.00%	0.00%	0.38%	0.57%	0.00%	0.00%	-0.04%	-0.03%	0.06%	0.00%	-0.07%	-	103.86%	100.25%
- ₹ in Lakhs (G)	15,606.51	12,381.88	(0.40)	(0.39)	57.46	71.04	(0.38)	(0.35)	(6.29)	(3.88)	9.49	(0.50)	(10.52)	-	15,655.86	12,447.80
Consolidation adjustments/eliminations (H)															(581.66)	(31.19)
Total (G-H)															15,074.20	12,416.61

The figures have been considered from the respective standalone financial statements and the consolidated figure has been arrived after consolidation adjustments/eliminations.

Consolidation adjustments/eliminations include intercompany eliminations and consolidation adjustments.

The financial statements of all the subsidaries have been drawn upto the same reporting date as of the Company.

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023

(All amounts in Indian Rupees in Lakhs, except stated otherwise)

3 (A) PROPERTY, PLANT AND EQUIPMENT AND CAPITAL WORK-IN-PROGRESS

Particulars	Land	Buildings	Leasehold improvements	Plant and machinery	Electrical equipments	Office equipments	Furniture and fixtures	Computers	Vehicles	Total	Capital work-in-progress	Total
Gross carrying value [1]												
At April 01, 2021	**734.78**	**1,652.35**	**2,161.17**	**15,050.81**	**704.18**	**605.18**	**580.94**	**606.41**	**71.61**	**22,167.43**	**-**	**-**
Additions	-	33.69	556.14	4,757.01	101.51	203.58	243.84	138.80	52.84	6,087.41	1,104.36	1,104.36
Capitalised during the year	-	-	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	(1,859.16)	(13.28)	(31.40)	-	-	(13.38)	(1,917.22)	-	-
At March 31, 2022	**734.78**	**1,686.04**	**2,717.31**	**17,948.66**	**792.41**	**777.36**	**824.78**	**745.21**	**111.07**	**26,337.62**	**1,104.36**	**1,104.36**
Additions	987.00	32.04	431.40	2,753.36	27.38	201.82	204.72	201.93	102.40	4,942.05	9,682.26	9,682.26
Capitalised during the year	-	-	-	-	-	-	-	-	-	-	-	-
Disposals	-	(800.96)	-	(1,201.58)	(152.00)	(6.55)	(93.68)	(118.36)	(8.46)	(2,381.59)	-	-
At March 31, 2023	**1,721.78**	**917.12**	**3,148.71**	**19,500.44**	**667.79**	**972.63**	**935.82**	**828.78**	**205.01**	**28,898.08**	**10,786.62**	**10,786.62**
Depreciation												
At April 01, 2021	**-**	**721.81**	**939.22**	**6,670.47**	**254.30**	**325.05**	**245.36**	**438.23**	**41.59**	**9,636.03**	**-**	**-**
Charge for the year	-	87.12	519.02	1,858.54	102.66	178.54	87.15	149.62	7.09	2,989.74	-	-
Disposals	-	-	-	(1,766.14)	(12.26)	(27.47)	-	-	(12.71)	(1,818.58)	-	-
At March 31, 2022	**-**	**808.93**	**1,458.24**	**6,762.87**	**344.70**	**476.12**	**332.51**	**587.85**	**35.97**	**10,807.19**	**-**	**-**
Charge for the year	-	68.85	448.10	2,409.12	106.57	195.71	153.88	169.08	35.26	3,586.57	-	-
Disposals	-	(604.89)	-	(1,133.72)	(144.06)	(5.81)	(92.92)	(117.87)	(8.12)	(2,107.39)	-	-
At March 31, 2023	**-**	**272.89**	**1,906.34**	**8,038.27**	**307.21**	**666.02**	**393.47**	**639.06**	**63.11**	**12,286.37**	**-**	**-**
Net book value												
At March 31, 2023	**1,721.78**	**644.23**	**1,242.37**	**11,462.17**	**360.58**	**306.61**	**542.35**	**189.72**	**141.90**	**16,611.71**	**10,786.62**	**10,786.62**
At March 31, 2022	**734.78**	**877.11**	**1,259.07**	**11,185.79**	**447.71**	**301.24**	**492.27**	**157.36**	**75.10**	**15,530.43**	**1,104.36**	**1,104.36**

[1] The Group has availed the exemption available under Ind AS 101, wherein the carrying value of property, plant and equipment and capital work-in-progress as at April 01, 2016 under the previous GAAP has been carried forward as the deemed costs under Ind AS.

Refer note 14 for information on property, plant and equipment pledged as security by the Company.

Capital work-in-progress mainly comprises of leasehold improvements under construction.

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023

(All amounts in Indian Rupees in Lakhs, except stated otherwise)

3 (B) RIGHT-OF-USE ASSETS

Particulars	Right-of-use		
	Buildings	Vehicles	Total
Right-of-use assets			
At April 01, 2021	15,935.03	-	15,935.03
Additions (including modifications)	4,797.83	-	4,797.83
Disposals	(123.39)	-	(123.39)
At March 31, 2022	**20,609.47**	**-**	**20,609.47**
Additions (including modifications)	1,421.66	327.53	1,749.19
Disposals	(268.43)	-	(268.43)
At March 31, 2023	**21,762.70**	**327.53**	**22,090.23**
Amortisation			
At April 01, 2021	4,918.88	-	4,918.88
Additions (including modifications)	2,739.38	-	2,739.38
Disposals	(34.40)	-	(34.40)
At March 31, 2022	**7,623.86**	**-**	**7,623.86**
Additions (including modifications)	3,332.29	37.51	3,369.80
Disposals	(155.55)	-	(155.55)
At March 31, 2023	**10,800.60**	**37.51**	**10,838.11**
Net Book value			
At March 31, 2023	**10,962.10**	**290.02**	**11,252.12**
At March 31, 2022	**12,985.61**	**-**	**12,985.61**

4. OTHER INTANGIBLE ASSETS

Particulars	Computer Software	Total
Gross carrying value [1]		
At April 01, 2021	696.26	696.26
Additions	249.47	249.47
At March 31, 2022	**945.73**	**945.73**
Additions	56.73	56.73
At March 31, 2023	**1,002.46**	**1,002.46**
Amortisation and impairment		
At April 01, 2021	506.15	506.15
Amortisation for the year	165.70	165.70
At March 31, 2022	**671.85**	**671.85**
Amortisation for the year	218.66	218.66
At March 31, 2023	**890.51**	**890.51**
Net book value		
At March 31, 2023	**111.95**	**111.95**
At March 31, 2022	**273.88**	**273.88**

[1] The Company has availed the exemption available under Ind AS 101, wherein the carrying value of property, plant and equipment and capital work-in-progress as at April 01, 2016 under the previous GAAP has been carried forward as the deemed costs under Ind AS.

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023

(All amounts in Indian Rupees in Lakhs, except stated otherwise)

5 (A) FINANCIAL ASSETS - NON CURRENT INVESTMENTS

Particulars	As at March 31, 2023	As at March 31, 2022
Investments carried at amortised cost		
(i) Investment in unquoted government securities		
Investment in National Savings Certificates and Indira Vikas Patra	0.29	0.29
Total investment in unquoted government securities	**0.29**	**0.29**
Investments carried at cost		
(ii) Unquoted equity shares in a body corporate		
Yepme UK Limited	626.56	626.56
Less: Provision for diminution in value of investment	(626.56)	(626.56)
Total investment in unquoted equity shares in a body corporates	**-**	**-**
Total (i+ii)	**0.29**	**0.29**

Note 1:

Particulars	As at March 31, 2023	As at March 31, 2022
Investments classified as held for sale	626.56	626.56
Less: Provision for diminution in value of investment*	(626.56)	(626.56)
Total	**-**	**-**

* The Company has filed legal proceedings against Yepme UK which is pending before the VI Chief Metropolitan Magistrate (Economic Offences) Court, Bengaluru.

Particulars	As at March 31, 2023	As at March 31, 2022
Aggregate amount of quoted investments and market value there of	Not Applicable	Not Applicable
Aggregate amount of unquoted investments	0.29	0.29
Aggregate amount of impairment in value of investments	626.56	626.56

5 (B) FINANCIAL ASSETS - CURRENT INVESTMENTS

Particulars	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
	Units	Units	Amount	Amount
Investments carried at fair value through profit and loss				
Investment in liquid mutual fund units				
Quoted				
Kotak Liquid Fund Direct - G	1,08,297	-	4,925.78	-
Kotak Money market direct-G	1,16,937	28,083	4,476.74	1,016.82
SBI Liquid Direct - G	1,32,326	15,126	4,662.25	504.17
HDFC Money market Direct -G	91,999	65,036	4,527.94	3,027.29
HDFC Liquid Direct - G	98,111	44,191	4,339.65	1,849.29
ICICI Prud Money market direct-G	12,47,736	9,86,691	4,046.52	3,028.10

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023

(All amounts in Indian Rupees in Lakhs, except stated otherwise)

Particulars	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
	Units	Units	Amount	Amount
ICICI Pru Liquid Direct -G	9,31,726	9,44,257	3,104.37	2,976.83
Axis Liquid Fund Direct-G	1,72,571	-	4,315.81	-
Axis Credit risk Direct-G	-	54,54,818	-	1,023.52
Aditya Birla SL Savings Direct - G	-	3,41,193	-	1,519.37
Nippon India Money Market fund	-	14,922	-	499.98
Total Investment in mutual fund units			**34,399.06**	**15,445.37**
Aggregate carrying amount and market value of mutual fund investments			34,399.06	15,445.37

6. FINANCIAL ASSETS - OTHER FINANCIAL ASSETS

Particulars		As at March 31, 2023	As at March 31, 2022
Carried at amortised cost			
Unsecured, considered good			
(a) Non current			
Security and other deposits (refer note below)		2,767.62	2,684.95
Bank balances (including term deposits)		-	1,496.84
Loans to employees		54.33	37.61
Total other financial assets - non current	(A)	**2,821.95**	**4,219.40**
(b) Current			
Derivative instruments at fair value through OCI			
Cash flow hedges - foreign exchange forward contracts		9.99	1,377.03
Other financial assets at amortised cost			
Interest accrued on bank deposits		21.33	41.29
Loans to employees		82.71	88.70
Total other financial assets - current	(B)	**114.03**	**1,507.02**
Total other financial assets	(A+B)	**2,935.98**	**5,726.42**

Note: Security and other deposits are primarily in relation to public utility services and rental agreements.

7 (A) DEFERRED TAX ASSETS

Particulars	As at March 31, 2023	As at March 31, 2022
Deferred tax assets		
Impact of difference between tax depreciation and depreciation for financial reporting	400.00	302.21
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes in subsequent years on payment basis	2,664.73	876.77
Total Deferred tax assets	**3,064.73**	**1,178.98**

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023

(All amounts in Indian Rupees in Lakhs, except stated otherwise)

Movement in deferred tax asset is as below:

Particulars	As at March 31, 2023	As at March 31, 2022
Opening balance	1,178.98	680.90
Recognised in profit and loss	1,528.14	1,178.98
Recognised in OCI	357.61	-
MAT credit entitlement reversed	-	(680.90)
Closing balance	**3,064.73**	**1,178.98**

7 (B) NON CURRENT TAX ASSETS (NET)

Particulars	As at March 31, 2023	As at March 31, 2022
Advance payment of income tax (including tax paid under protest)	408.85	1,176.97
Total non-current tax assets	**408.85**	**1,176.97**

8. OTHER CURRENT/NON-CURRENT ASSETS

Particulars		As at March 31, 2023	As at March 31, 2022
(a) Non current			
Unsecured, considered good			
Export incentives receivable		-	36.45
Capital advances		1,011.02	1,541.88
Prepaid expenses		153.53	117.47
Preoperative expenses		**-**	76.75
	(A)	**1,164.55**	**1,772.55**
Unsecured, considered doubtful			
Advance to suppliers [note 8(a)(i)]		178.05	272.63
Export incentives receivable [note 8(a)(i)]		-	190.52
Less: Provision for doubtful advances and receivables [note 8(a)(i)]		(178.05)	(463.15)
	(B)	-	-
Total non-current assets	(A+B)	**1,164.55**	**1,772.55**

Note 8 (a) (i): Movement is as below:

	Advance to suppliers	Export incentive receivables	Impairment	Total
Balance as at April 01, 2021	272.63	30.00	(302.63)	-
Add: Additional provision recognised in profit and loss during the year (refer note 28)	-	160.52	(160.52)	-
Balance as at April 01, 2022	**272.63**	**190.52**	**(463.15)**	**-**
Less: Amount written off	94.58	-	(94.58)	-
Less: Provision reversal recognised in profit and loss during the year (refer note 21)	-	190.52	(190.52)	-
Balance as at March 31, 2023	**178.05**	**-**	**(178.05)**	**-**

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023

(All amounts in Indian Rupees in Lakhs, except stated otherwise)

Note 8 (b): Current

Particulars		As at March 31, 2023	As at March 31, 2022
Unsecured, considered good			
Prepaid expenses		871.45	1,002.78
Balances with statutory/government authorities		1,848.40	2,422.98
Advance to suppliers		2,313.56	2,137.88
Export incentives receivable		3,151.67	6,519.08
Total current assets	(C)	**8,185.08**	**12,082.72**
Total other current/non-current assets	(A+B+C)	**9,349.63**	**13,855.27**

9. INVENTORIES

Particulars	As at March 31, 2023	As at March 31, 2022
Raw materials (including packing materials) and components	12,055.92	13,674.99
Work-in-progress	12,377.82	17,646.49
Finished goods (readymade garments)	4,271.78	11,366.43
Consumables, stores and spares parts	593.70	674.09
Total inventories	**29,299.22**	**43,362.00**
Included above, goods-in-transit:		
Raw materials (including packing materials) and components	378.74	204.21
Finished goods (readymade garments)	3,195.37	9,167.36
	3,574.11	**9,371.57**

(a) For method of valuation for each class of inventories, refer note 2.3(k)

(b) The value of inventories above is stated net of writedown of ₹ 4,109.93 Lakhs as at March 31, 2023 (as at March 31, 2022: ₹ 3,842.31 Lakhs)

(c) The carrying value of inventories as at March 31, 2023 and March 31, 2022 is pledged as security against the borrowings (refer note 14)

10. FINANCIAL ASSETS - TRADE RECEIVABLES

Particulars	As at March 31, 2023	As at March 31, 2022
Trade receivables:		
From related parties	-	-
From others	13,582.68	9,219.38
Total	**13,582.68**	**9,219.38**
(A) Breakup of trade receivables		
Secured, considered good	-	-
Unsecured, considered good	13,582.68	9,219.38
Trade receivables which have significant increase in credit risk	243.75	231.91
Trade receivables - credit impaired	-	-
	13,826.43	**9,451.29**

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023

(All amounts in Indian Rupees in Lakhs, except stated otherwise)

Particulars		As at March 31, 2023	As at March 31, 2022
(B) Impairment Allowance (allowance for bad and doubtful debts)			
Unsecured, considered good		-	-
Trade receivables which have significant increase in credit risk		(243.75)	(231.91)
Trade receivables - credit impaired		-	-
		(243.75)	**(231.91)**
Total financial assets - trade receivables	(A+B)	**13,582.68**	**9,219.38**

Notes:

i. The Group follows "simplified approach for recognition of impairment loss". The application of simplified approach does not require the Company to track changes in credit risk.

ii. No trade or other receivables are due from directors or other officers of the Group either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any Director is a partner, a Director or a member.

iii. Trade receivables are non-interest bearing.

Aging of trade receivables:

There are no disputed trade receivables as at and for the years ended March 31, 2023 and March 31, 2022.

Below is the list of undisputed trade receivables outstanding for following periods from the due date.

March 31, 2023:

Periods	Considered good	which have significant increase in credit risk	Credit impaired	Total
Less than 6 months	13,572.81	-	-	13,572.81
6 months to 1 year	9.87	91.78	-	101.65
1 to 2 years	-	96.86	-	96.86
2 to 3 years	-	31.20	-	31.20
More than 3 years	-	23.91	-	23.91
Total	**13,826.43**	**243.75**	**-**	**13,826.43**

March 31, 2022:

Periods	Considered good	which have significant increase in credit risk	Credit impaired	Total
Less than 6 months	9,219.38	48.71	-	9,268.09
6 months to 1 year	-	9.10	-	9.10
1 to 2 years	-	127.57	-	127.57
2 to 3 years	-	45.87	-	45.87
More than 3 years	-	0.66	-	0.66
Total	**9,219.38**	**231.91**	**-**	**9,451.29**

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023

(All amounts in Indian Rupees in Lakhs, except stated otherwise)

11. FINANCIAL ASSETS - CASH AND CASH EQUIVALENTS

Particulars	As at March 31, 2023	As at March 31, 2022
Current		
Financial assets - Cash and cash equivalents		
Balances with banks		
On current accounts [1,2]	1,464.13	1,255.45
Cash on hand	8.08	12.79
Total Financial assets - Cash and cash equivalents (Current)	**1,472.21**	**1,268.24**
Non-current		
Bank balances other than cash and cash equivalents		
Deposits with remaining maturity for more than 12 months	-	386.94
Deposits with original maturity of more than 3 months but less than/equal to 12 months	-	1,109.90
	-	1,496.84
Amount disclosed under other financial assets [refer note 6(a)]	-	(1,496.84)
Total Financial assets - Cash and cash equivalents (Non current)	**-**	**-**

Bank balances (other than cash and cash equivalents)

Particulars	As at March 31, 2023	As at March 31, 2022
Non-current		
In fixed deposits accounts		
Held as margin money or security against borrowings and other commitments		
With remaining maturity for more than 12 months	-	-
With original maturity of more than 3 months but less than/equal to 12 months	926.48	-
	926.48	**-**

Note:

[1] Balances with bank on current accounts does not earn interest.

[2] includes balances in Exchange Earner's Foreign Currency Accounts.

