gokaldas exports ltd

E-mail : gokex@gokaldasexports.com WEBSITE : www.gokaldasexports.com

Statement of unaudited standalone Ind AS financial results for the quarter and half year ended September 30, 2019

(in Rs. lakhs, except earnings per share)

S. No.	Particulars	Quarter ended			Half year ended		Year ended
		Sep 30, 2019	June 30, 2019	Sep 30, 2018	Sep 30, 2019	Sep 30, 2018	Mar 31, 2019
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
I	**Income**						
	(a) Revenue from operations	36,163.81	34,125.50	29,513.67	70,289.31	58,103.46	117,337.17
	(b) Other income						
	Gain on account of foreign exchange fluctuations (net)	748.37	511.72	-	1,260.09	-	-
	Income from bank deposits and investment in mutual funds	297.09	270.74	216.26	567.83	441.82	1,081.61
	Government grant and other income	198.36	180.38	335.37	378.74	386.71	1,077.75
	Total Income	**37,407.63**	**35,088.34**	**30,065.30**	**72,495.97**	**58,931.99**	**119,496.53**
II	**Expenses**						
	(a) Cost of materials consumed	15,409.88	17,157.95	12,352.85	32,567.83	27,428.24	58,964.68
	(b) Changes in inventories of work-in-progress and finished goods	3,844.43	(147.40)	1,859.67	3,697.03	(445.74)	(6,700.01)
	(c) Employee benefit expenses	12,157.78	11,494.22	9,662.89	23,652.00	18,975.26	39,447.97
	(d) Finance costs	904.77	889.61	882.49	1,794.38	1,788.25	3,289.59
	(e) Depreciation and amortisation expenses	1,254.32	1,262.42	408.14	2,516.74	796.47	1,918.94
	(f) Job work charges	182.99	417.77	502.31	600.76	1,001.92	1,549.87
	(g) Other expenses						
	Loss on account of foreign exchange fluctuations (net)	-	-	555.97	-	1,012.17	1,565.53
	Others	3,244.12	3,054.19	3,676.02	6,298.31	7,814.66	16,333.83
	Total expenses	**36,998.29**	**34,128.76**	**29,900.34**	**71,127.05**	**58,371.23**	**116,370.40**
III	**Profit / (loss) before tax and exceptional items (I - II)**	**409.34**	**959.58**	**164.96**	**1,368.92**	**560.76**	**3,126.13**
IV	**Exceptional items- (gain)/ loss (Refer note 6)**	-	(2,604.78)	-	(2,604.78)	-	626.56
V	**Profit / (loss) before tax (III - IV)**	409.34	3,564.36	164.96	3,973.70	560.76	2,499.57
VI	**Tax expenses**						
	Current tax	21.62	307.32	-	328.94	-	-
	Adjustment of tax relating to earlier years	-	-	-	-	-	(63.33)
	Deferred tax (credit)/charge	(21.62)	(307.32)	-	(328.94)	-	-
	Total tax expenses	-	-	-	-	-	**(63.33)**
VII	**Net profit / (loss) for the period / year (V-VI)**	409.34	3,564.36	164.96	3,973.70	560.76	2,562.90
VIII	**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	60.00	60.00	3.51	120.00	6.83	(176.44)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-	-	-
	(B) Items that will be reclassified to profit or loss:						
	The effective portion of gain and loss on hedging instruments in a cash flow hedge (net)	(1,288.09)	(42.44)	(2,067.83)	(1,330.53)	(2,601.64)	1,450.71
	Total Other Comprehensive Income / (loss) for the period / year	**(1,228.09)**	**17.56**	**(2,064.32)**	**(1,210.53)**	**(2,594.81)**	**1,274.27**
IX	**Total Comprehensive Income for the period / year (VII+VIII)** (Comprising profit/(loss) and Other Comprehensive Income/(loss) (net of tax) for the period/year	**(818.75)**	**3,581.92**	**(1,899.36)**	**2,763.17**	**(2,034.05)**	**3,837.17**
X	**Paid-up equity share capital** (face value Rs 5 each, fully paid up)	2,141.03	2,140.78	2,140.78	2,141.03	2,140.78	2,140.78
XI	**Earnings per equity share (EPS)**						
	(a) Basic (Rs.)	0.95	8.32	0.38	9.24	1.36	6.09
	(b) Diluted (Rs.)	0.93	7.85	0.38	9.02	1.33	5.93

