

gokaldas exports ltd

GEL/SEC/2018-19

8th February, 2019

BSE Limited
Floor 25, P.J Towers,
Dalal Street,
MUMBAI - 400 001

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

SCRIP CODE: 532630

GOKEX

Dear Sir,

Sub: Outcome of the Board Meeting held today - 8th February, 2019

Ref: Regulation 33 & read with Regulation 30, Schedule III, Part A (4) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Pursuant to Regulation 33 read with Regulation 30, Schedule III, Part A (4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 please find enclosed a statement of Un-audited Financial Results for the quarter ended 31st December, 2018 as per IndAS which was taken on record by the Board of Directors at their meeting held today (on 8th February, 2019).

The Board of Directors have approved the limited review report at their meeting held on 8th February, 2019 for the quarter ended 31st December, 2018. We enclose a copy of the limited review report issued by Statutory Auditor M/s. MSKA & Associates, Chartered Accountants.

The Meeting Commenced at 14.00 hrs and concluded at 17.00 hrs.

Kindly acknowledge the receipt

Thanking you,

Yours truly,
for GOKALDAS EXPORTS LIMITED


Sathyamurthy A
Compliance Officer



Regd. Office :

16/2, Residency Road, Bangalore - 560 025. (INDIA)
Telephone : 41272200, 41272220
Fax No. 91 - (080) - 33477491, E-mail : gokex@vsnl.com
CIN : L18101KA2004PLC033475



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GOKALDAS EXPORTS LIMITED							
Corporate Identity Number (CIN) : L18101KA2004PLC033475							
Regd. Off: No.16/2, Residency Road, Bengaluru - 560 025							
E-mail : gokex@gokaldasexports.com WEBSITE : www.gokaldasexports.com							
Statement of unaudited standalone Ind AS financial results for the quarter and 9 months ended December 31, 2018							
(in Rs. lakh, except earnings per share)							
S. No.	Particulars	Quarter ended			9 months ended		Year ended
		Dec 31, 2018	Sep 30, 2018	Dec 31, 2017	Dec 31, 2018	Dec 31, 2017	March 31, 2018
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
I	Income						
	(a) Revenue from operations (inclusive of excise duty)	26,574.34	29,407.69	23,745.01	84,472.70	73,587.70	102,626.18
	(b) Other income	749.83	487.00	996.12	1,513.73	3,718.81	4,688.11
	Total Income	27,324.17	29,894.69	24,741.13	85,986.43	77,306.51	107,314.29
II	Expenses						
	(a) Cost of materials consumed	14,350.28	12,362.75	13,651.13	41,729.26	38,895.23	52,698.75
	(b) Excise duty	-	-	-	-	48.50	48.50
	(c) Changes in inventories of work-in-progress and finished goods	(3,860.23)	1,849.89	(1,786.72)	(4,315.75)	(69.86)	1,034.58
	(d) Employee benefit expenses	9,973.19	9,513.88	8,378.58	28,661.83	19,542.99	28,150.56
	(e) Finance costs	765.28	882.49	949.18	2,553.53	2,781.47	3,742.31
	(f) Depreciation and amortisation expenses	445.89	398.32	394.46	1,222.97	1,157.84	1,598.87
	(g) Job work charges	401.80	449.74	462.12	1,403.72	7,121.48	7,300.31
	(h) Other expenses	4,435.16	4,286.10	4,407.69	13,361.07	11,361.10	15,615.39
	Total expenses	26,511.37	29,743.17	26,456.44	84,616.63	80,838.75	110,189.27
III	Profit / (loss) before tax (I + II)	812.80	151.52	(1,715.31)	1,369.80	(3,532.24)	(2,874.98)
IV	Tax expenses						
	Income tax	-	-	-	-	-	-
	Deferred Tax credit	-	-	(36.67)	-	(81.26)	-
	Total tax expenses	-	-	(36.67)	-	(81.26)	-
V	Net profit / (loss) for the period / year (III ± IV)	812.80	151.52	(1,678.64)	1,369.80	(3,450.98)	(2,874.98)
VI	Other Comprehensive Income / (loss) (net of tax)						
	(A) (i) Items that will not to be reclassified to profit or loss						
	Re-measurement gains/ (losses) on defined benefit plans	3.65	3.51	105.95	10.48	234.77	10.64
	(ii) Income tax relating to items that will not be reclassified to profit or loss	-	-	(36.67)	-	(81.26)	-
	(B) (i) Items that will be reclassified to profit or loss	3,524.95	(2,067.83)	539.76	923.31	(533.36)	(1,123.80)
	(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-	-
	Total Other Comprehensive Income / (loss) for the period / year	3,528.60	(2,064.32)	609.04	933.79	(379.85)	(1,113.16)
VII	Total Comprehensive Income for the period / year (Comprising profit/(loss) and Other Comprehensive Income/(loss) (net of tax) for the period/year (V ± VI))	4,341.40	(1,912.80)	(1,069.60)	2,303.59	(3,830.83)	(3,988.14)
VIII	Paid-up equity share capital (face value Rs 5 each, fully paid up)	2,140.78	2,140.78	1,747.64	2,140.78	1,747.64	1,747.64
IX	Earnings per equity share (EPS)						
	(a) Basic	1.90	0.35	(4.80)	3.27	(9.88)	(8.23)
	(b) Diluted	1.87	0.35	(4.80)	3.22	(9.88)	(8.23)