12. EQUITY SHARE CAPITAL

Particulars	Number of shares	Amount
Authorised share capital		
At April 01, 2021	5,50,00,000	2,750.00
Increase during the year	1,00,00,000	500.00
At March 31, 2022	**6,50,00,000**	**3,250.00**
Increase during the year	-	-
At March 31, 2023	**6,50,00,000**	**3,250.00**

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023

(All amounts in Indian Rupees in Lakhs, except stated otherwise)

(a) Issued equity capital

Particulars	Number of shares	Amount
Equity shares of ₹ 5 each issued, subscribed and fully paid		
At April 01, 2021	4,28,95,663	2,144.78
Add: received during the year on account of issue of shares	1,54,24,164	771.21
Add: received during the year on account of exercise of share options	6,57,167	32.86
At March 31, 2022	5,89,76,994	2,948.85
Add: received during the year on account of exercise of share options	16,01,000	80.05
At March 31, 2023	**6,05,77,994**	**3,028.90**

(b) Terms/rights attached to equity shares

The rights, powers and preferences relating to each class of share capital and the qualifications, limitations and restrictions thereof are contained in the Memorandum and Articles of Association of the Company. The principal rights are as below:

(i) The Company has only one class of equity shares having a par value of ₹ 5 per share. Each holder of equity is entitled to one vote per share.

(ii) The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in ensuing Annual General Meeting, except in case of interim dividend.

(iii) In event of liquidation of the Company, the holders of equity shares would be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. However no such preferential amounts exist currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) Details of shareholders holding more than 5% shares in the Company

Particulars	As at March 31, 2023	As at March 31, 2022
Clear Wealth Consultancy Services LLP		
Number of shares (Equity shares of ₹ 5 each, fully paid up)	64,55,957	1,39,55,957
% holding in the class	10.66%	18.59%
SBI Mutual Funds (refer note 12(c)(i))		
Number of shares (Equity shares of ₹ 5 each, fully paid up)	44,45,020	57,50,020
% holding in the class	7.34%	7.66%
Nippon Life India Trustee Ltd		
Number of shares (Equity shares of ₹ 5 each, fully paid up)	40,03,779	35,98,972
% holding in the class	6.61%	4.79%

As per records of the Company, including its register of shareholders/members and other declaration received from shareholders regarding beneficial interest, the above shareholding represent both legal and beneficial ownership of shares.

Note 12 (c) (i): SBI mutual funds comprises of (for current and previous year):

SBI Magnum Children's Benefit Fund;

SBI Magnum Midcap Fund;

SBI Resurgent India Opportunities Scheme;

SBI Equity Savings Fund;

SBI Consumption Opportunities Fund;

SBI Conservative Hybrid Fund;

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023

(All amounts in Indian Rupees in Lakhs, except stated otherwise)

(d) Details on shareholding of promoters

Promoter name	As at March 31, 2023	As at March 31, 2022
Clear Wealth Consultancy Services LLP		
No of shares	64,55,957	1,39,55,957
% of total shares	10.66%	23.66%
% change during the year	(53.74)%	0.00%
Gautham Madhavan		
No of shares	2,49,391	2,49,391
% of total shares	0.41%	0.42%
% change during the year	0.00%	0.00%

(e) Shares reserved for issue under options

For details of shares reserved for issue under the Employee Stock Option (ESOP) plan and Restricted Stock Units (RSU) of the Company, please refer note 39.

13. OTHER EQUITY

Particulars	As at March 31, 2023	As at March 31, 2022
Reserves and Surplus		
(A) Securities premium reserve		
Balance at the beginning of the year	49,429.05	20,509.74
Add: received during the year on account of issue of shares (refer note 48)	-	28,444.08
Add: received during the year on account of exercise of share options	351.44	10.20
Add: transfer from share based payments reserve	1,179.32	465.03
Balance at the end of the year	**50,959.81**	**49,429.05**
This reserve represents amount of premium recognised on issue of shares to shareholders at a price more than its face value. This reserve can be utilised in accordance with the provisions of the Companies Act, 2013.		
(B) General reserve		
Balance at the end of the year	**2,192.09**	**2,192.09**
Under the erstwhile Companies Act, 1956, a general reserve was created through an annual transfer of net profit at a specified percentage in accordance with applicable regulations. Consequent to the introduction of the Companies Act, 2013, the requirement to mandatorily transfer a specified percentage of net profit to general reserve has been withdrawn.		
(C) Capital reserve on amalgamation		
Balance at the end of the year	**9,769.12**	**9,769.12**
Capital reserve represents reserve recognised on amalgamation being the difference between consideration amount and net assets of the transferor Company.		
(D) Share based payments reserve		
Balance at the beginning of the year	1,272.32	1,601.53
Add: addition during the year (refer note 39)	2,298.00	135.82
Less: transfer to securities premium reserve	(1,179.32)	(465.03)
Balance at the end of the year	**2,391.00**	**1,272.32**
Share based payment reserve is used to record the fair value of equity-settled, share-based payment transactions with employees. The amounts recorded in Share based payment reserve are transferred to securities premium upon exercise of stock options by employees. Further, the amounts recorded in Share based payment reserve are transferred to securities premium reserve when stock options lapsed after the vesting period.		

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For the year ended March 31, 2023

(All amounts in Indian Rupees in Lakhs, except stated otherwise)

Particulars		As at March 31, 2023	As at March 31, 2022
(E)	**Retained earnings**		
	Balance at the beginning of the year	3,829.09	(8,191.50)
	Profit for the year	17,296.64	11,708.13
	Add: Remeasurement of post employment benefits obligations (net of deferred tax)	207.91	312.46
	Balance at the end of the year	**21,333.64**	**3,829.09**
	Retained earnings refer to net earnings not paid out as dividends, but retained by the Company to be reinvested in its core business. This amount is available for distribution of dividends to its equity shareholders.		
(F)	**Foreign currency translation reserve**		
	Balance at the beginning of the year	-	-
	Add: gain/(loss) for the year	3.88	-
	Balance at the end of the year	**3.88**	**-**
	The exchange differences arising from the translation of financial statements of foreign subsidiaries with functional currency other than the Indian rupees is recognized in other comprehensive income and is presented within equity.		
(G)	**Cash flow hedging reserve**		
	Balance at the beginning of the year	1,377.03	981.01
	Add: Reclassified to the statement of profit and loss	(2,430.35)	396.02
	Balance at the end of the year	**(1,053.32)**	**1,377.03**
	When a derivative is designated as a cash flow hedging instrument, the effective portion of the change in fair value of the derivative is recognised in other comprehensive income and accumulated in the cash flow hedging reserve. The cumulative gain or loss previously recognized in the cash flow hedging reserve is transferred to the Statement of Profit and Loss when related forecasted transaction (hedged item) affects the profit or loss.		
Total other equity (A+B+C+D+E+F+G)		**85,596.22**	**67,868.70**

14. FINANCIAL LIABILITIES - BORROWINGS

Particulars		As at March 31, 2023	As at March 31, 2022
(a)	**Non-current borrowings**		
	Term loans from banks (Secured)		
	Indian rupee term loan from bank	964.31	238.06
Total non-current borrowings (Secured) (Refer Note 14(A))		**964.31**	**238.06**
(b)	**Current borrowings**		
	Loans repayable on demand from banks (Secured)		
	Indian rupee packing credit loan [1,2,3,4,5,6,11,12,13]	900.00	1,500.00
	Bill discounting from banks [7,8,9,10]	-	4,102.28
	Current maturities of long-term borrowings	1,680.76	466.60
Total current borrowings (Secured)		**2,580.76**	**6,068.88**
Total current borrowings (Secured+Unsecured) (Refer Note 14(B))		**2,580.76**	**6,068.88**
Total Financial liabilities - Borrowings		**3,545.07**	**6,306.94**
The above amount includes:			
	Secured non-current borrowings	964.31	238.06
	Secured current borrowings	2,580.76	6,068.88
		3,545.07	**6,306.94**

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023

(All amounts in Indian Rupees in Lakhs, except stated otherwise)

Note 14 (A): Notes on non-current borrowings

Indian rupee term loan from bank (Secured)

Particulars	As at March 31, 2023	As at March 31, 2022
Gross amount of indian rupee term loan taken	6,051.10	5,013.10
Outstanding balance:		
Non current borrowings	964.31	238.06
Current maturities of long-term borrowings	1,680.76	466.60
Total outstanding balance	**2,645.07**	**704.66**
Applicable Interest rate	8.85% to 9.05%	8.00%

Terms of repayment:

Indian rupee term loan from banks is repayable in 24 to 60 equal monthly/quarterly instalments with a moratorium period of 6 to 12 months.

Particulars	As at March 31, 2023	As at March 31, 2022
Number of instalments due as at Balance sheet date (months)	13 to 60	19
Maturity profile including current maturities:		
Not later than one year	1,680.76	466.60
Later than one year but not later than two years	964.31	238.06
Later than two years but not later than three years	-	-
Later than three years but not later than four years	-	-
Later than four years but not later than five years	-	-
More than five years	-	-
	2,645.07	**704.66**

Repayment of non current borrowings and Interest:

During the year and as on the balance sheet date, the Company has not defaulted in repayment of non-current borrowings and interest there on.

Loans from related parties:

During the year and as on the balance sheet date, the Company has not taken any non-current borrowings from related parties.

Disclosure about the nature of security:

The loan is secured by pari passu (i) hypothecation of inventory including stores and spares (including goods in transit/goods awaiting bank negotiation/goods with processors meant for export) and (ii) Current assets (including trade receivables) of the Company (iii) hypothecation of Plant & Machinery and Equipments and Land & Buildings.

During the year and as on the balance sheet date, neither any of the promoters nor other shareholders nor directors nor any other persons/third parties (not restricted to related parties/KMP's as defined in note 37) have given any personal guarantee or personal security for any non-current borrowings taken by the Company and is outstanding as at balance sheet date.

Note 14(B):Notes on current borrowings:

[1] Indian rupee packing credit loan from a bank of ₹ 2,000 Lakhs (March 31, 2022: ₹ 2,000 Lakhs) carries interest @ Marginal cost of funds based lending rate ('MCLR') + 0.75% (March 31, 2022: MCLR + 0.75%) and interest is payable monthly. The loan is secured by first pari passu charge on current assets of the Company. Out of the above, ₹ 300 Lakhs is outstanding as at March 31, 2023 (March 31, 2022: ₹ Nil). Also refer note 14(B) [14] and [15] below.

[2] Indian rupee packing credit loan from a bank of ₹ 2500 Lakhs (March 31, 2022: ₹ Nil) carries interest @Marginal cost of funds based lending rate ('MCLR') (March 31, 2022: MCLR) and interest is payable monthly. The loan is secured by pari passu (i) hypothecation of inventory including stores and spares (including goods in transit/goods awaiting bank negotiation/goods with processors meant for export) and (ii) trade receivables of the Company. Out of the above, ₹ 200

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023

(All amounts in Indian Rupees in Lakhs, except stated otherwise)

Lakhs is outstanding as at March 31, 2023 (March 31, 2022: ₹ Nil). Also refer note 14(B) [14] and [15] below.

[3] Indian rupee packing credit loan from a bank of ₹ 3,000 Lakhs (March 31, 2022: ₹ 3,000) carries interest @Marginal cost of funds based lending rate ('MCLR') (March 31, 2022: MCLR) and interest is payable monthly. The loan is secured by pari passu (i) hypothecation of inventory including stores and spares (including goods in transit/goods awaiting bank negotiation/goods with processors meant for export) and (ii) trade receivables of the Company. Out of the above, ₹ 200 Lakhs is outstanding as at March 31, 2023 (March 31, 2022:₹ Nil). Also refer note 14(B) [14] and [15] below.

[4] Indian rupee packing credit loan from a bank of ₹ 7,500 Lakhs (March 31, 2022: ₹ 7,500 Lakhs) carries interest rate linked to @3 months Marginal cost of funds based lending rate(' MCLR') plus applicatble spread of 0.45% p.a for Indian rupee packing credit loan and 6 months SOFR for foreign currency packing credit loan plus applicable spread of 2% p.a (March 31, 2022: @3 months MCLR for Indian rupee packing credit loan plus applicable spred of 0.45% p.a and 6 months SOFR for foreign currency packing credit loan plus applicable spread of 2% p.a). Interest on loans is payable monthly. These loans are secured by pari passu (i) hypothecation of inventory including stores and spares (including goods in transit/goods awaiting bank negotiation/goods with processors meant for export) and (ii) trade receivables and current assets and fixed assets of the Company. Out of the above, ₹ 200 Lakhs is outstanding as at March 31, 2023 (March 31, 2022: ₹ 1,000 Lakhs) refer note 14(B) [14] and [15] below.

[5] Indian rupee packing credit loan from a bank of ₹ 6,000 Lakhs (March 31, 2022: ₹ 6,000 Lakhs) carries interest rate linked to @ 6 months Marginal cost of funds based lending rate ('MCLR') plus applicable spread of 0.55% p.a and 6 months SOFR for foreign currency packing credit loan plus applicable spread of 2% p.a (March 31, 2022: @ 6 months MCLR plus applicable spread of 0.55% and 6 months SOFR for foreign currency packing credit loan plus applicable spread of 2% p.a) Interest on loans is payable monthly. These loans are secured by pari passu (i) hypothecation of inventory including stores and spares (including goods in transit/goods awaiting bank negotiation/goods with processors meant for export) and (ii) trade receivables and current assets and fixed assets of the Company. Out of the above, ₹ Nil is outstanding as at March 31, 2023 (March 31, 2022: ₹ 500 Lakhs). Also refer note 14(B) [14] and [15] below.

[6] Indian rupee packing credit loan from a bank of ₹ 2,000 Lakhs (March 31, 2022: ₹ 2,000 Lakhs) carries interest rate linked to @ 6 months Marginal cost of funds based lending rate ('MCLR') (March 31, 2022: @ 6 months MCLR). Interest on loans is payable monthly. These loans are secured by pari passu (i) hypothecation of inventory including stores and spares (including goods in transit/goods awaiting bank negotiation/goods with processors meant for export) and (ii) trade receivables and current assets and fixed assets of the Company. Out of the above, ₹ Nil is outstanding as at March 31, 2023 (March 31, 2022: ₹ Nil). Also refer note 14(B) [14] and [15] below.

[7] Bill discounting from a bank of ₹ 3,000 Lakhs (March 31, 2022: ₹ 3,000 Lakhs) carries interest @SOFR plus applicable spread of 2.50% p.a. for foreign currency bills discounting and @ MCLR plus 0.75% for Indian Rupee bills discounting (March 31, 2022: LIBOR plus applicable spread of 2.50% p.a. for foreign currency bills discounting and @ MCLR plus 0.75% for Indian Rupee bills discounting) and interest is payable on transaction basis. The loan is secured by first pari passu charge on current assets of the Company. Out of the above, ₹ Nil is outstanding as at March 31, 2023 (March 31, 2022: ₹ 2,868.15 Lakhs). Also refer note 14(B) [14] and [15] below.

[8] Bill discounting from a bank of ₹ 2,000 Lakhs (March 31, 2022: ₹ 2,000 Lakhs) carries interest @Marginal cost of funds based lending rate ('MCLR') for Indian Rupee bills discounting (March 31, 2022: @MCLR for Indian Rupee bills discounting) and interest is payable on transaction basis. The loan is secured by pari passu (i) hypothecation of inventory including stores and spares (including goods in transit/goods awaiting bank negotiation/goods with processors meant for export) and (ii) trade receivables of the Company. Out of the above, ₹ Nil is outstanding as at March 31, 2023 (March 31, 2022: ₹ 453.45 Lakhs). Also refer note 14(B) [14] and [15] below.

[9] Bill discounting from a bank of ₹ 1,500 Lakhs (March 31, 2022: ₹ 1,500 Lakhs) carries interest rate linked to @3 months Marginal cost of fund based lending rate plus applicable spread of 0.45% p.a ("MCLR')for Indian rupee bill discounting loan and @6 months SOFR plus 2% for foreign currency bill discounting loan (March 31, 2022: @3 months MCLR for Indian rupee bill discounting loan plus applicable spread of 0.45% p.a and @6 months SOFR plus 2% p.a for foreign currency bill discounting loan). Interest on the above loans is payable on transaction basis. These loans are secured by pari passu charge on (i) current assets of the Company; and (ii) Fixed assets of the Company. Out of the above, ₹ Nil is outstanding as at March 31, 2023 (March 31, 2022: ₹ 780.68 Lakhs). Also refer note 14(B) [14] and [15] below.

[10] Bill discounting from a bank of ₹ 2,500 Lakhs (March 31, 2022: ₹ 2,500 Lakhs) carries interest rate linked to @6 months Marginal cost of fund based lending rate plus applicable spread of 0.55% p.a ('MCLR') for Indian rupee bill discounting loan and 6 months SOFR for foreign currency bill discounting loan plus applicable spread of 2% p.a (March 31, 2022: @6 months MCLR for Indian rupee bill discounting loan plus applicable spread of 0.55% p.a and 6 months SOFR plus applicable spread of 2% p.a for foreign currency bill discounting loan). Interest on the above loans is payable on transaction basis. These loans are secured by pari passu charge on (i) current assets of the Company; and (ii) Fixed assets of the Company.

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(All amounts in Indian Rupees in Lakhs, except stated otherwise)

Out of the above, ₹ Nil is outstanding as at March 31, 2023 (March 31, 2022: ₹ Nil). Also refer note 14(B) [14] and [15] below.

[11] Indian rupee packing credit loan, bill discounting and bank overdraft from a bank of ₹ 2,000 Lakhs (March 31, 2022: ₹ Nil) carries interest rate linked to @ 3 months Marginal cost of funds based lending rate ('MCLR') plus applicable spread of 0.25% p.a (March 31, 2022: Nil). Interest on loans is payable monthly. These loans are secured by pari passu (i) hypothecation of inventory including stores and spares (including goods in transit/goods awaiting bank negotiation/goods with processors meant for export) and (ii) trade receivables and current assets and fixed assets of the Company. Out of the above, ₹ Nil is outstanding as at March 31, 2023 (March 31, 2022: ₹ Nil). Also refer note 14(B) [14] and [15] below.