MSKA & ASSOCIATES Chartered Accountants

gokaldas exports limited Bangalore

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UKAS MANAGEMENT SYSTEMS 014

gokaldas exports ltd

Statement of standalone assets and liabilities as at September 30, 2019

(in Rs. Lakhs)

Particulars	Sep 30, 2019 Unaudited	March 31, 2019 Audited
I. ASSETS		
(1) Non- current assets		
(a) Property, plant and equipment	10,751.93	10,532.89
(b) Capital work-in-progress	20.00	144.76
(c) Right-of-use assets	4,817.66	-
(d) Other intangible assets	224.61	184.69
(e) Financial assets		
(i) Investments	1,987.75	1,987.75
(ii) Loans and advances	3,067.16	2,236.98
(iii) Other financial assets	13,897.99	13,246.57
(f) Deferred tax assets	328.94	-
(g) Non-current tax assets (net)	1,106.50	1,270.68
(h) Other non-current assets	308.06	428.56
	36,510.60	**30,032.88**
(2) Current assets		
(a) Inventories	22,087.67	25,770.90
(b) Financial assets		
(i) Investments	3,427.55	-
(ii) Trade receivables	18,207.01	16,167.47
(iii) Cash and cash equivalents	2,320.39	1,110.23
(iv) Other financial assets	428.68	2,122.01
(c) Other current assets	7,348.15	6,457.32
	53,819.45	**51,627.93**
(3) Assets classified as held for sale	-	595.22
Total assets (1+2+3)	**90,330.05**	**82,256.03**
II. EQUITY AND LIABILITIES		
(1) Equity		
(a) Equity share capital	2,141.03	2,140.78
(b) Other equity	23,493.62	21,814.56
Total equity	**25,634.65**	**23,955.34**
Liabilities		
(2) Non-current liabilities		
(a) Financial liabilities		
Lease liability	2,645.89	-
(b) Provision for employee benefits	406.65	406.65
	3,052.54	**406.65**
(3) Current liabilities		
(a) Financial liabilities		
(i) Borrowings	39,303.28	38,070.07
(ii) Trade payables		
Total outstanding dues of micro, small and medium enterprises	34.93	18.62
Total outstanding dues of creditors other than micro, small and medium enterprises	7,210.91	8,530.04
(iii) Lease liability	3,001.80	-
(iv) Other current financial liabilities	8,206.14	7,469.90
(b) Other current liabilities	789.90	894.52
(c) Provision for employee benefits	2,968.17	2,590.89
(d) Current tax liability (net)	127.73	-
	61,642.86	**57,574.04**
(4) Liabilities directly associated with assets classified as held for sale	-	320.00
Total equity and liabilities (1+2+3+4)	**90,330.05**	**82,256.03**

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UKAS MANAGEMENT SYSTEMS 014

gokaldas exports ltd

Statement of standalone cash flows for the half year ended September 30, 2019

(in Rs. Lakhs)