Notes to Statement of unaudited standalone Ind AS financial results for the quarter and 9 months ended December 31, 2018:

- The standalone unaudited Ind AS financial results of the Company for the quarter and 9 months ended December 31, 2018 can be viewed on the Company's website www.gokaldasexports.com or on the website of NSE (www.nse-india.com) and BSE (www.bseindia.com).
- The above financial results of Gokaldas Exports Limited ('the Company') have been prepared in accordance with Indian Accounting Standards - Ind AS 34 on 'Interim Financial Reporting' as prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standard) Rules 2015 and SEBI Circular No. CIR/CFD/FAC/62/2016 dated 5 July 2016.
- Gokaldas Exports Limited ('the Company') operates in a single business segment of manufacture and sale of garments. Accordingly, no further segment disclosures are required.



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4 The Company had applied for a scheme of amalgamation of 9 wholly owned subsidiary companies with the Company. The appointed date of amalgamation is April 01, 2016. The application was filed with the Hon'ble National Company Law Tribunal ("NCLT") on February 23, 2017. The NCLT has passed an order dated September 25, 2017 instructing the Company to conduct Secured Creditors Meeting and shareholders meeting in November 2017. Necessary approval has been obtained from the Secured Creditors (Canara Bank and Corporation Bank) on November 24, 2017 and shareholders of the Company on November 29, 2017 and the Report of the Chairman along with necessary petition has been filed with the NCLT. The approval from NCLT is pending receipt.

In view of the aforesaid matter and to facilitate ease of business operations, majority of the employees have been transferred from the subsidiary companies to the Company with effect from July 1, 2017.

5 During the previous quarter ended June 30, 2018, pursuant to the approval of the committee of the Board of Directors dated May 3, 2018, the Company had issued 77.08 lakh equity shares of Rs. 5 each, at an issue price of Rs. 90.00 per equity share (including Rs. 85.00 per share towards securities premium) aggregating to Rs. 6,937.20 lakh to qualified institutional buyers under chapter VIII of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended (the "SEBI Regulations") and provisions of all other applicable laws. The Shareholders had approved the aforesaid issue of equity shares by way of special resolution dated February 8, 2018.

6 During the quarter ended December 31, 2018, one of the foreign customers with an aggregate outstanding balance of Rs 478 lakhs has filed a plan for reorganisation of its business and creditors in respective jurisdictional court. Consequently, based on advice of legal counsel, the Company has filed a claim with the relevant authorities for the aforesaid receivable. During the quarter ended, the Company has made an expected loss provision of Rs 90 lakhs on these receivables. Considering the Company's preferential creditors status, the Company is confident that the impact of non-recoverability of the unprovided receivables, if any, will not be material to these financial results. In compliance with the Accounting Standards, the Company has postponed recognition of revenue of Rs. 596 lakhs towards goods supplied post filing of the customer's reorganisation plan and will be recognising revenue upon certainty in realization of sale consideration.