[12] Indian rupee packing credit loan, bill discounting and bank overdraft from a bank of ₹ 2,000 Lakhs (March 31, 2022: ₹ Nil) carries interest rate linked to @ 6 months Marginal cost of funds based lending rate ('MCLR') (March 31, 2022: Nil). Interest on loans is payable monthly. These loans are secured by pari passu (i) hypothecation of inventory including stores and spares (including goods in transit/goods awaiting bank negotiation/goods with processors meant for export) and (ii) trade receivables and current assets and fixed assets of the Company. Out of the above, ₹ Nil is outstanding as at March 31, 2023 (March 31, 2022: ₹ Nil). Also refer note 14(B) [14] and [15] below.

[13] Indian rupee packing credit loan, bill discounting and bank overdraft from a bank of ₹ 2,000 Lakhs (March 31, 2022: ₹ Nil) carries interest rate linked to @ 3 months Marginal cost of funds based lending rate ('MCLR') plus applicable spread of 0.05% p.a (March 31, 2022: Nil). Interest on loans is payable monthly. These loans are secured by pari passu (i) hypothecation of inventory including stores and spares (including goods in transit/goods awaiting bank negotiation/goods with processors meant for export) and (ii) trade receivables and current assets and fixed assets of the Company. Out of the above, ₹ Nil Lakhs is outstanding as at March 31, 2023 (March 31, 2022: ₹ Nil). Also refer note 14(B) [14] and [15] below.

[14] Bank overdraft from banks of ₹ 2,500 Lakhs (March 31, 2022: ₹ 2,500 Lakhs) carries interest linked to @6 month MCLR plus applicable spreads ranging from 0.75% to 2.50% p.a. (March 31, 2022: @6 month MCLR plus applicable spreads ranging from 0.75% to 2.50% p.a.). Interest on the above loan is payable on monthly basis. These loans are secured by pari passu (i) hypothecation of inventory including stores and spares (including goods in transit/goods awaiting bank negotiation/goods with processors meant for export) and (ii) trade receivables of the Company for a bank and first pari passu charge on current assets of the Company. Out of the above, ₹ Nil is outstanding as at March 31, 2023 (March 31, 2022: ₹ Nil). Also refer note 14(B)[15] below.

[15] The Company has further provided the following as the collateral to the Multiple Banking Arrangement (MBA) lenders towards the borrowings availed by the Company and as mentioned in the aforesaid note 14(B).

a) Pari passu charge on certain factory land and building located in Bangalore and Mysore owned by the Company and its subsidiary,

b) Pari passu charge on plant and machinery and certain movable assets of the Company

[16] The Company has availed the interest subvention during the years ended March 31, 2023 and March 31, 2022 under Interest Equalisation Scheme for pre and post shipment rupee export credit of Reserve Bank of India.

[17] Repayment of current borrowings and Interest:

During the year and as on the balance sheet date, the Company has not defaulted in repayment of current borrowings and interest there on.

[18] Loans from related parties:

During the year and as on the balance sheet date, the Company has not taken any borrowings from related parties.

15. LEASE LIABILITIES

Particulars		As at March 31, 2023	As at March 31, 2022
(a)	**Non current**		
	Lease liabilities	8,676.98	10,315.19
		8,676.98	**10,315.19**
(b)	**Current**		
	Lease liabilities	3,219.09	2,682.17
		3,219.09	**2,682.17**
Total Lease liabilities (Current + Non-current)		**11,896.07**	**12,997.36**

Refer Note 34(I) for maturity profile and other details.

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023

(All amounts in Indian Rupees in Lakhs, except stated otherwise)

16. PROVISION FOR EMPLOYEE BENEFITS

Particulars		As at March 31, 2023	As at March 31, 2022
(a) Non current			
Gratuity (refer note 36)		1,346.89	668.33
Total Provision for employee benefits - non-current	(A)	**1,346.89**	**668.33**
(b) Current			
Gratuity (refer note 36)		2,592.59	2,365.48
Compensated absences		1,805.22	1,358.26
Total Provision for employee benefits - current	(B)	**4,397.81**	**3,723.74**

17. FINANCIAL LIABILITIES - TRADE PAYABLES

Particulars	As at March 31, 2023	As at March 31, 2022
Current		
Total outstanding dues of micro, small and medium enterprises; and	241.02	94.75
Total outstanding dues of creditors other than micro, small and medium enterprises	8,160.12	11,689.58
Total financial liabilities - Trade payables	**8,401.14**	**11,784.33**

Terms and conditions of the above financial liabilities:

- Trade payables are non interest bearing.
- For explanations on the Company's credit risk management processes, Refer note 40.

Aging of trade payables:

There are no disputed trade payables as at and for the years ended March 31, 2023 and March 31, 2022.

Below is the list of undisputed trade payables outstanding for following periods from the due date.

March 31, 2023

Periods	MSME	Others
Less than 1 year	241.02	8,160.12
1 to 2 years	-	-
2 to 3 years	-	-
More than 3 years	-	-
Total	**241.02**	**8,160.12**

March 31, 2022

Periods	MSME	Others
Less than 1 year	94.75	11,468.74
1 to 2 years	-	220.84
2 to 3 years	-	-
More than 3 years	-	-
Total	**94.75**	**11,689.58**

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(All amounts in Indian Rupees in Lakhs, except stated otherwise)

18. FINANCIAL LIABILITIES - OTHER CURRENT FINANCIAL LIABILITIES

Particulars	As at March 31, 2023	As at March 31, 2022
Financial liabilities at fair value through OCI		
Cash flow hedges - foreign exchange forward contracts	1,420.92	-
Other financial liabilities at amortised cost		
Interest accrued and not due on loans	324.25	233.75
Employee related payables	7,943.24	8,646.78
Accrued expenses*	4,164.93	4,161.57
Liability for capital assets	915.84	481.93
Total financial liabilities - other current financial liabilities	**14,769.18**	**13,524.03**

* Accrued expenses represent amounts accrued for other operational expenses.

19. OTHER CURRENT LIABILITIES

Particulars	As at March 31, 2023	As at March 31, 2022
Advances received from customers	197.81	250.02
Statutory liabilities payable*	1,022.44	1,054.90
Total Other current liabilities	**1,220.25**	**1,304.92**

*Statutory liabilities primarily relate to payables in respect of Employee state insurance, provident fund, professional tax and tax deducted at source.

20. REVENUE FROM OPERATIONS

Particulars		YTD As at March 31, 2023	YTD As at March 31, 2022
(a)	**Sale of finished goods**		
	Exports	1,85,190.38	1,49,112.14
	Domestic	21,415.77	17,753.05
		2,06,606.15	**1,66,865.19**
(b)	**Other operating revenues**		
	Export incentives and others*	11,492.43	8,813.05
	Sale of accessories, fabrics, scrap and others	3,338.95	3,082.74
	Job work income	782.05	270.59
		15,613.43	**12,166.38**
Total Revenue from operations		**2,22,219.58**	**1,79,031.57**

* Others represents government grant, which is in the form of import duty savings, have been received upon import of certain property, plant and equipment. There are no unfulfilled conditions or contingencies attached to these grants as at March 31, 2023 and March 31, 2022.

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023

(All amounts in Indian Rupees in Lakhs, except stated otherwise)

i. Disaggregation of Revenue from sale of finished goods

The Company has disaggregated revenue into various categories in the following table which is intended to enable users to understand the relationship with revenue segment information provided in note 34.

Primary Geographic Markets (Name of the country)	Sale of finished goods	
	As at March 31, 2023	As at March 31, 2022
United States of America	1,65,149.21	1,34,221.24
Canada	8,273.13	5,595.42
Netherlands	4,311.42	2,203.18
United Kingdom	1,459.83	1,355.07
France	1,296.21	1,116.98
China	1,151.89	729.86
Australia	495.54	231.86
Japan	466.36	320.02
Panama	467.32	82.51
Denmark	296.05	622.58
Spain	145.36	506.02
Germany	149.96	122.20
Other Overseas Countries	1,528.10	2,005.20
India	21,415.77	17,753.05
Total	**2,06,606.15**	**1,66,865.19**

Apart from geographic location of customers; the characteristics of Company's revenue are uniform in terms of product type, contract counterparties, timing of transfer of goods, uncertainty of revenue and cashflows etc. Therefore, disaggregation of revenue as per these categories is not applicable.

ii. Remaining performance obligations

All of the Company's contracts are for the delivery of goods within the next 12 months for which the practical expedient in paragraph 121(a) of Ind AS 115 applies. As a result, the Company has not disclosed the information pertaining to remaining performance obligations as required by paragraph 120 of Ind AS 115.

iii. Estimates and assumptions

There are no significant estimates and assumptions.

iv. Contract balances

Particulars	Contract liabilities	
	As at March 31, 2023	As at March 31, 2022
Balance at the beginning of the year	250.02	144.47
Less: Amount included in contract liabilities that was recognised as revenue during the period	(250.02)	(144.47)
Add: Cash received in advance of performance and not recognised as revenue during the period	197.81	250.02
Balance at the end of the year	**197.81**	**250.02**

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023

(All amounts in Indian Rupees in Lakhs, except stated otherwise)

21. OTHER INCOME

Particulars	As at March 31, 2023	As at March 31, 2022
Interest income on:		
Bank deposits	112.92	453.74
Security deposits	169.75	139.64
Income tax refunds	55.77	52.54
Other non-operating income:		
Net gain on disposal of property, plant and equipment	19.26	60.55
Gain on sale of investments in mutual fund units	425.98	85.36
Fair value gain on investments in mutual fund units	1,163.55	193.83
Provision no longer required written back	190.52	62.31
Miscellaneous income	365.60	20.80
Total other income	**2,503.35**	**1,068.77**

22. COST OF RAW MATERIALS AND COMPONENTS CONSUMED

Particulars	As at March 31, 2023	As at March 31, 2022
Inventory at the beginning of the year	13,674.99	9,200.50
Add: Purchases	1,03,615.31	1,04,744.21
	1,17,290.30	**1,13,944.71**
Less: inventory at the end of the year	(12,055.92)	(13,674.99)
Total cost of raw materials and components consumed	**1,05,234.38**	**1,00,269.72**

23. PURCHASES OF STOCK-IN-TRADE

Particulars	As at March 31, 2023	As at March 31, 2022
Purchases of stock-in-trade	119.58	1,478.89
Total Purchases of stock-in-trade	**119.58**	**1,478.89**

24. CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS

Particulars	As at March 31, 2023	As at March 31, 2022
Inventories at the beginning of the year		
Work-in-progress	17,646.49	11,736.31
Finished goods (Readymade garments)	11,366.43	4,347.59
	29,012.92	**16,083.90**
Inventories at the end of the year		
Work-in-progress	12,377.82	17,646.49
Finished goods (Readymade garments)	4,271.78	11,366.43
	16,649.60	**29,012.92**
Total changes in inventories of finished goods and work-in-progress	**12,363.32**	**(12,929.02)**

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For the year ended March 31, 2023

(All amounts in Indian Rupees in Lakhs, except stated otherwise)

25. EMPLOYEE BENEFITS EXPENSE

Particulars	As at March 31, 2023	As at March 31, 2022
Salaries and wages	50,399.84	46,049.36
Contribution to provident and other funds	5,910.88	5,045.55
Share based payment expenses	2,298.00	135.82
Gratuity expense (net)	1,610.44	1,328.86
Staff welfare expense	1,712.49	1,317.99
Total employee benefit expenses	**61,931.65**	**53,877.58**

26. FINANCE COSTS

Particulars	As at March 31, 2023	As at March 31, 2022
Interest charge		
on Indian rupee packing credit loan/Indian rupee loan from bank	178.13	1,259.38
on bill discounting and others	23.80	410.20
on lease liabilities	1,497.42	1,376.73
Bank charges and other borrowing costs	872.46	974.43
Total finance costs	**2,571.81**	**4,020.74**

27. DEPRECIATION AND AMORTIZATION EXPENSE

Particulars	As at March 31, 2023	As at March 31, 2022
Depreciation of property, plant and equipment	3,586.57	2,989.74
Amortisation of other intangible assets	218.66	165.70
Amortisation on right-of-use assets	3,369.80	2,739.38
Total depreciation and amortisation expense	**7,175.03**	**5,894.82**

28. OTHER EXPENSES

Particulars	As at March 31, 2023	As at March 31, 2022
Consumption of stores and spares and other manufacturing expenses	2,078.39	1,907.15
Water, electricity and fuel charges	3,090.63	2,601.20
Clearing, forwarding and freight	2,043.47	3,208.06
Rental charges	1,261.22	1,513.52
Legal and professional fees	1,288.55	1,129.82
Travelling and conveyance	679.47	535.61
Rates and taxes	326.14	237.02
Insurance	450.10	526.69
Repairs and maintenance		
Plant and machinery	903.48	827.30
Buildings	216.94	161.24
Others	962.85	632.46

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For the year ended March 31, 2023

(All amounts in Indian Rupees in Lakhs, except stated otherwise)

Particulars	As at March 31, 2023	As at March 31, 2022
Communication costs	182.58	170.51
Payments to auditors [Refer note 28(a)]	52.55	34.64
Sitting fees	51.20	58.40
Corporate social responsibility expenditure [Refer note 28(b)]	103.55	46.58
Provision for doubtful deposits and advances	-	160.52
Irrecoverable balances written off	-	272.72
Provision for doubtful debts	27.70	8.07
Miscellaneous expenses	1,256.39	1,085.51
Total other expenses	**14,975.21**	**15,117.02**

Note 28 (a): Payment to auditors (exclusive of GST)

Particulars	As at March 31, 2023	As at March 31, 2022
As auditor:		
Audit fees (including fees for audit of consolidated and Standalone Financial Statements and quarterly limited reviews)	45.00	33.00
In other capacity:		
Certificates	2.00	-
Reimbursement of expenses	5.55	1.64
Total payment to auditors (exclusive of GST)	**52.55**	**34.64**

Note 28 (b): Corporate social responsibility expenditure

As per Section 135 of the Companies Act, 2013, a Company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. A CSR committee has been formed by the Company as per the Act. The funds are utilized through the year on the activities specified in Schedule VII of the Companies Act, 2013.

The nature of the corporate social responsibility activities undertaken by the Company for the year ended March 31, 2023 and March 31, 2022 includes education and healthcare.

Particulars	As at March 31, 2023	As at March 31, 2022
Gross Amount required to be spent as per Section 135 of the Act	103.55	46.58
Add: Amount Unspent from previous years	-	-
Total Gross amount required to be spent during the year	**103.55**	**46.58**
Amount approved by the Board to be spent during the year	103.55	46.58

Details related to amount spent/unspent

Particulars	As at March 31, 2023	As at March 31, 2022
Contribution to the trust by the Company (A)	103.55	36.00
CSR expenditure directly incurred by the Company (B)	-	11.00
Total amount incurred by the Company (A+B)	**103.55**	**47.00**
Amount of expenditure incurred by the trust	71.51	-

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023

(All amounts in Indian Rupees in Lakhs, except stated otherwise)

Particulars	As at March 31, 2023	As at March 31, 2022
Amount remaining unspent by the trust for the year	32.04	36.00
Cumulative amount remaining unspent by the trust at the end of the year	32.04	36.00
Amount deposited in specified fund of schedule VII of the Act within 6 months (₹)	-	-
Nature of activity as part of ongoing CSR project	Healthcare	Education

There are no contributions to Related Parties/no CSR Expenditure incurred with Related Parties.

29. EXCEPTIONAL ITEMS

Particulars	As at March 31, 2023	As at March 31, 2022
Net gain on disposal of Property, plant and equipment (Refer note 46)	605.03	-
	605.03	**-**

30. INCOME TAX

The Company and its domestic subsidiaries are subject to income tax in India on the basis of their standalone financial statements. These companies can claim tax exemptions/ deductions under specific sections of the Income Tax Act, 1961 subject to fulfilment of prescribed conditions, as may be applicable. As per the Income Tax Act, 1961, the Companies are liable to pay income tax based on higher of regular income tax payable or the amount payable based on the provisions applicable for Minimum Alternate Tax (MAT). MAT paid in excess of regular income tax during a year can be carried forward for a period of fifteen years and can be offset against future tax liabilities arising from regular income tax.

Section 115BAA has newly been inserted in the Income Tax Act, 1961 vide Taxation Laws (Amendment) Ordinance, 2019 (subsequently enacted on December 11, 2019 as The Taxation Laws (Amendment) Act, 2019) which provides a domestic Company with an irrevocable option to pay tax at a lower rate of 22% (effective rate of 25.168%) for any previous year relevant to the assessment year beginning on or after April 01, 2020. The lower rate shall be applicable subject to certain conditions, including that the total income should be computed without claiming specific deduction or exemptions. MAT would be inapplicable to companies opting to apply the lower tax rate.

Business loss can be carried forward for a maximum period of eight assessment years immediately succeeding the assessment year to which the loss pertains. Unabsorbed depreciation can be carried forward for an indefinite period.

Income tax expenses in the consolidated statement of profit and loss consist of the following:

Particulars	As at March 31, 2023	As at March 31, 2022
(a) Current tax	4,830.57	1,170.15
(b) Adjustment of tax relating to earlier periods	(160.11)	(677.07)
(c) Deferred tax	(1,528.14)	(498.08)
Total taxes	**3,142.32**	**(5.00)**

Reconciliation of taxes to the amount computed by applying the statutory income tax rate to the income before taxes is summarized below:

Particulars	As at March 31, 2023	As at March 31, 2022
Profit/(Loss) after exceptional items and before tax	20,438.96	11,703.13
Applicable normal income tax rate in India	25.168%	25.168%
Computed tax expense	5,144.08	2,945.44

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023

(All amounts in Indian Rupees in Lakhs, except stated otherwise)

Particulars	As at March 31, 2023	As at March 31, 2022
Tax effect of:		
Exempted income	(5,293.46)	(4,568.98)
Expenses disallowed	3,291.70	3,197.04
Carried forwarded tax losses	-	(1,578.50)
Total tax expenses	**3,142.32**	**(5.00)**

31. EARNINGS PER SHARE (EPS)

Basic EPS amounts are calculated by dividing the profit/(loss) for the year attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year. Partly paid equity shares are treated as a fraction of an equity share to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share spilt and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

Diluted EPS amounts are calculated by dividing the profit/(loss) attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

The following table reflects the data used in the basic and diluted EPS computations:

Particulars	As at March 31, 2023	As at March 31, 2022
Face value of equity shares (₹ per share)	5.00	5.00
Profit/(Loss) attributable to equity holders of the Group	17,296.64	11,708.13
Weighted average number of equity shares used for computing earning per share (basic)	6,04,80,887	5,07,30,394
Weighted average number of equity shares used for computing earning per share (diluted)	6,35,91,768	5,28,84,069
EPS - basic (₹)	28.60	23.08
EPS - diluted (₹)	27.20	22.14

32. SIGNIFICANT ACCOUNTING ESTIMATES AND ASSUMPTIONS

The preparation of the Group's Consolidated Financial Statements requires management to make judgements, estimates and assumptions that affect the reported amount of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

The estimates and the underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected.