	Apr to Sep 19	Apr to Sep 18	Apr to Mar 19
Cash flow from operating activities			
Profit before exceptional items and tax	**1,368.92**	**560.76**	**3,126.13**
Adjustments to reconcile profit before tax to net cash flows:			
Depreciation/ amortization	2,516.74	796.47	1,918.94
Net gain on disposal of property, plant and equipment	(21.44)	(37.45)	(59.27)
Unrealised foreign exchange (gain)/loss, (net)	(81.89)	(157.15)	(74.19)
Gain on sale of investments in mutual fund units	(93.06)	(83.63)	(173.18)
Income from government grant	(148.87)	(38.83)	(300.18)
Share based payments to employees	345.76	59.95	285.05
Interest income	(498.15)	(496.51)	(1,131.05)
Finance costs	1,794.38	1,788.25	3,289.59
Provision for doubtful deposits and advances	-	8.92	30.00
Provision for doubtful debts	121.19	155.91	327.73
Irrecoverable balances written off	-	300.87	565.93
Excess provision of earlier years written back	(5.17)	(9.94)	(173.10)
Operating profit/(loss) before working capital changes	**5,298.41**	**2,847.62**	**7,632.40**
Working capital adjustments:			
(Increase)/ decrease in loans	(649.18)	80.31	314.67
(Increase)/ decrease in other financial assets	111.05	(2,800.26)	14.95
(Increase)/ decrease in other assets	(1,361.33)	1,804.81	124.15
(Increase)/ decrease in inventories	3,683.23	(385.27)	(8,438.75)
(Increase)/ decrease in trade receivables	(2,151.25)	5,968.01	5,020.41
Increase/ (decrease) in provisions for employee benefits	497.28	182.52	382.94
Increase/ (decrease) in trade payables	(1,298.17)	(4,016.48)	(1,021.45)
Increase/ (decrease) in other financial liabilities	1,541.81	3,953.59	675.39
Increase/ (decrease) in other liabilities	(104.62)	(54.83)	23.44
	5,567.23	7,580.02	4,728.15
Direct taxes refunded/ (paid) (net of refund/payments)	(37.03)	176.29	397.66
Net cash flows from/ (used in) operating activities (A)	**5,530.20**	**7,756.31**	**5,125.81**
Cash flow from investing activities			
Purchase of property, plant and equipment (including intangible assets and capital work-in-progress)	(2,475.69)	(1,151.86)	(2,442.06)
Proceeds from sale of property, plant and equipment	3,258.08	79.63	209.71
Investments in bank deposits	(13,665.46)	(13,273.75)	(13,220.78)
Redemption of bank deposits	13,011.92	13,933.84	14,093.84
Investment in mutual fund units, net	(5,500.00)	(6,700.00)	(6,700.00)
Proceeds from sale of investment in mutual fund units	2,165.51	1,999.74	6,873.18
Finance income received	920.52	908.64	1,186.19
Net cash flows from/ (used in) investing activities (B)	**(2,285.12)**	**(4,203.76)**	**0.08**
Cash flow from financing activities			
Proceeds from issue of shares / exercise of share options including share application money	1.61	6,829.46	6,829.47
Payment of lease liability	(1,903.95)	-	-
Proceeds of short-term borrowings	97,808.48	88,546.33	173,724.71
Repayment of short-term borrowings	(95,870.43)	(96,894.20)	(182,795.97)
Finance costs paid	(1,438.73)	(1,834.29)	(3,448.69)
Net cash flows from/ (used in) financing activities (C)	**(1,403.02)**	**(3,352.70)**	**(5,690.48)**
Net increase/ (decrease) in cash and cash equivalents (A+B+C)	1,842.06	199.85	(564.59)
Cash and cash equivalents at the beginning of the year	(2,488.01)	(1,923.42)	(1,923.42)
Cash and cash equivalents at the end of the year	**(645.95)**	**(1,723.57)**	**(2,488.01)**
Components of cash and cash equivalents			
Cash and cash equivalents	2,320.39	1,677.33	1,110.23
Bank overdraft	(2,966.34)	(3,400.90)	(3,598.24)
Total cash and cash equivalents	**(645.95)**	**(1,723.57)**	**(2,488.01)**

MSKA & ASSOCIATES Chartered Accountants

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gokaldas exports ltd

Notes to the standalone Ind AS financial results of Gokaldas Exports Limited for the period ended September 30, 2019

1 The standalone unaudited Ind AS financial results of the Company for the quarter and half year ended September 30, 2019 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).

2 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.

3 Gokaldas Exports Limited ('the Company') operates in a single business segment of manufacture and sale of garments. Accordingly, no further segment disclosures are required.

4 The Company had applied for a scheme of amalgamation ("the Scheme") 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 was received by the Company during the quarter ended March 31, 2019. The financial results comply with the accounting treatment described in the Scheme. This resulted in restatement of financial statements with effect from the appointed date i.e. April 01, 2016. Consequently, the numbers relating to quarter and half year ended September 30, 2018 have been restated.

5 Certain foreign customers with an aggregate outstanding balance of Rs 977 lakhs as on September 30, 2019 have filed a plan for reorganisation of its business and creditors in the court (' the reorganisation plan'). Consequently, based on recommendation of legal counsel, the Company has filed a claim ('the pre-petition claim') of Rs 441 lakhs with the relevant authorities in relation to the sales made prior to filing of the reorganisation plan. The remaining balance pertains to administrative claims from post-petition sales. Based on the expected recovery as per the Administrative Expense Claims Consent Program negotiated under the reorganization plan, the Company has created a provision on account of expected loss amounting to Rs. 244 lakhs towards these claims.