7 Ind AS 115 Revenue from Contracts with Customers, mandatory for reporting periods beginning on or after April 1, 2018, replaces existing revenue recognition requirements. Under the modified retrospective approach there were no significant adjustments required to the retained earnings at April 1, 2018. Also, the application of Ind AS 115 did not have any significant impact on recognition and measurement of revenue and related items in the financial results for the quarter and 9 months ended December 31, 2018.


8 The statement of unaudited standalone Ind AS financial results for the quarter and 9 months ended December 31, 2018 have been reviewed by the Audit Committee in their meeting on February 08, 2019 and approved by the Board of Directors in their meeting held on February 08, 2019.

9 The Statutory Auditors have carried out a Limited review of unaudited standalone Ind AS financial results for the quarter ended December 31, 2018 in terms of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

10 Previous period/ year's figures have been regrouped/ reclassified, wherever necessary to confirm to the current period/ year's classification.

11 The comparative Ind AS financial information of the Company for the corresponding quarter and year to date from April 1, 2017 to December 31, 2017 were reviewed by the predecessor auditor; and the Ind AS financial statements of the Company for the year ended March 31, 2018, were audited by predecessor auditor who expressed an unmodified opinion on those financial information and financial statements on February 03, 2018 and May 24, 2018 respectively.

For Gokaldas Exports Limited


Sivaramakrishnan Vilayur Ganapathi
Managing Director
DIN: 07954560

Date: February 08, 2019
Place: Bengaluru



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Limited Review Report

**Review Report to
The Board of Directors
Gokaldas Exports Limited**

1. We have reviewed the accompanying statement of unaudited standalone financial results of Gokaldas Exports Limited ('the Company') for the quarter ended December 31, 2018 and the year to-date results for the period April 1, 2018 to December 31, 2018 ('the Statement'), being submitted by the Company pursuant to the requirements of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016 (Listing Regulations).

This Statement, which is the responsibility of the Company's Management and has been approved by the Board of Directors, has been prepared in accordance with Ind AS 34 'Interim Financial Reporting', prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other recognized accounting practices and policies generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.

2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement of unaudited standalone financial results which are prepared in accordance with Ind AS 34, prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of the Listing Regulations including the manner in which it is to be disclosed, or that it contains any material misstatement.



MSKA

& Associates

Chartered Accountants

4. The comparative Ind AS financial information of the Company for the corresponding quarter ended December 31, 2017 and year to date from April 1, 2017 to December 31, 2017 were reviewed by the predecessor auditor; and the Ind AS financial statements of the Company for the year ended March 31, 2018, were audited by predecessor auditor who expressed an unmodified opinion on those financial information and financial statements on February 03, 2018 and May 24, 2018 respectively.

Our report is not modified in respect of this matter.

For MSKA & Associates
Chartered Accountants
ICAI Firm Registration No.105047W



Deepak Rao
Partner
Membership No.:113292



Place: Bengaluru
Date: February 8, 2019

Gokaldas Exports Ltd. continued the journey of growth and profitability in Q3 FY 19 and delivered a net profit after tax of Rs 8.1 crs. Some of the key business highlights are

- Q3 FY19 revenues of Rs 273.2 crs; grew year on year by 10.4%
- EBIDTA margins of 7.4% as against -1.5% in Q3FY18
- Net profit of Rs 8.1 crs during the quarter as compared to loss of Rs 16.8 crs in Q3FY18

For the 9 months period ended 31st Dec, the company achieved a revenue of Rs 859.9 Cr. (growth of 11.2%), with EBIDTA margin of 6% and net profit of Rs 13.7 Cr. as compared to net loss of Rs 34.5 Cr. during the corresponding period in the previous year.

The company's continued efforts in strengthening customer relationships and driving operational excellence, allowed it to post a superior performance.