Significant judgements and estimates relating to the carrying values of assets and liabilities include provision for obsolete inventory, impairment of investments, impairment of non current assets, provision for employee benefits and other provisions, fair value measurement of financial assets and liabilities, commitments and contingencies.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023

(All amounts in Indian Rupees in Lakhs, except stated otherwise)

a. Income taxes

The Company's tax jurisdiction is India. Significant judgements are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions.

b. Property, plant and equipment

Property, plant and equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by the management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technical or commercial obsolescence arising from changes or improvements in production or from a change in market demand of the product or service output of the asset.

c. Right-of-use assets and lease liability

The Group has exercised judgement in determining the lease term as the non-cancellable term of the lease, together with the impact of options to extend or terminate the lease if it is reasonably certain to be exercised. Where the rate implicit in the lease is not readily available, an incremental borrowing rate is applied. This incremental borrowing rate reflects the rate of interest that the lessee would have to pay to borrow over a similar term, with a similar security, the funds necessary to obtain an asset of a similar nature and value to the right-of-use asset in a similar economic environment. Determination of the incremental borrowing rate requires estimation.

d. Impairment of non-current asset including investments

Determining whether investment are impaired requires an estimation of the value in use of the individual investment or the relevant cash generating units ('CGU'). The value in use calculation is based on DCF model over the estimated useful life of the CGU's. Further, the cash flow projections are based on estimates and assumptions relating to sale price/customer orders on hand, efficiency in operations, etc.

e. Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

f. Contingencies

Contingent liabilities may arise from the ordinary course of business in relation to claims against the Group, including legal and contractual claims. By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgement and the use of estimates regarding the outcome of future events.

In respect of bank guarantees provided by the Group to third parties, the Group considers that it is more likely than not that such an amount will not be payable under the guarantees provided.

g. Defined benefit obligations

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds.

The mortality rate is based on publicly available mortality tables for India. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

Further details about gratuity obligations are given in note 36.

h. Provision for obsolete inventory

Inventory write downs are accounted, considering the nature of inventory, ageing, liquidation plan and net realisable value. These write downs are recognised as an expense and are included in "Changes in inventories of finished goods and work-in-progress" in the statement of profit and loss.

i. Expected credit losses on financial assets

The impairment provisions of financial assets and contract assets are based on assumptions about risk of default and expected timing of collection. The Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history of collections, customer's creditworthiness, existing market conditions as well as forward looking estimates at the end of each reporting period.

Notes to the Consolidated Financial Statements

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j. Non current assets held for sale

Non current assets held for sale are measured at the lower of carrying amount or fair value less costs to sell. Determination of fair value involves management estimate. Fair value of assets held for sale is determined using valuation technique involving unobservable inputs. Judgement is involved in estimating future cash flow, determining discount rate etc.

k. Employee share based payments

Company's share based payments to employees primarily consist of Employee Stock Option Plans ('ESOPs') and Restricted Stock Units ('RSUs'). The share-based compensation expense is determined based on the Company's estimate of fair value at grant date of the ESOPs/RSUs granted. The Company estimates fair value of ESOPs/RSUs using Black-Scholes-Merton ('BSM') option pricing model. The BSM model is based on various assumptions including expected volatility, expected life, interest rate.

l. Revenue from Export incentives

For measurement of income from the export incentives, significant estimates and judgments are made which include, eligibility of the export transaction for the claim, the timing of processing such claim and its subsequent realization and also the rate notified/to be notified by the government authorities.

33. SEGMENT INFORMATION - DISCLOSURE PURSUANT TO IND AS 108 'OPERATING SEGMENT'

(a) Basis of identifying operating segments:

Operating segments are identified as those components of the Group (a) that engage in business activities to earn revenues and incur expenses; (b) whose operating results are regularly reviewed by the Group's Chief Executive Officer to make decisions about resource allocation and performance assessment and (c) for which discrete financial information is available.

The accounting policies consistently used in the preparation of the financial statements are also applied to record revenue and expenditure in individual segments. Assets, liabilities, revenues and direct expenses in relation to segments are categorised based on items that are individually identifiable to that segment, while other items, wherever allocable, are apportioned to the segments on an appropriate basis. Certain items are not specifically allocable to individual segments as the underlying services are used interchangeably.

(b) The Group is engaged in a single business segment of sale of garment and hence no additional disclosures are required.

(c) Geographic information

The Group mainly operates in two geographical areas of the world, i.e., India and Rest of World, the details of which are as below:

Particulars	Segment revenue*		Non current assets**	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
India	35,622.76	27,933.31	39,926.95	31,666.83
Rest of world	1,86,596.82	1,51,098.26	-	-
Total	**2,22,219.58**	**1,79,031.57**	**39,926.95**	**31,666.83**

The revenue information above is based on the locations of the customers and includes other operating revenues.

Revenue from three (March 31, 2022: Three) customer amounted to ₹ 154,269.69 Lakhs (March 31, 2022: ₹ 125,129.35 Lakhs), arising from sales of readymade garments.

*Total Revenue from operations by geographical area are based on the geographical location of the client.

**Non-current assets excludes non current financial assets and non current tax assets.

34. COMMITMENTS AND CONTINGENCIES

I. Leases

The Group evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgement. The Group uses judgement in assessing whether a contract (or part of contract) include a lease, the lease term (including anticipated renewals), the applicable discount rate, variable lease payments whether are in-substance fixed. The judgement involves assessment of whether the asset included in the contract is a fully or partly identified asset based

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on the facts and circumstances, whether the contract include a lease and nonlease component and if so, separation thereof for the purpose of recognition and measurement, determination of lease term basis, inter alia the non-cancellable period of lease and whether the lessee intends to opt for continuing with the use of the asset upon the expiry thereof, and whether the lease payments are fixed or variable or a combination of both. The Group records the lease liability at the present value of the lease payments discounted at the incremental borrowing rate.

The movement in lease liabilities is as follows:

Particulars	As at March 31, 2023	As at March 31, 2022
Opening balance	12,997.36	11,328.73
Additions	1,721.77	3,716.01
Deletions	(108.67)	(88.99)
Finance cost accrued	1,497.42	1,376.73
Payment of lease liabilities	(4,211.81)	(3,335.12)
Closing balance	**11,896.07**	**12,997.36**

The break-up of current and non-current lease liabilities is as follows:

Particulars	As at March 31, 2023	As at March 31, 2022
Current lease liabilities	3,219.08	2,682.17
Non-current lease liabilities	8,676.99	10,315.19
Total	**11,896.07**	**12,997.36**

The details of the contractual maturities of lease liabilities on an undiscounted basis are as follows:

Particulars	As at March 31, 2023	As at March 31, 2022
Less than one year	4,360.26	4,018.89
One to five years	10,295.11	12,031.26
More than five years	1,305.85	1,345.24
Total	**15,961.22**	**17,395.39**

The Group does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

Rental expense recorded for short-term leases during the year is ₹ 1,261.22 Lakhs (March 31, 2022: ₹ 1,513.52 Lakhs).

II. Contingencies

In the ordinary course of business, the Group faces claims and assertions by various parties. The Group assesses such claims and assertions and monitors the legal environment on an ongoing basis with the assistance of external legal counsel, wherever necessary. The Group records a liability for any claims where a potential loss is probable and capable of being estimated and discloses such matters in its financial statements, if material. For potential losses that are considered possible, but not probable, the Group provides disclosure in the financial statements but does not record a liability in its accounts unless the loss becomes probable.

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(All amounts in Indian Rupees in Lakhs, except stated otherwise)

The following is a description of claims and assertions where a potential loss is possible, but not probable. The Group believes that none of the contingencies described below would have a material adverse effect on the Group's financial condition, results of operations or cash flows.

Particulars		As at March 31, 2023	As at March 31, 2022
(a)	**Bank Guarantees**		
	Sanctioned	2,770.00	150.00
	Outstanding	366.52	150.00
(b)	**Outstanding letters of credit**		
	Sanctioned	16,822.00	6,322.00
	Outstanding	4,171.34	3,587.68
(c)	**Litigations**		
	(i) Matters relating to direct taxes under dispute *	-	278.43
	(ii) Matters relating to other taxes under dispute	122.54	122.54

* Certain demands from income tax authorities have been set off against the brought forward business loss and unabsorbed depreciation of previous years and accordingly amount disclosed as contingent liabilities represent the demands after setting off such brought forward loss and depreciation.

(i) The aforementioned demand amounts under dispute are as per the demands from various authorities for the respective periods and have not been adjusted to include further interest and penalty leviable, if any, at the time of final outcome of the appeals.

(ii) The Group is also involved in various other litigations and claims other than as tabulated above, the impact of which is not quantifiable. These cases are pending with various courts/forums and are scheduled for hearings. After considering the circumstances and legal evaluation thereon, the Group's management believes that these cases are not tenable/material and accordingly have not made any further adjustments, other than amount already provided in the Consolidated Financial Statements.

III. Capital and other commitments

Particulars	As at March 31, 2023	As at March 31, 2022
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	1,848.98	93.46
Commitments relating to forward contract- hedge of highly probable forecast sales	1,43,037.06	1,44,555.43

IV. Corporate guarantee

The Company has provided corporate guarantee to the banks for the credit limits obtained by the wholly owned subsidiaries namely "Sri Susamyuta Knits Private Limited" and "Gokaldasexports Acharpura Private Limited".

35. HEDGING ACTIVITIES

Cash flow hedges

Foreign exchange forward contracts measured at fair value through OCI are designated as hedging instruments in cash flow hedges of forecast sales in foreign currency. These forecast transactions are highly probable, and they comprise about 100% of the Group's total expected sales in foreign currency.

The foreign exchange forward contract balances vary with the level of expected foreign currency sales and changes in foreign exchange forward rates.

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The Group is holding the following foreign currency forward contracts to hedge the exposure on its highly probable sales over the next 12 months:

Particulars	Currency	Amount	Average Strike rate
March 31, 2023	USD	1,731.16	82.62
March 31, 2023	INR	1,43,037.06	
March 31, 2022	USD	1,850.43	78.12
March 31, 2022	INR	1,44,555.43	

The Group is holding the following foreign currency forward contracts to hedge the exposure for import of capital goods.

Particulars	Currency	Amount	Average Strike rate
March 31, 2023	EUR	6.08	1.09
March 31, 2023	USD	6.62	
March 31, 2022	EUR	-	-
March 31, 2022	USD	-	

Details relating to hedging instrument with respect to foreign currency risk arising from sales:

Particulars	As at March 31, 2023	As at March 31, 2022
Nominal amount of hedging instrument	1,43,043.68	1,44,555.43
Carrying amount of cash flow hedges- foreign exchange forward contracts:		
Assets	9.99	1,377.03
Liabilities	1,420.92	-
Line item in balance sheet where hedging instrument is disclosed	Refer Note 18	Refer Note 6
Changes in fair value for calculating hedge ineffectiveness	-	-

Details relating to hedged item with respect to foreign currency risk arising from sales:

Particulars	As at March 31, 2023	As at March 31, 2022
Change in value used for calculating hedge ineffectiveness	-	-
Balance in cash flow hedge reserve		
For continuing hedges	1,410.93	1,377.03
For hedges no longer applied	-	-
Total balance	**1,410.93**	**1,377.03**

Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument, including whether the hedging instrument is expected to offset changes in cash flows of hedged items.

The cash flow hedges of the expected future sales and import of capital goods during the year ended March 31, 2023 and March 31, 2022 were assessed to be highly effective and a net unrealised gain/loss relating to hedging instrument is included in OCI. The amounts retained in OCI at March 31, 2023 are expected to mature and affect the Consolidated Statement of Profit and Loss during the year ended March 31, 2024 and March 31, 2025.

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For the year ended March 31, 2023

(All amounts in Indian Rupees in Lakhs, except stated otherwise)

Details relating to impact of cash flow hedge with respect to foreign currency risk arising from sales in statement of profit and loss for the year ended as on:

Cash flow hedge reserve	As at March 31, 2023	As at March 31, 2022
Opening balance	1,377.03	981.01
Movement in OCI:		
Gain/(loss) recognised in OCI during the year	(543.82)	2,130.54
Less: amount reclassified to consolidated statement of profit and loss as hedged item has affected profit or loss	(1,886.53)	(1,734.52)
Less: amount reclassified to consolidated statement of profit and loss for which future cash flows are no longer expected to occur	-	-
Net (gain)/loss recognised in OCI for the year	(2,430.35)	396.02
Less: amount recognised in the consolidated statement of profit and loss on account of hedge ineffectiveness	-	-
Closing balance	**(1,410.93)**	**1,377.03**

The Group offsets a financial asset and financial liability when it currently has a legally enforceable right to set off the recognized amounts and the Group intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

36. GRATUITY AND OTHER POST-EMPLOYMENT BENEFIT PLANS

The Group has a defined benefit gratuity plan. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the Payment of Gratuity Act, 1972, every employee who has completed four years and 240 days or more of service gets gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The level of benefits provided depends on the member's length of service and salary at retirement age. The scheme is funded with Life Insurance Corporation of India in the form of a qualifying insurance policy.

The following tables summarise the components of net benefit expenses recognised in the consolidated statement of profit or loss and the funded status and amounts recognised in the consolidated balance sheet for gratuity benefit.

(a) Net benefit expenses (recognised in the consolidated statement of profit and loss)

Particulars	As at March 31, 2023	As at March 31, 2022
Current service cost	1,415.52	1,174.05
Net interest cost on defined benefit obligations/(assets)	203.21	154.81
Net benefit expenses	**1,618.73**	**1,328.86**

(b) Remeasurement (gain)/loss recognised in other comprehensive income:

Particulars	As at March 31, 2023	As at March 31, 2022
Actuarial (gain)/loss on obligations arising from changes in demographic assumption	-	-
Actuarial (gain)/loss on obligations arising from changes in financial assumptions	316.56	(131.97)
Actuarial (gain)/loss on obligations arising from changes in experience adjustments	(526.75)	(180.53)
Actuarial (gain)/loss arising during the year	**(210.19)**	**(312.50)**
Return on plan assets (greater)/less than discount rate	2.28	0.04
Actuarial (gain)/loss recognised in other comprehensive income	**(207.91)**	**(312.46)**

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(c) Net defined benefit asset/(liability)

Particulars	As at March 31, 2023	As at March 31, 2022
Defined benefit obligation	3,967.08	3,061.41
Fair value of plan assets	(27.60)	(27.60)
Plan liability/(asset)	**3,939.48**	**3,033.81**

(d) Changes in the present value of defined benefit obligation are as follows:

Particulars	As at March 31, 2023	As at March 31, 2022
Opening defined benefit obligation	3,061.42	2,477.48
Current service cost	1,415.52	1,174.05
Interest cost on the defined benefit obligation	205.24	156.57
Benefits paid	(504.91)	(434.19)
Actuarial (gain)/loss on obligations arising from changes in demographic assumption	-	-
Actuarial (gain)/loss on obligations arising from changes in financial assumptions	316.56	(131.97)
Actuarial (gain)/loss on obligations arising from changes in experience adjustments	(526.75)	(180.53)
Closing defined benefit obligation	**3,967.08**	**3,061.41**

(e) Changes in the fair value of plan assets are as follows:

Particulars	As at March 31, 2023	As at March 31, 2022
Opening fair value of plan assets	27.60	25.88
Interest income on plan assets	2.03	1.76
Contributions by employer	505.16	434.19
Benefits paid	(504.91)	(434.19)
Return on plan assets (lesser)/greater than discount rate	(2.28)	(0.04)
Closing fair value of plan assets	**27.60**	**27.60**

The Group expects to contribute ₹ 2,592.59 Lakhs (March 31, 2022: ₹ 2,365.48 Lakhs) towards gratuity fund.

(f) The following benefit payments (undiscounted) are expected in future years:

Particulars	As at March 31, 2023
March 31, 2024	793.14
March 31, 2025	558.07
March 31, 2026	429.97
March 31, 2027	320.96
March 31, 2028	319.66
March 31, 2029 to March 31, 2033	3,403.35

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(All amounts in Indian Rupees in Lakhs, except stated otherwise)

(g) The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

Particulars	As at March 31, 2023	As at March 31, 2022
Investments with insurer	100%	100%

(h) The principal assumptions used in determining gratuity for the Group's plan is as shown below:

Particulars	As at March 31, 2023	As at March 31, 2022
Discount rate (in %)	7.31%	6.93%
Salary escalation (in %)	5% to 8%	5% to 8%
Employee turnover (in %)	40.00%	40.00%
Retirement age (yrs)	60	60
Mortality rate	Refer note 4 below	

Notes:

1. Plan assets are fully represented by balance with the Life Insurance Corporation of India.
2. The expected return on plan assets is determined considering several applicable factors mainly the composition of the plan assets held, assessed risks of asset management, historical results of the return on plan assets and the Group's policy for plan asset management.
3. The estimates of future salary increase in compensation levels, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.
4. As per Indian Assured Lives Mortality (2012-14) ultimate.
5. Refer note 16 for current and non current classification.