6 Exceptional items:

a. The Company assessed the fair value less cost of sale of the investment in an associate held for sale as at March 31, 2019. 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 had written down the carrying value of the asset by recognizing an impairment loss of Rs. 626.56 Lakhs as an exceptional charge during the previous quarter 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.

b. During the quarter ended June 30, 2019, pursuant to the approval of the Board of Directors, the Company has concluded the sale of one of its lands, alongwith building constructed thereon. The transaction resulted in a gain of Rs. 2,604.78 lakhs, which has been recognised as an exceptional item.

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7 Effective April 1, 2019, the Company has adopted Ind AS 116, 'Leases'. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognise Right-of-use assets and lease liabilities for all leases with a term of more than twelve months, unless the underlying asset is of a low value. The Company has used the 'modified retrospective approach' for transition from Ind AS 17, 'Leases'. Therefore, the comparative information for the prior periods have not been restated. On transition date (April 1, 2019), the Company has recorded the lease liabilities at the present value of future lease payments discounted using the incremental borrowing rate. The adoption of Ind AS 116 has resulted in recognition of Right-of-use assets of Rs. 6,352.02 lakhs and lease liabilities of Rs. 7,192.02 lakhs on the transition date. Cumulative effect of adoption of Ind AS 116 has been recognised by debiting retained earnings by Rs. 1,431.24 lakhs [net of prepaid rent (which was previously recognised in accordance with Ind AS 17) as on transition date]. In the financial results for the quarter and half year ended September 30, 2019, the nature of expense for leasing arrangements has changed from lease rent in previous periods to amorization on the Right-of-use assets and finance cost on the corresponding lease liabilities.

Adoption of Ind AS 116 did not have a significant impact on the financial results for the quarter and half year ended September 30, 2019.

8 The statement of unaudited standalone Ind AS financial results for the quarter and half year ended September 30, 2019 have been reviewed by the Audit Committee in their meeting on November 14, 2019 and approved by the Board of Directors in their meeting held on November 14, 2019.

9 The Statutory Auditors have carried out a limited review of unaudited standalone Ind AS financial results for the quarter and half year ended September 30, 2019 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 standalone Ind AS financial information of the Company for the quarter and half year ended September 30, 2018 were adjusted for accounting adjustments pursuant to the scheme of amalgamation and arrangement between the Company and its subsidiary as approved by the National Company Law Tribunal (NCLT) vide order dated March 08, 2019, the appointed date being April 01, 2016, which have been reviewed by the statutory auditors.

For Gokaldas Exports Limited

Sivaramakrishnan Vilayur Ganapathi
Managing Director
DIN: 07954560

Date: November 14, 2019
Place: Bengaluru

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Statement of unaudited consolidated Ind AS financial results for the quarter and half year ended September 30, 2019

(in Rs. lakhs, except earnings per share)