(i) A quantitative sensitivity analysis for significant assumption is as shown below:

Particulars	As at March 31, 2023	As at March 31, 2022
Discount rate		
Impact of defined benefit obligation due to 1% increase in discount rate	(168.14)	(156.72)
Impact of defined benefit obligation due to 1% decrease in discount rate	183.39	173.46
Salary escalation rate		
Impact of defined benefit obligation due to 1% increase in salary escalation rate	158.55	158.32
Impact of defined benefit obligation due to 1% decrease in salary escalation rate	(148.16)	(145.17)
Attrition rate		
Impact of defined benefit obligation due to 1% increase in attrition rate	(39.15)	(17.73)
Impact of defined benefit obligation due to 1% decrease in attrition rate	40.96	17.53

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

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For the year ended March 31, 2023

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37. RELATED PARTY TRANSACTIONS

a. Names of related parties and description of relationships:

Description of relationship	Name of related parties
Key management personnel and their relatives	Mr. Richard B Saldanha, (Chairman and Independent Director) (upto November 28, 2022)
	Mr. Mathew Cyriac, (Chairman and Non Executive Director) (appointed as Chairman w.e.f November 29, 2022)
	Mr. Sivaramakrishnan Ganapathi, Vice Chairman and Managing Director
	Mr. George Varughese (Independent Director) (w.e.f October 27, 2022)
	Mr. Shivanandan Ashok Dalvie (Independent Director) (w.e.f October 27, 2022)
	Ms. Rama Bijapurkar (Independent Director) (w.e.f October 27, 2022)
	Mr. Prabhat Kumar Singh (Wholetime Director)
	Mr. Poorana Seenivasan (Executive Director) (w.e.f October 27, 2022)
	Mr. Sathyamurthy A, (Chief Financial Officer)
	Mr. Gourish Hegde, (Company Secretary) (w.e.f February 10, 2023)
	Ms. Anuradha Sharma (Independent Director) (upto February 07, 2023)
	Mr. Gautham Madhavan (Non Executive Director) (upto October 27, 2022)
	Ms. Shrithee MS (Company Secretary) (upto November 11, 2022)

b. Summary of transactions during the year with the above related parties are as follows:

Particulars	As at March 31, 2023	As at March 31, 2022
i) Stock options exercised during the year (face value + Security premium)		
Richard B Saldanha	15.24	-
Sivaramakrishnan Ganapathi	307.88	-
Sathyamurthy A	61.79	3.75
ii) Managerial remuneration to		
a) Key managerial personnel		
Sivaramakrishnan Ganapathi	962.09	687.59
Sathyamurthy A	169.85	173.94
Prabhat Kumar Singh	65.00	65.00
Poorana Seenivasan	89.03	-
Gourish Hegde	2.01	-
Shrithee MS	8.71	13.53
	1,296.69	**940.06**
b) Sitting fees paid to directors (independent directors and non-executive directors)		
Richard B. Saldanha	10.40	14.40
Mathew Cyriac	14.40	14.40
George Varughese	3.20	-
Shivanandan Ashok Dalvie	1.60	-

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(All amounts in Indian Rupees in Lakhs, except stated otherwise)

Particulars	As at March 31, 2023	As at March 31, 2022
Rama Bijapurkar	2.40	-
Anuradha Sharma	10.40	16.80
Gautham Madhavan	8.80	12.80
	51.20	**58.40**
c) Summary of compensation of key managerial personnel of the Company [1]		
Managerial remuneration	1,296.69	940.06
Sitting fees	51.20	58.40
Share based payment expenses	1,161.86	72.77
	2,509.75	**1,071.23**

c. Summary of outstanding balances with the above related parties are as follows:

Particulars	As at March 31, 2023	As at March 31, 2022
i) Remuneration payable to Key managerial personnel		
Sivaramakrishnan Ganapathi	719.37	423.37
Poorana Seenivasan	38.71	-
Sathyamurthy A	50.00	40.00
	808.08	**463.37**

[1] As the liability for gratuity and leave encashment to key managerial personnel is provided on actuarial basis for the Group as a whole, the gratuity and leave encashment amount pertaining to the key management personnel is not disclosed separately.

38. DISCLOSURES OF DUES/PAYMENTS TO MICRO, SMALL AND MEDIUM ENTERPRISES TO THE EXTENT SUCH ENTERPRISES ARE IDENTIFIED BY THE GROUP

Particulars	As at March 31, 2023	As at March 31, 2022
i. The principal amount due thereon remaining unpaid as at the year end Interest amount due and remaining unpaid as at the year end	241.02	94.75
ii. The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	-	-
iii. The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
iv. The amount of interest accrued and remaining unpaid as the year end in respect of principal amount settled during the year	-	-
v. The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-

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For the year ended March 31, 2023

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39. SHARE- BASED PAYMENTS

The Group's employee benefit plans are as summarised below:

In September 2010, the shareholders of the Company approved Stock Option Plan (ESOP 2010) in accordance with the guidelines issued by the Securities and Exchange Board of India (SEBI) for Employees Stock Options Plan. The plan covered all employees of the Group including employees of subsidiaries and directors and provided for the issue of 1,718,800 shares of ₹ 5 each.

Further, the shareholders of the Company by way of special resolution dated August 26, 2018 approved Employee Restricted Stock Unit Plan (RSU 2018) in accordance with the guidelines issued by the SEBI for employees Stock Options Plan. The plan covered all the senior management employees of the Group and provided for the issue of 2,133,040 shares of ₹ 5 each.

Further, the shareholders of the Company by way of special resolution dated April 03, 2022 approved Stock Option Plan (ESOP 2022) in accordance with the guidelines issued by the SEBI for employees Stock Options Plan. The plan covered all the senior management employees of the Company and provided for the issue of 3,000,000 shares of ₹ 5 each.

The fair value of the stock options is estimated at the grant date using a Black-Scholes-Merton ('BSM') option pricing model. The BSM option pricing model incorporates various assumptions including expected volatility, expected life and interest rates. The Group recognises share based compensation cost as expense over the requisite service period.

The contractual term of each option granted is ranging from two to three years. There are no cash settlement alternatives. The Group does not have a past practice of cash settlement for these share options.

Employee stock option expense is as set out below:

Particulars	As at March 31, 2023	As at March 31, 2022
Expense arising from equity-settled share based payment transactions	2,298.00	135.82
	2,298.00	**135.82**

Movement during the year for ESOP 2010 Plan:

The activity in the ESOP 2010 Plan for equity-settled share based payment transactions is set out below:

Particulars	As at March 31, 2023		As at March 31, 2022	
	Shares arising out of options	Weighted average exercise price (₹)	Shares arising out of options	Weighted average exercise price (₹)
Opening balance	4,85,000	78.30	5,41,667	78.30
Granted during the year	-	-	-	-
Exercised during the year	(4,65,000)	-	(21,667)	-
Lapsed during the year	-	-	(35,000)	-
Closing balance	**20,000**	**78.30**	**4,85,000**	**78.30**
Exercisable as at year end	20,000		4,85,000	

The weighted average share price at the date of exercise of the options during the period is ₹ 376.27 (March 31, 2022: ₹ 231.99).

The weighted average remaining contractual life for the share options outstanding is 3.17 years (March 31, 2022: 4.88 years).

The range of exercise prices for options outstanding at the end of the year was ₹ 60.95 to ₹ 85.96 (March 31, 2022: ₹ 60.95 to ₹ 85.96).

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For the year ended March 31, 2023

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Movement during the year for RSU 2018 Plan:

The activity in the RSU 2018 Plan for equity-settled share based payment transactions is set out below:

Particulars	As at March 31, 2023		As at March 31, 2022	
	Shares arising out of options	Weighted average exercise price (₹)	Shares arising out of options	Weighted average exercise price (₹)
Opening balance	12,69,500	5.00	18,05,000	5.00
Granted during the year	-	-	1,00,000	5.00
Exercised during the year	(11,36,000)	5.00	(6,35,500)	5.00
Lapsed during the year	-	-	-	-
Closing balance	1,33,500	5.00	12,69,500	5.00
Exercisable as at year end	83,500		11,69,500	

The weighted average share price at the date of exercise of the options during the period is ₹ 380.01 (March 31, 2022: ₹ 193.52).

The weighted average remaining contractual life for the share options outstanding is 4.88 years (March 31, 2022: 4.40 years).

The weighted average fair value of options granted during the year was ₹ Nil (March 31, 2022: ₹ 194.00).

The range of exercise prices for options outstanding at the end of the year was ₹ 5 (March 31, 2022: ₹ 5).

Movement during the year for ESOP 2022 Plan:

The activity in the ESOP 2022 Plan for equity-settled share based payment transactions is set out below:

Particulars	As at March 31, 2023		As at March 31, 2022	
	Shares arising out of options	Weighted average exercise price (₹)	Shares arising out of options	Weighted average exercise price (₹)
Opening balance	-	-	-	-
Granted during the year	30,00,000	302.20	-	-
Exercised during the year	-	-	-	-
Lapsed during the year	(1,09,500)	-	-	-
Closing balance	28,90,500	302.20	-	-
Exercisable as at year end	-		-	

The weighted average remaining contractual life for the share options outstanding is 7 years (March 31, 2022: Not Applicable)

The weighted average fair value of options granted during the year was ₹ 236.25 (March 31, 2022: Not Applicable).

The range of exercise prices for options outstanding at the end of the year was ₹ 302.20 (March 31, 2022: Not Applicable).

The following table list the inputs to the models used for the RSU 2018 plan:

Particulars	As at March 31, 2023	As at March 31, 2022
Dividend yield (%)	-	-
Expected volatility (%)	-	59.00%
Risk-free interest rate (%)	-	5.50% to 7.70%

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Particulars	As at March 31, 2023	As at March 31, 2022
Expected life of share options (years)	-	6 to 7
Weighted average exercise price (₹)	-	5.00
Model used	-	Black-Scholes Merton (BSM) options pricing model

* No options were granted under RSU 2018 during the year ended March 31, 2023.

The following table list the inputs to the models used for the ESOP 2022 plan:

Particulars	As at March 31, 2023	As at March 31, 2022
Dividend yield (%)	-	-
Expected volatility (%)	54.43%	-
Risk-free interest rate (%)	6.77%	-
Expected life of share options (years)	7.00	-
Weighted average exercise price (₹)	302.20	-
Model used	Black-Scholes Merton (BSM) options pricing model	-

* No options were granted under ESOP 2022 during the year ended March 31, 2022.

The expected life of the share options is based on historical data and current expectations and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may not necessarily be the actual outcome.

40. DISCLOSURES ON FINANCIAL INSTRUMENTS

This section gives an overview of the significance of financial instruments for the Group and provides additional information on balance sheet items that contain financial instruments.

The details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised in respect of each class of financial asset and financial liability are disclosed in Note 2.2 (b) and Note 2.3 (o) to the Consolidated Financial Statements.

(a) Financial assets and liabilities

The following tables presents the carrying value and fair value of each category of financial assets and liabilities:

As at March 31, 2023

Particulars	Amortised cost	Fair value through OCI	Total
Financial assets			
Investments	34,399.35	-	34,399.35
Trade receivables	13,582.68	-	13,582.68
Cash and cash equivalents	1,472.21	-	1,472.21

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(All amounts in Indian Rupees in Lakhs, except stated otherwise)

Particulars	Amortised cost	Fair value through OCI	Total
Other financials assets	2,925.99	-	2,925.99
Other bank balances (other than cash and cash equivalents)	926.48	-	926.48
Foreign exchange forward contracts	-	9.99	9.99
Total assets	**53,306.71**	**9.99**	**53,316.70**
Financial liabilities			
Lease liabilities	11,896.07	-	11,896.07
Borrowings	3,545.07	-	3,545.07
Trade payables	8,401.14	-	8,401.14
Other financial liabilities	13,348.26	-	13,348.26
Foreign exchange forward contracts	-	1,420.92	1,420.92
Total liabilities	**37,190.54**	**1,420.92**	**38,611.46**

As at March 31, 2022

Particulars	Amortised cost	Fair value through OCI	Total
Financial assets			
Investments	15,445.66	-	15,445.66
Trade receivables	9,219.38	-	9,219.38
Cash and cash equivalents	1,268.24	-	1,268.24
Other financials assets	4,349.39	-	4,349.39
Other bank balances (other than cash and cash equivalents)	-	-	-
Foreign exchange forward contracts	-	1,377.03	1,377.03
Total assets	**30,282.67**	**1,377.03**	**31,659.70**
Financial liabilities			
Lease liabilities	12,997.36	-	12,997.36
Borrowings	6,306.94	-	6,306.94
Trade payables	11,784.33	-	11,784.33
Other financial liabilities	13,524.03	-	13,524.03
Total liabilities	44,612.66	-	44,612.66

(b) Fair value hierarchy

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Level 1 to Level 3, as described below:

Quoted prices in an active market (Level 1): This level of hierarchy includes financial assets that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities. This category consists of investment in quoted equity shares, and mutual fund investments.

Valuation techniques with observable inputs (Level 2): This level of hierarchy includes financial assets and liabilities, measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

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Valuation techniques with significant unobservable inputs (Level 3): This level of hierarchy includes financial assets and liabilities measured using inputs that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

Particulars	Fair value measurements at reporting date using			
	Level 1	Level 2	Level 3	Total
March 31, 2023				
Financial assets				
Foreign exchange forward contracts	-	9.99	-	9.99
Financial liabilities				
Foreign exchange forward contracts	-	1,420.92	-	1,420.92
March 31, 2022				
Financial assets				
Foreign exchange forward contracts	-	1,377.03	-	1,377.03

(i) Short-term financial assets and liabilities are stated at carrying value which is approximately equal to their fair value.

Fair value of loans (security deposits) having a carrying amount of ₹ 2,767.62 Lakhs as at March 31, 2023 (March 31, 2022: ₹ 2,684.95 Lakhs) was ₹ 2,767.62 Lakhs (March 31, 2022: ₹ 2,684.95 Lakhs).

(ii) Foreign exchange forward contracts are fair valued using market observable rates and published prices together with forecasted cash flow information where applicable.

(iii) Management uses its best judgement in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimation technique. Therefore, for substantially all financial instruments, the fair value estimates presented above are not necessarily indicative of the amounts that the Group could have realised or paid in sale transactions as of respective dates. As such, fair value of financial instruments subsequent to the reporting dates may be different from the amounts reported at each reporting date.

(iv) There have been no transfers between Level 1, Level 2 and Level 3 during the year ended March 31, 2023 and March 31, 2022.

(c) Financial risk management objectives and policies

In the course of its business, the Group is exposed primarily to fluctuations in foreign currency exchange rates, interest rates, equity prices, liquidity and credit risk, which may adversely impact the fair value of its financial instruments. The Group has a risk management policy which not only covers the foreign exchange risks but also other risks associated with the financial assets and liabilities such as interest rate risks and credit risks. The risk management policy is approved by the Board of Directors. The risk management framework aims to:

(i) create a stable business planning environment by reducing the impact of currency and interest rate fluctuations on the Group's business plan.

(ii) achieve greater predictability to earnings by determining the financial value of the expected earnings in advance.

Market risk

Market risk is the risk of any loss in future earnings, in realisable fair values or in future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in interest rates, foreign currency exchange rates, equity price fluctuations, liquidity and other market changes. Future specific market movements cannot be normally predicted with reasonable accuracy.

(i) Market risk - Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's debt obligations with floating interest rates. The Group manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings.

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Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Group's profit before tax is affected through the impact on floating rate borrowings, as follows:

Particulars	Increase/(decrease) in basis points	Effect on profit before tax
March 31, 2023	50	17.73
March 31, 2022	50	31.53

(ii) Market risk- Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating and financing activities. The Group's exposure to foreign currency changes from investing activities is not material.

The Group manages its foreign currency risk by hedging transactions that are expected to occur within a maximum 12-month period for hedges of forecasted sales.

As at March 31, 2023 and March 31, 2022, the Company hedged ₹ 143,037.06 Lakhs (USD 1,731.16 Lakhs) and ₹ 144,555.43 Lakhs (USD 1,850.43 Lakhs) respectively of it expected foreign currency sales. Those hedged sales were highly probable at the reporting date. This foreign currency risk is hedged by using foreign currency forward contracts.

As at March 31, 2023 and March 31, 2022, the Company hedged EUR 6.62 Lakhs (USD 6.08 Lakhs) and Nil respectively of it expected foreign currency commitments. Those hedged commitments were highly probable at the reporting date. This foreign currency risk is hedged by using foreign currency forward contracts.

The following table represents foreign currency risk from non derivative financial instruments as at March 31, 2023 and March 31, 2022:

Particulars	Currency	As at March 31, 2023	As at March 31, 2022
Assets			
Trade receivables	USD	154.88	43.53
Trade receivables	EUR	2.08	-
Advance to suppliers	USD	24.12	25.25
Advance to suppliers	HKD	0.37	-
Capital advances	USD	3.48	0.06
Capital advances	EUR	4.87	-
Liabilities			
Trade payables	USD	3.91	7.34
Liability for capital assets	USD	-	2.71
Liability for capital assets	EUR	6.03	0.97
Advances received from customers	USD	4.02	1.10
Advances received from customers	EUR	-	0.46

Note: All figures are in Lakhs.

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Foreign currency sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in USD exchange rates, with all other variables held constant. The impact on the Group's profit before tax is due to changes in the fair value of monetary assets and liabilities. The Group's exposure to foreign currency changes for all other currencies is not material.

Particulars	Change in USD rate	Effect on profit before tax
March 31, 2023	5%	717.23
USD		
March 31, 2022	5%	218.41
USD		

The sensitivity analysis has been based on the composition of the Group's financial assets and liabilities at March 31, 2023 and March 31, 2022. The period end balances are not necessarily representative of the average debt outstanding during the period.

Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Financial instruments that are subject to credit risk and concentration thereof principally consist of trade receivables, loans receivables, investments and cash and cash equivalents.

The carrying value of financial assets represents the maximum credit risk. The maximum exposure to credit risk was ₹ 53,316.70 Lakhs and ₹ 31,659.70 Lakhs, as at March 31, 2023 and March 31, 2022 respectively, being the total carrying value of trade receivables, balances with bank, bank deposits, investments other than investments in subsidiaries and other financial assets.

Customer credit risk is managed by each business unit subject to the Group's established policy, procedures and control relating to customer credit risk management. An impairment analysis is performed at each reporting date on an individual basis for major customers. The Group does not hold collateral as security.

With respect to trade receivables, the Group has constituted the terms to review the receivables on periodic basis and to take necessary mitigations, wherever required. The Group creates allowance for all unsecured receivables based on lifetime expected credit loss based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and rates used in the provision matrix.

Credit risk from balances with bank and financial institutions is managed by the Group's treasury department in accordance with the Group's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

Liquidity risk

Liquidity risk refers to the risk that the Group cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Group has obtained fund and non-fund based working capital lines from various banks. The Group invests its surplus funds in bank fixed deposit and government securities, which carry no or low market risk.

The Group monitors its risk of a shortage of funds on a regular basis. The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank borrowings etc. The Group assessed the concentration of risk with respect to refinancing its debt and concluded it to be low.

The following table shows a maturity analysis of the anticipated cash flows excluding interest obligations for the Group's financial liabilities on an undiscounted basis, which therefore differ from both carrying value and fair value.

Particulars	0-1 year	> 1 year	Total
March 31, 2023			
Lease liabilities	3,219.09	8,676.98	11,896.07
Borrowings	2,580.76	964.31	3,545.07
Trade payables	8,401.14	-	8,401.14
Other financial liabilities	14,769.18	-	14,769.18
	28,970.17	**9,641.29**	**38,611.46**
March 31, 2022			
Lease liabilities	2,682.17	10,315.19	12,997.36
Borrowings	6,068.88	238.06	6,306.94

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023

(All amounts in Indian Rupees in Lakhs, except stated otherwise)

Particulars	0-1 year	> 1 year	Total
Trade payables	11,784.33	-	11,784.33
Other financial liabilities	13,524.03	-	13,524.03
	34,059.41	**10,553.25**	**44,612.66**

Equity Price risk

Equity Price Risk is related to the change in fair value of the investments in equity securities. Group's investments in equity securities, including investments held for sale, are subject to changes in fair value of investments. The carrying value of investments represents the maximum equity risk. The maximum exposure to equity price risk was ₹ Nil and ₹ Nil as on March 31, 2023 and March 31, 2022 respectively, being the carrying value (net of provisions) of investments in unquoted equity shares. The risk is arising primarily on account of the Group's investment in a foreign associate.

41. CAPITAL MANAGEMENT

The Group's capital management is intended to create value for shareholders by facilitating the meeting of long term and short term goals of the Group.

The Group determines the amount of capital required on the basis of annual business plan coupled with long term and short term strategic investment and expansion plans. The funding needs are met through equity, cash generated from operations and sale of certain assets, long term and short term bank borrowings and issue of securities.

For the purpose of the Group's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Group.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group monitors capital using a gearing ratio, which is total debt divided by total capital plus total debt. The Group's policy is to keep the gearing ratio at an optimum level to ensure that the debt related covenant are complied with.

Particulars	As at March 31, 2023	As at March 31, 2022
Borrowings including current maturities	3,545.07	6,306.94
Total debts	**3,545.07**	**6,306.94**
Capital components		
Equity share capital	3,028.90	2,948.85
Other equity	85,596.22	67,868.70
Total capital	**88,625.12**	**70,817.55**
Capital and borrowings	**92,170.19**	**77,124.49**
Gearing ratio (%)	**3.85%**	**8.18%**

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no material breaches in the financial covenants of any interest-bearing loans and borrowing for all the periods presented.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2023 and March 31, 2022.

42.

The Group is in process of taking necessary steps to comply with the Transfer Pricing requirements relating to the preparation & maintenance of the Transfer Pricing documentation with respect to the specified domestic transactions entered into by the Group during financial year ended March 31, 2023. The Management is of the opinion that the specified domestic transactions are at arm's length and hence the aforesaid legislation will not have any impact on the Consolidated Financial Statements, particularly on the amount of tax expense and that of provision for taxation.

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023

(All amounts in Indian Rupees in Lakhs, except stated otherwise)

43.

The Group assessed the fair value less cost of sale of the investment in an associate held for sale. Change in the regulatory environment and the market conditions effecting the associate has adversely affected the fair value of the Group's investment. The Group has written down the carrying value of the asset by recognizing an impairment loss of ₹ 626.56 Lakhs as an exceptional charge during the year ended March 31, 2019. The Group continues to make efforts to mitigate the loss by selling such investment in the near future, which could result in a partial or full reversal of the impairment loss. Further to related developments during the year on this matter, including claims filed by the Company for the recovery, the Company has reassessed that it is appropriate to reclassify the Investment from 'Associate' to 'Others'.

44.

The Group had filed petition with the Group Law Board for compounding of offence u/s. 297 of the erstwhile Companies Act, 1956 for the transactions entered with CMS Info Systems Private Limited between July 2009 to October 2011 and as at date, the petition is pending with the Company Law Board.

For periods subsequent to October 2011, the Company had filed an application with Central Government, Ministry of Corporate Affairs, seeking its approval u/s. 297(1) of the erstwhile Companies Act, 1956 for entering into contract with CMS Info Systems Private Limited which is pending approval.

45.

The Board of Directors of the Company at their meeting held on May 25, 2023 have recommended a final dividend of ₹1/- (one rupee only) per equity share (i.e. 20% of face value of ₹ 5 per equity share) for the financial year ended March 31, 2023. The dividend recommended by the Board of Directors is subject to approval of the shareholders at the ensuing Annual General Meeting of the Company and if approved, would result in a cash outflow of approximately ₹ 605.78 Lakhs. The final dividend on shares is recorded as a liability on the date of approval by the shareholders.

46.

During the year, pursuant to the approval of the Board of Directors, the Company has concluded the sale of one of its building on leasehold land and other assets. The transaction has resulted in a gain of ₹ 605.03 Lakhs, which has been recognised as an exceptional item.

47.

The Company is in the process of augmenting its production capacity at cost-efficient locations. The Company intends to carry out the expansion projects under new wholly-owned subsidiary companies to regulate the business in an efficient manner and to be in a better position to service international customers.

In view of the above, during the board meeting held on February 10, 2023, the Company has obtained approval of the board to incorporate a new wholly-owned subsidiary Company. Consequently, "Gokaldas Exports Corporation" was incorporated on April 14, 2023.

Further, the board of directors have approved on March 31, 2023 to incorporate a new wholly-owned subsidiary Company in Dubai, UAE. Consequently, "Nava Apparels L.L.C-FZ" was incorporated on May 01, 2023.

48. THE BOARD OF DIRECTORS, IN THEIR MEETING HELD ON AUGUST 24, 2021, HAD APPROVED:

(a) To increase the authorised share capital of the Company, from existing ₹ 275,000,000 (Rupees Twenty Seven Crores Fifty Lakhs Only) divided into 55,000,000 (Five Crores Fifty Lakhs Only) equity shares of ₹ 5/- each ("Equity Shares") to ₹ 325,000,000/- (Rupees Thirty Two Crores Fifty Lakhs Only) divided into 65,000,000 (Six Crores Fifty Lakhs Only) Equity Shares of ₹ 5/- each ranking pari-passu in all respect with the existing Equity Shares of the Company as per the Memorandum and Articles of Association of the Company, and consequent to alteration of capital clause V of the Memorandum of Association of the Company.

(b) Raising of funds for an amount aggregating up to ₹ 300 Crores, by way of issuance of any instrument or security including equity shares, fully or partly convertible debentures, non-convertible debenture warrants, any other equity based instruments or securities or any combination thereof in one or more tranches, including by way of a public issue, preferential allotment or a private placement (including one or more Qualified Institutions Placement ("QIP")) in accordance with the applicable provisions of the Companies Act, 2013, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, (each as amended) and any other applicable law, or through any other permissible mode and/or any combination thereof, in such manner, and on such terms and conditions as may be deemed appropriate by the Board in its absolute discretion, subject to the receipt of necessary approvals, including the approval of the members of the Company and such other regulatory and statutory approvals as maybe required.

In order to give effect to the above, the Board has also constituted and authorized the Fund Raise Committee of the Board to, inter-alia, decide the terms and conditions of the proposed fund raise.

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023

(All amounts in Indian Rupees in Lakhs, except stated otherwise)

In relation to the above, pursuant to the resolution passed by the Board of Directors of the Company on August 24, 2021 and the resolution passed by the shareholders of the Company on September 17, 2021, the Fund Raise Committee have, on October 07, 2021, issued and allotted 15,424,164 equity shares of ₹ 5 each, at an issue price of ₹ 194.50 per equity share (including ₹ 189.50 per equity share towards securities premium) aggregating to ₹ 300 Crores (rounded off) to Qualified Institutional Buyers under chapter VI of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended and under provisions of all other applicable laws.

49.

The World Health Organization announced a global health emergency because of a new strain of coronavirus ("COVID-19") and classified its outbreak as a pandemic on March 11, 2020. On March 24, 2020, the Indian government announced a strict 21-day lockdown across the country to contain the spread of the virus, which has been/was further extended till May 03, 2020. This pandemic and government response are creating disruption in global supply chain and adversely impacting most of the industries which has resulted in global slowdown.

The management has made an assessment of the impact of COVID-19 on the Group's operations, financial performance and position as at and for the quarter and year ended March 31, 2021 and has concluded that the impact is primarily on the operational aspects of the business. Management has been able to address and counter the potential impact on the financial results as at March 31, 2021 such as enhancing borrowing limits, strengthening liquidity, optimisation of resource utilisation, etc.

In assessing the recoverability of receivables including receivables, investments, and other assets, the Group has considered internal and external information up to the date of approval of these financial results including status of existing and future customer orders, cash flow forecasts, commitments with suppliers, etc. The Group has performed sensitivity analysis on the assumptions used and based on current indicators of future economic conditions, the Group expects to recover the carrying amount of these assets, the Group has also considered the impact of subsequent events in its assessment and concluded that there is no significant impact which is required to be recognised in the financial results. Accordingly, no further adjustments have been made to the financial results.

Considering the dynamic nature of the issue, the impact of the global health pandemic may be different from that estimated as at the date of approval of these financial results and the Group will continue to closely monitor any material changes to future economic conditions.

50. ADDITIONAL REGULATORY INFORMATION REQUIRED BY SCHEDULE III

a. No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

b. The Company has borrowings from banks on the basis of security of current assets. The quarterly returns or statements of current assets filed by the group with banks are in agreement with the books of accounts.

c. The Company has not been declared as wilful defaulter by any bank or financial institution or government or any government authority.

d. The Company has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

e. The Company has complied with the number of layers prescribed under the Companies Act, 2013.

f. The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

g. The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

   a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or

   b. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

   The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

   a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

   b. provide any guarantee, security or the like on behalf of the ultimate beneficiaries

h. There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023

(All amounts in Indian Rupees in Lakhs, except stated otherwise)

i. The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

j. The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

51. UNDISCLOSED INCOME

The Company does not have any undisclosed income which is not recorded in the books of account that has been surrendered or disclosed as income during the year March 31, 2023 and March 31, 2022 in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

52.

The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

53.

The Indian Parliament had approved the Code on Social Security, 2020. The Ministry of Labour and Employment has notified the draft rules under the Code on Social Security, 2020 on November 13, 2020 inviting objections and suggestions, if any, from the stakeholders. The draft rules provide for operationalization of provisions in the Code on Social Security, 2020 relating to Employees' Provident Fund, Employees' State Insurance Corporation, Gratuity, Maternity Benefit, Social Security and Cess in respect of Building and Other Construction Workers, Social Security for Unorganised Workers, Gig Workers and Platform Workers.

The Group will assess the impact and will give appropriate accounting treatment in its financial statements in the period in which the Code on Social Security, 2020 (including the related rules framed thereunder) becomes effective.

54.

For the period/days of the respective covid lockdowns imposed by the government during FY 2020-21, the Company had evaluated the various directions, circulars and orders issued by relevant government authorities regarding payment of wages to employees, accordingly had paid certain ex-gratia amount to eligible employees. Management evaluated further directions, orders issued by relevant government authorities and understand that the matter should be settled based on mutual discussion between relevant stakeholders. Pending conclusion of such matter, management believes that the Company continues to be in compliance with the directives and will reassess this periodically.

55.

The statement of audited Consolidated Financial Statements for the year ended March 31, 2023 have been reviewed by the Audit Committee in their meeting on May 25, 2023 and approved by the Board of Directors in their meeting held on May 25, 2023.

56.

Certain amounts (currency value or percentages) shown in the various tables and paragraphs included in the Consolidated Financial Statements have been rounded off or truncated as deemed appropriate by the management of the Company.

57.

Previous year's figures have been regrouped/reclassified, wherever necessary to confirm to the current year's classification.

As per our report of even date
For **M S K A & Associates**
Chartered Accountants
ICAI Firm registration No.: 105047W

Pankaj S Bhauwala
Partner
Membership No.: 233552

For and on behalf of the Board of Directors of
Gokaldas Exports Limited
CIN: L18101KA2004PLC033475

Mathew Cyriac
Chairman
DIN: 01903606
Place: Mumbai

Sivaramakrishnan Ganapathi
Vice Chairman and Managing Director
DIN: 07954560
Place: Bengaluru

Sathyamurthy A
Chief Financial Officer

Gourish Hegde
Company Secretary
Membership No: A44775

Place: Bengaluru
Date: May 25, 2023

Place: Bengaluru
Date: May 25, 2023

Place: Bengaluru
Date: May 25, 2023

Notice

Notice is hereby given that the Twentieth (20th) Annual General Meeting ("AGM") of **Gokaldas Exports Limited** will be held on Wednesday, September 20, 2023 at 4:00 PM. IST, through Video Conferencing/Other Audio Visual Means ("VC/OAVM") facility to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Financial Statements of the Company which include Audited standalone and consolidated Balance Sheet as at March 31, 2023, the standalone and consolidated Statement of Profit and Loss including the Statement of other Comprehensive Income and Cash Flow of the Company as on that date together with the Auditors' Report thereon and Report of the Board of Directors.

2. To appoint Mr. Mathew Cyriac (holding DIN: 01903606), Non-Executive Director, who retires by rotation and being eligible, offers himself for re-appointment.

3. To approve the final dividend of ₹ 1 per share (20%) for the financial year 2022-23.

4. Re-appointment of M/s. MSKA & Associates, Chartered Accountants as statutory auditors of the Company

   To consider and if deemed fit, to pass the following resolution as an **Ordinary Resolution**:

   "**RESOLVED THAT** pursuant to Sections 139, 141, 142 and all other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment thereof) and pursuant to the recommendations of the Board of Directors of the Company, the consent of the Members of the Company be and is hereby accorded to re-appoint M/s. MSKA & Associates, Chartered Accountants (ICAI Firm registration number: 105047W) as the Statutory Auditors of the Company for the second term of five consecutive years from the conclusion of this 20th AGM till the conclusion of the 25th AGM to be held in the year 2028, at such remuneration as may be determined by the Board of Directors of the Company.

   RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, any of the Directors and/or any of the key managerial personnel of the Company, be and are hereby severally authorized to do such other acts, deeds and things as may be considered necessary in connection with the above resolution."

SPECIAL BUSINESS:

5. Re-appointment of Mr. Sivaramakrishnan Ganapathi (DIN: 07954560) as Vice Chairman & Managing Director of the Company:

   To consider and if deemed fit, to pass the following resolution as **Special resolution**:

   "**RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 198, 203, and all other related and applicable provisions of the Companies Act, 2013 ("the Act") read with Schedule V of the Act, (including any statutory modification(s) or re-enactment thereof for the time being in force), approval of the Members of the Company be and is hereby accorded for re-appointment of Mr. Sivaramakrishnan Ganapathi (DIN: 07954560) as Vice Chairman & Managing Director of the Company for a period of five years, with effective from October 03, 2023 to October 02, 2028, on such terms and conditions including the remuneration as detailed below:

Terms of Appointment:

The relevant terms of the salary and other benefits payable to Mr. Sivaramakrishnan Ganapathi are as follows:

- Monthly Basic Salary of ₹ 12.1 Lakhs p.m. House rent Allowance at the rate of 30% of the basic salary. Special Allowance of ₹ 6.61 Lakhs p.m.
- Performance based variable pay of 3.5% of consolidated Profit Before Tax achieved during the financial year by the Company.
- Annual Increments as may be decided by the Nomination and Remuneration Committee, from time to time.
- Contribution to the Provident fund @ 12% of the basic salary and Contribution to National Pension scheme @ 10% of the basic salary.
- Gratuity payable at a rate not exceeding half a month's salary for each completed year of service.
- Perquisites shall include personal accident insurance, reimbursement of medical expenses incurred for self and family, club subscriptions, provision of cars etc., as per the policies of the Company in force:
  - Perquisites shall be valued in terms of actual expenditure incurred by the Company in providing benefit to the employees. However, in cases where the actual amount of expenditure cannot be ascertained with reasonable accuracy (including car provided for official and personal purposes) the perquisites shall be valued as per income tax rules.
  - Provision of telephone at residence and expenses on account of car for official use shall not be reckoned as perquisites.
- Within the overall approved limits, the salary may be restructured from time to time.
- Within the above limits, a part of the remuneration may be paid by other group Companies.

- 8,00,000 ESOP options granted by the Nomination and Remuneration Committee and as approved by the Shareholders vide postal ballot notice dated March 01, 2022 and any further grants under existing ESOP Scheme or any other scheme as and when approved by the shareholders of the Company.
- Mr. Sivaramakrishnan Ganapathi, being the Vice Chairman and Managing Director, will not be liable to retire by rotation unless required to comply with the provisions of the Section 152 of the Companies Act, 2013.
- Mr. Sivaramakrishnan Ganapathi will be subject to all other service conditions as applicable to any other senior management employee of the Company.
- Mr. Sivaramakrishnan Ganapathi will not be entitled to any sitting fees for attending meetings of the Board or any Committee thereof.

RESOLVED FURTHER THAT the above said remuneration shall be the minimum remuneration in case of absence of profits or inadequacy of profits.

RESOLVED FURTHER THAT Mr. Sivaramakrishnan Ganapathi in the capacity of Vice Chairman & Managing Director will be entrusted with the powers, authorities, functions, duties, responsibilities etc. by the Board of Directors of the Company, from time to time.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to vary, alter or modify the different components of the above stated remuneration as they may deem fit.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, any of the Directors and/or any of the key managerial personnel of the Company, be and are hereby severally authorized to do such other acts, deeds and things as may be considered necessary in connection with the above resolution."