S. No.	Particulars	Quarter ended			Half year ended		Year ended
		Sep 30, 2019	June 30, 2019	Sep 30, 2018	Sep 30, 2019	Sep 30, 2018	Mar 31, 2019
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
I	**Income**						
	(a) Revenue from operations	36,187.50	34,223.72	29,541.03	70,411.22	58,157.28	117,451.91
	(b) Other income						
	Gain on account of foreign exchange fluctuations (net)	748.37	511.72	-	1,260.09	-	-
	Income from bank deposits and investment in mutual funds	297.09	270.74	299.89	567.83	525.45	1,081.61
	Government grant and other income	199.46	182.94	260.68	382.40	312.02	1,086.10
	Total Income	**37,432.42**	**35,189.12**	**30,101.60**	**72,621.54**	**58,994.75**	**119,619.62**
II	**Expenses**						
	(a) Cost of materials consumed	15,453.93	17,171.15	12,401.04	32,625.08	27,487.31	59,053.49
	(b) Changes in inventories of work-in-progress and finished goods	3,815.20	(78.70)	1,784.24	3,736.50	(532.05)	(6,727.61)
	(c) Employee benefit expenses	12,169.46	11,505.48	9,674.68	23,674.94	19,000.46	39,495.52
	(d) Finance costs	911.06	895.73	882.50	1,806.79	1,788.26	3,290.94
	(e) Depreciation and amortisation expenses	1,266.56	1,273.87	409.06	2,540.43	798.31	1,922.36
	(f) Job work charges	182.99	418.85	363.61	601.84	863.22	1,549.87
	(g) Other expenses						
	Loss on account of foreign exchange fluctuations (net)	-	-	555.97	-	1,012.17	1,565.53
	Others	3,222.80	3,239.23	3,832.19	6,462.03	7,997.69	16,335.05
	Total expenses	**37,022.00**	**34,425.61**	**29,903.29**	**71,447.61**	**58,415.37**	**116,485.15**
III	**Profit / (loss) before tax and exceptional items (I - II)**	**410.42**	**763.51**	**198.31**	**1,173.93**	**579.38**	**3,134.47**
IV	**Exceptional items- (gain)/ loss (Refer note 5)**	-	(2,604.78)	-	(2,604.78)	-	626.56
V	**Profit / (loss) before tax (III - IV)**	410.42	3,368.29	198.31	3,778.71	579.38	2,507.91
VI	**Tax expenses**						
	Current tax	21.62	307.32	-	328.94	-	-
	Adjustment of tax relating to earlier years	-	-	-	-	-	(50.05)
	Deferred tax (credit)/charge	(21.62)	(307.32)	-	(328.94)	-	-
	Total tax expenses	-	-	-	-	-	**(50.05)**
VII	**Net profit / (loss) for the period / year (V-VI)**	410.42	3,368.29	198.31	3,778.71	579.38	2,557.96
VIII	**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	60.00	60.00	4.64	120.00	7.96	(175.31)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-	-	-
	(B) Items that will be reclassified to profit or loss:						
	The effective portion of gain and loss on hedging instruments in a cash flow hedge (net)	(1,288.09)	(42.44)	(2,067.83)	(1,330.53)	(2,601.64)	1,450.71
	Total Other Comprehensive Income / (loss) for the period / year	**(1,228.09)**	**17.56**	**(2,063.19)**	**(1,210.53)**	**(2,593.68)**	**1,275.40**
IX	**Total Comprehensive Income for the period / year (VII+VIII)** (Comprising profit/(loss) and Other Comprehensive Income/(loss) (net of tax) for the period/year	**(817.67)**	**3,385.85**	**(1,864.88)**	**2,568.18**	**(2,014.30)**	**3,833.36**
X	**Paid-up equity share capital** (face value Rs 5 each, fully paid up)	2,141.03	2,140.78	2,140.78	2,141.03	2,140.78	2,140.78
XI	**Earnings per equity share (EPS)**						
	(a) Basic (Rs.)	0.95	7.87	0.46	8.78	1.40	6.08
	(b) Diluted (Rs.)	0.93	7.42	0.46	8.58	1.37	5.92

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Statement of consolidated assets and liabilities as at September 30, 2019

(in Rs. Lakhs)