By Order of the Board of Directors
For **Gokaldas Exports Limited**

Gourish Hegde
Company Secretary

Place: Bengaluru
Date: August 07, 2023

Registered Office:
No. 25, Second Cross
Third Main, Industrial Suburb
Yeshwantpur, Bangalore - 560022.
Ph:+91-80-68951000
Email: info@gokaldasexports.com
Website: www.gokaldasexports.com

Notes:

1. In compliance with General Circular Nos. 14/2020 dated April 08, 2020, 17/2020 dated April 13, 2020, 20/2020 dated May 05, 2020, 33/2020 dated September 28, 2020, 39/2020 dated December 31, 2020, 10/2021 dated June 23, 2021, 20/2021 dated December 08, 2021 and 10/2022 dated December 28, 2022 issued by the Ministry of Corporate Affairs ("MCA") and SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 5, 2023 issued by Securities and Exchange Board of India (hereinafter collectively referred to as "Circulars"), the provisions of the Companies Act, 2013 ("the Act") and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), the 20th Annual General Meeting ("AGM") of the Company is being held through VC / OAVM without the physical presence of Members at a common venue. The deemed venue for the 20th AGM will be the Registered Office of the Company – Gokaldas Exports Limited, No. 25, Second Cross Third Main, Industrial Suburb, Yeshwantpur, Bangalore – 560022.

2. A Statement pursuant to the provisions of Section 102 of the Companies Act, 2013 and additional information of the Directors seeking re-appointment as required under Regulation 36(3) of the Listing Regulations and Secretarial Standard on General Meetings issued by The Institute of Company Secretaries of India ('Secretarial Standard') are annexed.

3. Pursuant to the provisions of the act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA circulars through VC or OAVM, the requirement of physical attendance of members has been dispensed with. Accordingly, in terms of the MCA circulars, the facility for appointment of proxies by the members will not be available for this AGM and hence the proxy form and attendance slip are not annexed to this notice.

4. In pursuance of Section 113 of the Act, the Body Corporates are entitled to appoint authorized representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes on e-voting. The resolution/authorization appointing the representatives shall be sent to the scrutinizer through its registered email address to nagendradrao@gmail.com with a copy marked to einward.ris@kfintech.com.

5. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.

6. In line with the MCA Circulars and SEBI Circular, the notice of the AGM along with the Annual Report are being sent only by electronic mode to those members whose e-mail addresses are registered with the Company/Depositories. Members may please note that this Notice and Annual Report will also be available on the Company's website www.gokaldasexports.com, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and also on the website of KFin Technologies Limited at https://evoting.kfintech.com.

7. Since the AGM being held through VC/OAVM, the route map of the venue of the Meeting is not annexed hereto.

8. The Members may join the AGM in the VC/OAVM mode thirty minutes before the scheduled time of the commencement of the Meeting by following the procedure mentioned in this Notice.

9. The Register of Members of the Company will remain closed from September 14, 2023 to September 20, 2023 (both days inclusive).

10. Final Dividend of ₹ 1 (Rupee one only) (20%) per Equity Share as recommended by the Board, if approved by the Members, will be paid to those Members whose names appear on the Register of Members of the Company/beneficial owners as per the records of depositories as at the end of September 13, 2023.

11. Members may note that the Income-tax Act, 1961, ("the IT Act") as amended by the Finance Act, 2020, mandates that dividends paid or distributed by a Company after April 01, 2020 shall be taxable in the hands of members. The Company shall therefore be required to deduct tax at source ("TDS") at the time of making the payment of final dividend. In order to enable us to determine the appropriate TDS rate as applicable, members are requested to submit relevant documents. For the detailed process, please visit the website of the Company www.gokaldasexports.com and also refer to the email being sent to members in this regard.

12. SEBI vide its notification dated January 25, 2022, has mandated listed companies to issue securities in dematerialised form only while processing service requests, viz., issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/exchange of securities certificate; endorsement; sub-division/splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition. Further, as per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialised form with effect from April 01, 2019. In view of the same, Members are requested to dematerialise the shares held by them in physical form. Members may contact the Company

or KFinTechnologies Limited, (KFintech) Registrar and Transfer Agent of the Company for further information.

13. The Securities and Exchange Board of India, vide its circulars dated November 03, 2021, December 14, 2021 and March 16, 2023, has mandated the furnishing of PAN, address with PIN code, e-mail address, mobile number, bank account details, specimen signature and nomination by holders of physical securities. Further, if any ONE of the cited documents/details as enunciated in the said circulars is NOT registered with Company/RTA, within September 30, 2023, such physical folios shall be frozen by the Company/Registrar and Share Transfer Agent of the Company (RTA). Members holding shares in physical mode are requested to update their PAN, KYC and Nomination details with the Company/the RTA of the Company on or before September 30, 2023 to keep their folio compliant. Members requested to use Form ISR-1 to register PAN/email id/bank details/other KYC details, Form ISR-2 to update signature and Form ISR-3 for declaration to opt out. Members may make service requests by submitting a duly filled and signed Form ISR-4. The format of which is available on the Company's website and on the website of Company's RTA.

14. The Members holding shares in physical mode are requested to lodge/notify communication for change of address, transfer deeds, bank details, ECS details, wherever applicable, mandates (if any), with the Registrar and Transfer Agent. Members holding shares in electronic form are requested to furnish details to their respective DP.

15. Pursuant to Section 72 of the Act read with SEBI circular dated November 03, 2021 and clarification circular dated December 14, 2021, members holding shares in physical form are advised to update their nomination details in the prescribed Form SH-13 or Form ISR-3 (Declaration to Opt-out). The forms for this purpose are available with the Company or its RTA. Member(s) holding shares in demat form may contact their respective DPs for availing this facility.

E-VOTING

16. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended), Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India ("ICSI") and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 09, 2020, the Company is providing remote e-voting facility to its Members in respect of the business to be transacted at the AGM and facility for those Members participating in the AGM to cast vote through e-voting system during the AGM.

17. The Company has availed the services of KFin Technologies Limited, (KFintech), as the authorized agency for conducting of the AGM through VC/OAVM and providing e-voting facility.

18. The e-voting period commences on Saturday, September 16, 2023 (9:00 AM IST) and ends on Tuesday, September 19, 2023 (5:00 PM IST). The e-voting module will be disabled by KFintech thereafter. The voting rights of members shall be proportionate to their share of the paid-up equity share capital of the Company as on the cut-off date, i.e. September 13, 2023.

19. A person who is not a Member as on the cut-off date should treat this Notice of AGM for information purpose only. Members joining the meeting through VC/OAVM, who have not already cast their vote by means of remote e-voting, shall be able to exercise their right to vote through e-voting at the AGM. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM, but shall not be entitled to cast their vote again.

20. The Board of Directors have appointed Mr. Nagendra D. Rao, Practising Company Secretary (Membership No. FCS 5553, COP 7731), Bengaluru as Scrutinizer for the e-voting process. The Scrutinizer shall, after the conclusion of AGM, unblock the votes in the presence of at least two witnesses who are not in employment of the Company and shall within a period 2 (Two) working days from the conclusion of the AGM, prepare a Consolidated Scrutinizer's Report of the votes cast in favour or against, if any, and submit it to the Chairman of the meeting.

21. The results of the e-voting will be declared within 2 (Two) working days from the conclusion of the AGM. The results declared along with the Scrutinizer's Report shall be placed on the Company's website at www.gokaldasexports.com and on the website of KFintech and shall be communicated to BSE Limited (BSE) and National Stock Exchange of India Limited (NSE).

22. The register of directors and key managerial personnel (KMP) and their shareholding, maintained under Section 170 of the Act, and the register of contracts or arrangements in which the directors are interested, maintained under Section 189 of the Act, will be available electronically for inspection by the members during the AGM. All documents referred to in the Notice will also be available for electronic inspection without any fee from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect such documents can send an email to cs@gokaldasexports.com.

INSTRUCTION FOR REMOTE E-VOTING

Procedure for Login for e-voting and Attending AGM through VC/OAVM for Individual Shareholders holding securities in Demat mode.

In terms of SEBI circular dated December 09, 2020, on e-voting facility provided by Listed Companies, Individual shareholders holding securities in Demat mode are allowed to vote through their Demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their Demat accounts to access e-voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Individual shareholders holding securities in Demat mode with National Securities Depository Limited ("NSDL")	**A. User already registered for IDeAS facility:** 1. Open https://eservices.nsdl.com 2. Click on the "Beneficial Owner" icon under 'IDeAS' section. 3. On the new page, enter User ID and Password. Post successful authentication, click on "Access to e-voting" 4. Click on Bank Name or e-voting service provider and you will be re-directed to e-voting service provider website for casting your vote during the remote e-voting period. **B. User not registered for IDeAS e-Services:** 1. To register, open https://eservices.nsdl.com either on a Personal Computer or on a mobile. 2. Select "Register Online for IDeAS "Portal or click on https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp. 3. Proceed with completing the required fields **C. By visiting the e-voting website of NSDL:** 1. Open https://www.evoting.nsdl.com/either on a Personal Computer or on a mobile. 2. Click on the icon "Login" which is available under 'Shareholder/Member' section 3. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit Demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. 4. Post successful authentication, you will be redirected to NSDL Depository site wherein you can see e-voting page. Click on Bank name or e-voting service provider name and you will be redirected to e-voting service provider website for casting your vote during the remote e-voting period.
Individual Shareholders holding securities in Demat mode with Central Depository Services (India) Limited ("CDSL")	**A. Existing user who has opted for Easi/Easiest:** 1. Click at https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com 2. Click on New System Myeasi. 3. Login with user ID and Password 4. After successful login of Easi/Easiest, Option will be made available to reach e-voting page 5. Click on e-voting service provider name to cast your vote **B. User not registered for Easi/Easiest:** 1. Option to register is available at https://web.cdslindia.com/myeasi./Registration/EasiRegistration. 2. Proceed with completing the required fields. **C. By visiting the e-voting website of CDSL:** 1. Visit at www.cdslindia.com 2. Provide Demat Account Number and PAN No. 3. System will authenticate user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be provided links for the respective e-voting service provider where the e-voting is in progress.

Individual Shareholders (holding securities in Demat mode) login through their depository participants	You can also login using the login credentials of your Demat account through your Depository Participant registered with NSDL/CDSL for e-voting facility. Once login, you will be able to see e-voting option. Once you click on e-voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-voting feature. Click on Bank Name or e-voting service provider name and you will be redirected to e-voting service provider website for casting your vote during the remote e-voting period.

Important note: Members who are unable to retrieve User ID/Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 22-23058542-43.

I) Login method for remote e-voting for shareholders other than individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

i. Initial password is provided in the body of the e-mail.

ii. Launch internet browser and type the URL: https://evoting.kfintech.com in the address bar.

iii. Enter the login credentials i.e. User ID and password mentioned in your e-mail. Your Folio No./DP ID Client ID will be your User ID. However, if you are already registered with KFin for e-voting, you can use your existing User ID and password for casting your votes.

iv. After entering the correct details, click on LOGIN.

v. You will reach the password change menu wherein you are required to mandatorily change your password. The new password shall comprise minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@, #, $, etc.). It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

vi. You need to login again with the new credentials.

vii. On successful login, the system will prompt you to select the EVENT i.e. 'Gokaldas Exports Limited- AGM.

viii. On the voting page, the number of shares (which represents the number of votes) held by you as on the cut-off date will appear. If you desire to cast all the votes assenting/dissenting to the resolution, enter all shares and click 'FOR'/'AGAINST' as the case may be or partially in 'FOR' and partially in 'AGAINST', but the total number in 'FOR' and/or 'AGAINST' taken together should not exceed your total shareholding as on the cut-off date. You may also choose the option 'ABSTAIN', in which case, the shares held will not be counted under either head.

ix. Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/demat account.

x. Cast your votes by selecting an appropriate option and click on 'SUBMIT'. A confirmation box will be displayed. Click 'OK' to confirm, else 'CANCEL' to modify. Once you confirm, you will not be allowed to modify your vote subsequently. During the voting period, you can login multiple times till you have confirmed that you have voted on the resolution.

xi. Corporate/institutional members (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned image (PDF/JPG format) of certified true copy of relevant board resolution/authority letter etc. together with attested specimen signature of the duly authorised signatory(ies) who is/are authorised to vote, to the Scrutinizer through email at nagendradrao@gmail.com and may also upload the same in the e-voting module in their login. The scanned image of the above documents should be in the naming format 'BFL_EVENT No.'

xii. In case of any queries/grievances, you may refer the Frequently Asked Questions (FAQs) for members and e-voting User Manual available at the 'download' section of https://evoting.kfintech.com or call KFin on 1800 309 4001 (toll free).

A. Voting at e-AGM

i. Only those members/shareholders, who will be present in the e-AGM and who have not cast their vote through remote e-voting and are otherwise not barred from doing so are eligible to vote.

ii. Members who have voted through remote e-voting will still be eligible to attend the e-AGM.

iii. Members attending the e-AGM shall be counted for the purpose of reckoning the quorum under section 103 of the Act.

iv. Voting at e-AGM will be available at the end of the e-AGM and shall be kept open for 15 minutes. Members viewing the e-AGM, shall click on the 'e-voting' sign placed on the left-hand bottom corner of the video screen. Members will be required to use the credentials, to login on the e-Meeting webpage, and click on the 'Thumbs-up' icon against the unit to vote.

B. Instructions for members for attending the e-AGM

i. Members will be able to attend the e-AGM through VC/OAVM or view the live webcast of e-AGM provided by KFin at https://emeetings.kfintech.com by using their remote e-voting login credentials and by clicking on the tab "video conference". The link for e-AGM will be available in members login, where the EVENT and the name of the Company can be selected.

ii. Members are encouraged to join the meeting through devices (Laptops, Desktops, Mobile devices) with Google Chrome for seamless experience.

iii. Further, members registered as speakers will be required to allow camera during e-AGM and hence are requested to use internet with a good speed to avoid any disturbance during the meeting.

iv. Members may join the meeting using headphones for better sound clarity.

v. While all efforts would be made to make the meeting smooth, participants connecting through mobile devices, tablets, laptops, etc. may at times experience audio/video loss due to fluctuation in their respective networks. Use of a stable Wi-Fi or LAN connection can mitigate some of the technical glitches.

vi. Members, who would like to express their views or ask questions during the e-AGM will have to register themselves as a speaker by visiting the URL https://emeetings.kfintech.com/and clicking on the tab 'Speaker Registration' during the period starting from September 15, 2023 (9.00 AM) up to September 16, 2023 (5.00 PM). Only those members who have registered themselves as a speaker will be allowed to express their views/ask questions during the e-AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the e-AGM. Only questions of the members holding shares as on the cut-off date will be considered.

vii. A video guide assisting the members attending e-AGM either as a speaker or participant is available for quick reference at URL https://emeetings.kfintech.com/, under the "How It Works" tab placed on top of the page.

viii. Members who need technical assistance before or during the e-AGM can contact KFin at emeetings@kfintech.com or Helpline: 1800 309 4001.

Procedure for Registration of email and Mobile: securities in physical mode

Physical shareholders are hereby notified that based ion SEBI Circular number: SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37, dated March 16, 2023, All holders of physical securities in listed companies shall register the postal address with PIN for their corresponding folio numbers. It shall be mandatory for the security holders to provide mobile number. Moreover, to avail online services, the security holders can register e-mail ID. Holder can register/update the contact details through submitting the requisite ISR 1 form along with the supporting documents.

ISR 1 Form can be obtained by following the link: https://ris.kfintech.com/clientservices/isc/default.aspx

ISR Form(s) and the supporting documents can be provided by any one of the following modes.

a) Through 'In Person Verification' (IPV): the authorized person of the RTA shall verify the original documents furnished by the investor and retain copy(ies) with IPV stamping with date and initials; or

b) Through hard copies which are self-attested, which can be shared on the address below; or

Name	KFIN Technologies Limited
Address	Selenium Building, Tower-B, Plot No 31 & 32, Financial District, Nanakramguda, Serilingampally, Hyderabad, Rangareddy, Telangana, India - 500 032.

c) Through electronic mode with e-sign by following the link: https://ris.kfintech.com/clientservices/isc/default.aspx#

Detailed FAQ can be found on the link: https://ris.kfintech.com/faq.html

For more information on updating the email and Mobile details for securities held in electronic mode, please reach out to the respective DP(s), where the DEMAT a/c is being held.

By Order of the Board of Directors
For **Gokaldas Exports Limited**

Place: Bengaluru
Date: August 07, 2023

Gourish Hegde
Company Secretary

Registered Office:
No. 25, Second Cross
Third Main, Industrial Suburb
Yeshwantpur, Bangalore - 560022.
Ph:+91 80 68951000
Email: info@gokaldasexports.com
Website: www.gokaldasexports.com

Explanatory Statement Pursuant to Section 102 of the Companies Act, 2013

ITEM NO. 4: RE-APPOINTMENT OF M/S. MSKA & ASSOCIATES, CHARTERED ACCOUNTANTS AS STATUTORY AUDITORS OF THE COMPANY

The Shareholders of the Company at the 15th Annual General Meeting (AGM) held on September 18, 2018 had appointed M/s. MSKA & Associates, Chartered Accountants (ICAI Firm registration number: 105047W) as the Statutory Auditors of the Company for a period of five consecutive years from the conclusion of 15th Annual General Meeting of the Company till the conclusion of 20th Annual General Meeting to be held in the year 2023. In terms of the provisions of Section 139 of the Companies Act, 2013, the Companies (Audit and Auditors) Rules, 2014, and other applicable provisions, the Company can appoint or reappoint an audit firm as statutory auditors for not more than two (2) terms of five (5) consecutive years. M/s. MSKA & Associates, Chartered Accountants is eligible for reappointment for a further period of five years.

The Board of Directors of the Company, based on the recommendation of the Audit Committee, at its meeting held on August 07, 2023, has re-appointed M/s. MSKA & Associates, Chartered Accountants as the Statutory Auditor of the Company to hold office for a second term of five consecutive years from the conclusion of the 20th AGM till the conclusion of the 25th AGM to be held in the year 2028, subject to the approval of the shareholders at the ensuing AGM.

Considering the evaluation of the performance, experience and expertise of M/s. MSKA & Associates and based on the recommendation of the Audit Committee, it is proposed to re-appoint M/s. MSKA & Associates, Chartered Accountants as statutory auditors of the Company for a second term of five consecutive years in terms of the aforesaid provisions.

The remuneration paid to M/s. MSKA & Associates, Chartered Accountants, for the financial year 2022-23 is ₹ 52.55 Lakhs. The remuneration (including reimbursement of out-of pocket, travelling, etc.) to be paid to Statutory Auditors during the second term shall be as mutually agreed between the Board of Directors and Statutory Auditors, from time to time. Besides the audit services, the Company would also obtain certifications which are to be mandatorily received from the statutory auditors under various statutory regulations and certifications required by banks, statutory authorities and other requirements as required from time to time, for which the auditors will be remunerated separately on mutually agreed terms.

The Board recommends the resolution set forth in item no. 4 for the approval of members

None of the Directors and Key Managerial Personnel of the Company and their respective relatives are concerned or interested, financially or otherwise, in the proposed Resolution.

Brief Profile of M/s. MSKA & Associates, Chartered Accountants

Established in 1978, M S K A & Associates is an Indian partnership firm registered with the Institute of Chartered Accountants of India (ICAI) and the PCAOB (US Public Company Accountancy Oversight Board) having offices across 10 cities in India at Mumbai, Gurugram, Kolkata, Ahmedabad, Chennai, Goa, Pune, Bengaluru, Kochi and Hyderabad.

The Firm provides range of services which include Audit & Assurance, Taxation and Accounting Advisory. The Firm's Audit and Assurance practice has significant experience in audit of various industries.

ITEM NO. 5: RE-APPOINTMENT OF MR. SIVARAMAKRISHNAN GANAPATHI (DIN: 07954560) AS VICE CHAIRMAN & MANAGING DIRECTOR OF THE COMPANY

The Members of the Company at the 17th Annual General Meeting of the Company held on September 25, 2020 had appointed Mr. Sivaramakrishnan Ganapathi ("Siva") as Managing Director of the Company for a term of three (3) years with effect from October 03, 2020 and on October 27, 2022, the Board has elevated Siva as the Vice Chairman and Managing Director of the Company, which is subsequently approved by the Shareholders vide Postal Ballot on December 11, 2022. The said term of three (3) years will end on October 02, 2023.

Considering the robust performance of the Company and increased value creation under the leadership of Mr. Siva and such other key factors, the Nomination and Remuneration Committee ("NRC"), has recommended the re-appointment of Siva as Vice Chairman and Managing Director of the Company for a period of five (5) years with effect from October 03, 2023 till October 02, 2028.

Accordingly, the Board, based on the recommendation of the NRC, at its meeting held on August 07, 2023 has approved the re-appointment of Siva as Vice Chairman and Managing Director of the Company, subject to the approval of the Members of the Company.

Siva has been instrumental in transforming the Company from protracted stagnancy to delivering consistently profitable growth. His demonstrative leadership gained the confidence and belief of all stakeholders, especially employees, that invigorated them to build a stronger and more resilient business. He assumed the charge to lead when the Company was facing trying times. With his passion and strong entrepreneurial mindset, Siva has turned around Gokaldas Exports over the last five years making it a leading apparel manufacturer that is sought-after by top global apparel brands for its product capability, quality and consistency, with a strong commitment to sustainability, while delivering profitable year on year growth.

Under his leadership, the Company could not only weather macroeconomic risks and unprecedented challenges like COVID-19 pandemic, but also took measures to mitigate them by focusing on strong customer relationships and service excellence while tackling macroeconomic issues impacting business such as ongoing military conflicts, global monetary tightening, supply chain problems, and China's economic trajectory.

Over the last five years, under Siva's guidance and leadership, the Company embarked on a mission to diversify its customer base, consistently improve operational productivity, drive excellence in execution, add capacity in a cost-effective manner and bring in business controls through extensive use of information technology. Every aspect of the business was looked into as part of the transformation journey to deliver a well-integrated operations. Siva also led the Company to new geographies for growth and expanded to fabric production to get better control over the raw materials. Siva's firm belief in embedding entrepreneurial spirit in the organization, empowering creative people and risk-takers, while nurturing them has helped immensely.

These initiatives helped achieve improved growth in financial and operational performance and positioned the Company to be a leading player in the Indian apparel industry. Under his leadership, the Company has grown from a revenue of ₹ 1079 Crores and a net loss of ₹ 31 Crores in FY 2018 to a revenue of ₹ 2247 crores and a net profit of ₹ 173 Crores in FY 2023, delivering a compounded revenue growth of 15.8%.

The Company's consolidated financial performance in the last three years is given below:

(₹ in Crores)

Year	Revenue from operation	PBT	PAT
2020-21#	1,210.7	26.6	26.5
2021-22	1,790.3	117.0	117.1
2022-23	2,222.2	204.4*	173.0

full years performed was severely impacted due to COVID-19 pandemic.

* Including Exceptional item of ₹ 6.1 Crores.

Further, over the last two years, the Company has consciously expanded its presence to cover other geographies by incorporating many wholly subsidiary companies ("WOS") like Gokadlas Exports Acharpura Private Limited (GAPL), Sri Susamyuta Knits Private Limited (SSKPL), Gokaldas Exports FZCO, Dubai, Nava Apparels L.L.C-FZ and Gokaldas Exports Corporation, Delaware, USA. Under Siva's leadership, these entities were created to adequately meet the strategic objectives of the Company and drive significant and sustained growth for the Company.

The Company has received all statutory disclosures/ declarations from Siva, including (i) consent in writing to act as director in Form DIR-2, pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014 ("the Appointment Rules"), (ii) intimation in Form DIR-8 in terms of the Appointment Rules to the effect that he is not disqualified under sub-section (2) of Section 164 of the Act.

Except Siva, none of the Directors and Key Managerial Personnel of the Company and their respective relatives are concerned or interested, financially or otherwise, in the proposed Resolution.

The Board recommends the Special resolution as set forth in item no. 5 for the approval of Members.

Information pursuant to Schedule V, Part II, Section II Part (B), proviso (iv) of the Companies Act, 2013:

1. General Information:

a. Nature of Industry: Gokaldas Exports Limited ("GEL") is engaged in the business of design, manufacture and sale of a wide range of garments for men, women and children and caters to the needs of several leading international fashion brands and retailers. GEL is one of India's largest manufacturer/exporters of readymade garments.

b. Date or expected date of commencement of Commercial Production:

Gokaldas Exports Limited ('the Company') (having Corporate Identity Number (CIN): L18101KA2004PLC033475) was incorporated on March 01, 2004 by converting the erstwhile partnership firm Gokaldas India under Part IX of the Companies Act, 1956. Pursuant to the order of the Hon'ble High Court of Karnataka dated November 20, 2004, Gokaldas Exports Private Limited and The Unique Creations (Bangalore) Private Limited had been amalgamated with the Company, with effect from April 01, 2004 being the appointed date. The Company has commenced its commercial production since 1979.

c. **In case of new Company, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:** Not Applicable.

d. **Financial Performance based on given indicators: The financial performance (Consolidated) of the Group for the past 3 years is given below:**

(₹ in Crores)

Particulars	2020-21	2021-22	2022-23
Total Income	1222.9	1801.0	2247.2
Profit Before Tax	26.6	117.0	204.4*
Profit after Tax	26.5	117.1	172.8
Dividend (%)	Nil	Nil	20%#

*Including Exceptional item of ₹ 6.1 Crores.

Subject to approval at the ensuing Annual General Meeting.

e. **Foreign Investment or collaborations, if any:** The company has made equity capital investment in one of its Wholly Owned Subsidiaries, Gokaldas Exports FZCO incorporated in Dubai of ₹ 85.10 Lakhs.

2. Information about the appointee:

a. Background of Mr. Sivaramakrishnan Ganapathi is given in the Additional Disclosure Section. Please refer to the same.

b. **Past remuneration:**

Salary for the past 3 years:

Year	(₹ in Crores)
2020-21	2.41
2021-22	6.88
2022-23	9.62

Note: ESOP compensations are excluded.

c. **Recognition or awards:** The Company has been awarded with "Karnataka State Export Excellence Award" for the year 2017-18, 2018-19 and 2019-20 under Readymade Garments category.

d. **Job Profile and his suitability:**

Gokaldas Exports Limited is one of the leading manufacturer and exporters of readymade garments in India with a revenue of over ₹ 2,200 Crores. The Company is engaged in the business of design, manufacturing and sale of a wide range of apparel products ranging from outerwear, activewear and fashionwear for all seasons. It has 8 wholly owned subsidiaries, 21 fully equipped manufacturing facilities, employs over 26,000 people and has a production capacity of about 3 million pieces of garments per month.

Mr. Sivaramakrishnan Ganapathi as the Vice Chairman and Managing Director of the Company, given the size and structure, his responsibility essentially includes setting the strategy for the business, direct and control the organization through better corporate governance, working with all the executive board members, other leadership team in areas such as finance, marketing, operations, risk and HR, and accountability for the overall success of the organization. He also provides oversight across the resources deployed in the business, including people and finance. He represents the business in all major forums like industry bodies, committees, advisory boards constituted by the Governments, media and other groups.

Mr. Sivaramakrishnan Ganapathi, with his passion and strong entrepreneurial mindset, has turned around Gokaldas Exports over the last five years making it a leading apparel manufacturer that is sought-after by top global apparel brands for its product capability, quality, and consistency, with a strong commitment to sustainability, while delivering profitable year on year growth. Therefore, with his profound experience and performance track record, he is best fit to continue to lead the organization to the next level.

e. **Remuneration proposed:** Breakup of the remuneration is mentioned in the resolution.

f. **Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin):** Our Company cannot be compared to another Company in the industry due to various parameters.

g. **Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel or other director, if any:** Nil

3. Other Information:

a. **Reasons for Loss or inadequate profits:**

The Company has been consistently making profit over the last 4 years under all challenging market condition. For the financial year 2022-23, the Company has posted a consolidated profit of ₹ 172.97 Crores. However, the apparel manufacturing industry faces challenges of ever-increasing cost and price pressures. It is imperative for the Company to continuously improve operational performance. The Company has suffered losses in the past, hence, may have losses or inadequate profit in the event of decline in revenue and profitability induced by events beyond its control such as COVID-19 pandemic, change in the Government regulation, change in sourcing strategy of customers, delay in onboarding operations of large customers etc. In such situations, the Company realigns its customer portfolio, makes effort to discontinue non-profitable orders, rationalize the available capacity and addresses the challenges with sheer agility and resilience.

b. Steps taken or proposed to be taken for improvement:

The Company has undertaken substantive strategic measures to improve its performance, viz: focus on increasing share of business with existing customers, develop new customers and markets, focus on high margin products, strengthen design capabilities, improve manufacturing efficiencies, and sustain focus on tighter financial management.

Besides above, the Company stays focused on growth initiatives on improving product mix and delivering higher productivity etc. which render positive impact on the business long term. To meet the challenges of competitive pricing from the international customers, the Company continued its initiatives of consolidating its factories and optimized the infrastructure and rationalized cost structure across the value chain.

While this being an ongoing focus, the Company actively looks for opportunity to create its footprint in cost efficient locations. In this direction, the Company has commissioned a green field manufacturing unit in Madhya Pradesh in the previous year in which the commercial production has recently started. The unit has been commissioned under a wholly owned subsidiary Company – Gokaldasexports Acharpura Private Limited. In a steady state, this new manufacturing is expected to add ~5% of the Company's total revenue. The Company also is also strengthening its Knit business segment and plans to augment its Knit capacity in coming years. In the direction, the Company is in the process of setting up another manufacturing unit (a fabric processing unit) in Tamil Nadu which is aimed to cater to the needs of Knit Business segment of the Company.

Further, there are many growth opportunities available for the Company coming from the various initiatives of the State and Central Government such as PLI schemes, MITRA. The Company through its subsidiary Gokaldasexports Acharpura Private Limited, is participating in the PLI schemes of the central Government whereby the Company shall be entitled to higher incentives on its turnover subject to meeting the necessary conditions.

c. Expected increase in productivity and profits in measurable terms:

The Company's business is complex and to deliver a profitable growth requires seamless focus on multiple factors such as ability to produce complex garments, robust order flow from customers across seasons, effective utilization of available capacity, etc. Over and above, the Company's dependency on the highly competitive international markets is significant where changes in respect of fashions, designs happen very frequently. The business growth is also dependent on the performance of key customers. The Company has so far delivered superior performance against such major challenges. The Board of Directors are also taking all the necessary steps to increase the productivity and profitability in the interest of all the stakeholders.

By Order of the Board of Directors
For **Gokaldas Exports Limited**

Gourish Hegde
Company Secretary

Place: Bengaluru
Date: August 07, 2023

Registered Office:
No. 25, Second Cross
Third Main, Industrial Suburb
Yeshwantpur, Bangalore - 560022.
Ph:+91 80 68951000
Email: info@gokaldasexports.com
Website: www.gokaldasexports.com

Additional details and other information as required under Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and applicable secretarial standards:

1. MR. MATHEW CYRIAC

Mr. Mathew Cyriac holds a Bachelor Degree in Engineering and an MBA from the Indian Institute of Management, Bangalore. He was awarded the IIMB Gold Medal for graduating at the top of his MBA class. Mr. Mathew Cyriac is the Chairman and Whole time Director of Florintree Advisors Private Limited. He was a Senior Managing Director at The Blackstone Group and has served as Co-Head of Private Equity at Blackstone Advisors India Private Limited till February 2017.

He has rich experience in the Investment Banking and served at Bank of America and Tata Motors, some of the leading institutions in India. He also has served as Head Corporate Development Strategy of iGate Global Solutions Limited.

<table>
<tr><td>Name</td><td>Mr. Mathew Cyriac</td></tr>
<tr><td>Age</td><td>54 years</td></tr>
<tr><td>DIN</td><td>01903606</td></tr>
<tr><td>Date of first appointment on Board, last drawn remuneration and number of Board meetings attended</td><td>a. Mr. Mathew was appointed on the Board on February 21, 2008.
b. Except sitting fees for attending the Board meetings and committee meetings, he has not received any remuneration during the financial year 2022-23.
c. He has attended all six 6 Board meetings during the financial year 2022-23.</td></tr>
<tr><td>Directorship in other listed entities, Membership of Committees of the Board and listed entities from which he has resigned in the past three years</td><td>Directorship in other listed entities
1. Jyoti Structures Limited
2. Data Patterns (India) Limited
3. Ideaforge Technology Limited

Membership of Committees of the Board
<table>
<tr><th>Company</th><th>Committee memberships</th><th>Committee chairmanships</th></tr>
<tr><td>Jyoti Structures Limited</td><td>Audit Committee</td><td>Stakeholders Relationship Committee</td></tr>
<tr><td>Data Patterns (India) Limited</td><td>Nomination and Remuneration committee

Corporate Social Responsibility Committee</td><td>Stakeholders Relationship Committee</td></tr>
<tr><td>Ideaforge Technology Limited</td><td>Audit Committee
Nomination and Remuneration committee</td><td>Stakeholders Relationship Committee</td></tr>
</table>
Listed entities from which he has resigned in the past three year:
1. Allcargo Logistics Limited
2. MTAR Technologies Limited</td></tr>
<tr><td>Shareholding in the Company (including shareholding as a beneficial owner)</td><td>Nil</td></tr>
<tr><td>Relationship with other Directors, Manager and other Key Managerial Personnel of the Company:</td><td>Nil</td></tr>
</table>

Nature of expertise in specific functional areas	As per the profile
Skills and capabilities required for the role and the manner in which the proposed person meets such requirements	As per the profile
Key terms and conditions of appointment:	Mr. Mathew Cyriac's office as Director shall be subject to retirement by rotation.
Remuneration proposed to be paid	He is entitled for sitting fees for attending the Board meetings and committee meetings.

2. MR. SIVARAMAKRISHNAN GANAPATHI

Sivaramakrishnan Ganapathi (Siva), joined Gokaldas Exports Limited, as the Managing Director and CEO in October 2017. He leads the Company, sets its strategic direction, and nurtures its leadership team to excel. He is passionate about sustainable growth and creating high business impact, with a particular focus on empowering people. He has more than three decades of diverse industry experience with credible knowledge of business strategy and transformation. He has led several high-growth businesses in diverse industries like telecommunications, technology, consulting, and manufacturing across several countries in Asia, North America and Europe. Siva has also worked for DSP Merril Lynch, ICICI Ltd. and Uhde India Ltd, before joining the Aditya Birla Group. Siva possesses extensive experience in the areas of acquisitions, product strategies, sales, and retail transformation.

With his passion and strong entrepreneurial mindset, Siva has turned around Gokaldas Exports over the last four years making it a leading apparel manufacturer that is sought-after by top global apparel brands for its product capability, quality and consistency, with a strong commitment to sustainability, while delivering profitable year on year growth.

Siva is a PG Diploma in Management from IIM, Bangalore, one of the prestigious management schools in India, and a B.Tech from National Institute of Technology.

Age	56 years
DIN	07954560
Date of first appointment on Board, last drawn remuneration and number of Board meetings attended	a. Mr. Siva was appointed on the Board of Directors on October 03, 2017 as Managing Director. b. During the financial year 2022-23, he has been paid ₹ 962.09 Lakhs. c. He has attended all six 6 Board meetings during the financial year 2022-23
Directorship in other listed entities, Membership of Committees of the Board and listed entities from which he has resigned in the past three years	Nil
Shareholding in the Company (including shareholding as a beneficial owner)	13,00,000 Equity shares
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	Nil
Nature of expertise in specific functional areas	As per the profile
Skills and capabilities required for the role and the manner in which the proposed person meets such requirements	As per the profile
Key terms and conditions of appointment	As detailed in 5th item of the notice convening AGM
Remuneration proposed to be paid	As detailed in 5th item of the notice convening AGM

Gokaldas Exports Limited

No. 25, Second Cross, Third Main,
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