Particulars	Sep 30, 2019 Unaudited	March 31, 2019 Audited
I. ASSETS		
(1) Non- current assets		
(a) Property, plant and equipment	10,771.85	10,553.92
(b) Capital work-in-progress	20.00	144.76
(c) Right of use asset	4,941.85	-
(d) Other intangible assets	224.61	184.69
(e) Financial assets		
(i) Investments	0.29	0.29
(ii) Loans and advances	3,138.97	2,306.59
(iii) Other financial assets	13,897.99	13,246.57
(f) Deferred tax assets	328.94	-
(g) Non-current tax assets (net)	1,148.79	1,315.78
(h) Other non-current assets	308.06	428.56
	34,781.35	**28,181.16**
(2) Current assets		
(a) Inventories	22,546.02	26,268.72
(b) Financial assets		
(i) Investments	3,427.55	-
(ii) Trade receivables	18,208.80	16,170.02
(iii) Cash and cash equivalents	2,324.34	1,118.75
(iv) Other financial assets	428.67	2,122.01
(c) Other current assets	7,348.95	6,477.05
	54,284.33	**52,156.55**
(3) Assets classified as held for sale	-	595.22
Total assets (1+2+3)	**89,065.68**	**80,932.93**
II. EQUITY AND LIABILITIES		
(1) Equity		
(a) Equity share capital	2,141.03	2,140.78
(b) Other equity	23,281.30	21,897.49
Total equity	**25,422.33**	**24,038.27**
Liabilities		
(2) Non-current liabilities		
(a) Financial liabilities		
Lease liability	2,645.89	-
(b) Provision for employee benefits	412.98	412.32
	3,058.87	**412.32**
(3) Current liabilities		
(a) Financial liabilities		
(i) Borrowings	39,303.28	38,070.07
(ii) Trade payables		
Total outstanding dues of micro, small and medium enterprises	34.93	18.62
Total outstanding dues of creditors other than micro, small and medium enterprises	7,252.83	8,553.82
(iii) Lease liability	3,196.44	-
(iv) Other current financial liabilities	6,906.64	6,031.16
(b) Other current liabilities	792.43	895.89
(c) Provision for employee benefits	2,970.20	2,592.78
(d) Current tax liability (net)	127.73	-
	60,584.48	**56,162.34**
(4) Liabilities directly associated with assets classified as held for sale	-	320.00
Total equity and liabilities (1+2+3+4)	**89,065.68**	**80,932.93**

MSKA & ASSOCIATES Chartered Accountants

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gokaldas exports ltd

Statement of consolidated cash flows for the half year ended September 30, 2019			
			(in Rs. Lakhs)
	Apr to Sep 19	Apr to Sep 18	Apr to Mar 19
Cash flow from operating activities			
Profit before exceptional items and tax	**1,173.94**	**579.38**	**3,134.47**
Adjustments to reconcile profit before tax to net cash flows:			
Depreciation/ amortization	2,540.43	798.31	1,922.36
Net gain on disposal of property, plant and equipment	(21.44)	(37.45)	(59.27)
Unrealised foreign exchange (gain)/loss, (net)	(81.89)	(157.15)	(74.19)
Gain on sale of investments in mutual fund units	(93.06)	(83.63)	(173.18)
Income from government grant	(148.87)	(38.83)	(300.18)
Share based payments to employees	345.76	59.95	285.06
Interest income	(499.60)	505.45	(1,135.29)
Finance costs	1,806.79	1,788.26	3,290.94
Provision for doubtful deposits and advances	-	8.92	30.00
Provision for doubtful debts	121.19	155.91	327.73
Irrecoverable balances written off	-	300.87	565.93
Excess provision of earlier years written back	(5.17)	(9.94)	(173.10)
Operating profit/(loss) before working capital changes	5,138.08	3,870.05	7,641.28
Working capital adjustments:			
(Increase)/ decrease in loans	(744.32)	75.69	339.35
(Increase)/ decrease in other financial assets	111.06	(134.11)	15.05
(Increase)/ decrease in other assets	(1,342.40)	1,804.09	121.98
(Increase)/ decrease in inventories	3,722.70	(471.57)	(8,466.34)
(Increase)/ decrease in trade receivables	(2,150.49)	5,967.78	5,018.35
Increase/ (decrease) in provisions for employee benefits	498.08	183.26	384.63
Increase/ (decrease) in trade payables	(1,287.36)	(4,025.89)	(1,015.68)
Increase/ (decrease) in other financial liabilities	1,681.05	1,337.28	662.21
Increase/ (decrease) in other liabilities	(103.46)	(56.62)	20.01
	5,522.94	8,549.96	4,720.84
Direct taxes refunded/ (paid) (net of refund/payments)	(34.22)	126.49	393.15
Net cash flows from/ (used in) operating activities (A)	**5,488.72**	**8,676.45**	**5,113.99**
Cash flow from investing activities			
Purchase of property, plant and equipment (including intangible assets and capital work-in-progress)	(2,475.69)	(1,149.00)	(2,442.06)
Proceeds from sale of property, plant and equipment	3,258.08	79.63	209.71
Investments in bank deposits	(13,665.46)	(13,273.75)	(13,220.78)
Redemption of bank deposits	13,011.92	13,933.84	14,093.84
Investment in mutual fund units, net	(5,500.00)	(6,700.00)	(6,700.00)
Proceeds from sale of investment in mutual fund units	2,165.51	1,999.74	6,873.18
Finance income received	921.97	(38.62)	1,190.44
Net cash flows from/ (used in) investing activities (B)	**(2,283.67)**	**(5,148.16)**	**4.33**
Cash flow from financing activities			
Proceeds from issue of shares / exercise of share options including share application money	1.61	6,829.46	6,829.47
Payment of lease liability	(1,866.93)	-	-
Proceeds of short-term borrowings	97,808.48	88,546.33	173,724.71
Repayment of short-term borrowings	(95,870.43)	(96,894.20)	(182,795.97)
Finance costs paid	(1,440.29)	(1,834.30)	(3,450.04)
Net cash flows from/ (used in) financing activities (C)	**(1,367.56)**	**(3,352.71)**	**(5,691.83)**
Net increase/ (decrease) in cash and cash equivalents (A+B+C)	1,837.49	175.58	(573.51)
Cash and cash equivalents at the beginning of the year	(2,479.49)	(1,905.98)	(1,905.98)
Cash and cash equivalents at the end of the year	**(642.00)**	**(1,730.40)**	**(2,479.49)**
Components of cash and cash equivalents			
Cash and cash equivalents	2,324.34	1,670.50	1,118.75
Bank overdraft	(2,966.34)	(3,400.90)	(3,598.24)
Balances per statement of cash flows	**(642.00)**	**(1,730.40)**	**(2,479.49)**

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gokaldas exports ltd

Notes to the consolidated Ind AS financial results of Gokaldas Exports Limited for the period ended September 30, 2019

1 The consolidated unaudited Ind AS financial results of Gokaldas Exports Limited (the Company) and its subsidiaries (cumulatively referred to as 'Group') for the quarter and half year ended September 30, 2019 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).

2 The above financial results of the Group 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.

3 The Group operates in a single business segment of manufacture and sale of garments. Accordingly, no further segment disclosures are required.

4 Certain foreign customers with an aggregate outstanding balance of Rs 977 lakhs as on September 30, 2019 have filed a plan for reorganisation of its business and creditors in the court (' the reorganisation plan'). Consequently, based on recommendation of legal counsel, the Group has filed a claim ('the pre-petition claim') of Rs 441 lakhs with the relevant authorities in relation to the sales made prior to filing of the reorganisation plan. The remaining balance pertains to administrative claims from post-petition sales. Based on the expected recovery as per the Administrative Expense Claims Consent Program negotiated under the reorganization plan, the Group has created a provision on account of expected loss amounting to Rs. 244 lakhs towards these claims.

5 Exceptional items:

a. The Group assessed the fair value less cost of sale of the investment in an associate held for sale as at March 31, 2019. 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 had written down the carrying value of the asset by recognizing an impairment loss of Rs. 626.56 Lakhs as an exceptional charge during the previous quarter 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.

b. During the quarter ended June 30, 2019, pursuant to the approval of the Board of Directors, the Group has concluded the sale of one of its lands, alongwith building constructed thereon. The transaction resulted in a gain of Rs. 2,604.78 lakhs, which has been recognised as an exceptional item.

6 The statement of unaudited consolidated Ind AS financial results for the quarter and half year ended September 30, 2019 have been reviewed by the Audit Committee in their meeting on November 14, 2019 and approved by the Board of Directors in their meeting held on November 14, 2019.

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7 Effective April 1, 2019, the Group has adopted Ind AS 116, 'Leases'. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognise Right-of-use assets and lease liabilities for all leases with a term of more than twelve months, unless the underlying asset is of a low value. The Group has used the 'modified retrospective approach' for transition from Ind AS 17, 'Leases'. Therefore, the comparative information for the prior periods have not been restated. On transition date (April 1, 2019), the Group has recorded the lease liabilities at the present value of future lease payments discounted using the incremental borrowing rate. The adoption of Ind AS 116 has resulted in recognition of Right-of-use assets of Rs. 6,498.80 lakhs and lease liabilities of Rs. 7,412.73 lakhs on the transition date. Cumulative effect of adoption of Ind AS 116 has been recognised by debiting retained earnings by Rs. 1,524.18 lakhs [net of prepaid rent (which was previously recognised in accordance with Ind AS 17) as on transition date]. In the financial results for the quarter and half year ended September 30, 2019, the nature of expense for leasing arrangements has changed from lease rent in previous periods to amorization on the Right-of-use assets and finance cost on the corresponding lease liabilities.

Adoption of Ind AS 116 did not have a significant impact on the financial results for the quarter and half year ended September 30, 2019.

8 The Statutory Auditors have carried out a limited review of unaudited consolidated Ind AS financial results for the quarter and half year ended September 30, 2019 in terms of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

10 The figures for the quarter and half year ended September 30, 2018, included in the Statement of Consolidated Financial Results for the quarter and half year ended September 30, 2019 have been approved by the Holding Company's Board of Directors, but have not been subjected to review as the mandatory requirement for limited review has been made applicable for periods beginning April 1, 2019, pursuant to Regulation 33(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

For Gokaldas Exports Limited

Sivaramakrishnan Vilayur Ganapathi
Managing Director
DIN: 07954560

gokaldas exports limited Bangalore

MSKA & ASSOCIATES Chartered Accountants

Date: November 14, 2019
Place: Bengaluru

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& Associates
Chartered Accountants

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Independent Auditor's Review Report on unaudited quarterly and year to date financial results of the Company pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

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 September 30, 2019 and the year to-date results for the period April 1, 2019 to September 30, 2019 ('the Statement') attached herewith, 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 amended ('the Regulation'). Attention is drawn to the fact that net cash inflow/outflow for the corresponding year-to-date from April 1, 2018 to September 30, 2018, as reported in these financial results have been approved by the Company's Board of Directors but have not been subjected to review.

2. This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in 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 principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.

3. We conducted our review of the Statement in accordance with the Standard on Review 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 financial results are free of material misstatements. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

4. 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 prepared in accordance with the recognition and measurement principles laid down in Ind AS 34, prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other recognized accounting principles generally accepted in India has not disclosed the information required to be disclosed in terms of the Regulation including the manner in which it is to be disclosed, or that it contains any material misstatement.



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5. Emphasis of matter

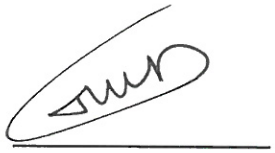
We draw attention to Note 5 to the unaudited financial results which states that certain foreign customers with an aggregate outstanding balance of Rs 977 lakhs as on September 30, 2019 have filed a plan for reorganisation of its business and creditors in the court ('the reorganisation plan'). Consequently, based on recommendation of legal counsel, the Company has filed a claim ('the pre-petition claim') of Rs 441 lakhs with the relevant authorities in relation to the sales made prior to filing of the reorganisation plan. The remaining balance pertains to administrative claims from post-petition sales. Based on the expected recovery as per the Administrative Expense Claims Consent Program negotiated under the reorganisation plan, the Company has created a provision on account of expected loss amounting to Rs. 244 lakhs towards these claims.

Our conclusion is not modified in respect of this matter.

6. The comparative financial information for the quarter ended September 30, 2018, reviewed by us, is as adjusted for accounting adjustments pursuant to the scheme of amalgamation and arrangement between the Company and its subsidiary as approved by the National Company Law Tribunal (NCLT) vide order dated March 08, 2019, the appointed date being April 01, 2016, which have been reviewed by us.

Our conclusion is not modified in respect of this matter.

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





Deepak Rao
Partner
Membership No.: 113292
UDIN: 19113292AAAALA3973

Place: Bengaluru
Date: November 14, 2019

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Independent Auditor's Review Report on Consolidated Unaudited Quarterly and year to date financial results of the Group, its Associate and Joint Venture pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

The Board of Directors
Gokaldas Exports Limited

1. We have reviewed the accompanying statement of consolidated unaudited financial results of Gokaldas Exports Limited ('the Holding Company'), its subsidiaries, (the Holding Company and its subsidiaries together referred to as the 'Group') for the quarter ended September 30, 2019 and the year to-date results for the period from April 1, 2019 to September 30, 2019 ('the Statement'), being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ('the Regulation'). Attention is drawn to the fact that the figures for the corresponding quarter and half year ended September 30, 2018 and have been approved by the Holding Company's Board of Directors but have not been subjected to review.

2. This Statement, which is the responsibility of the Holding Company's Management and approved by the Holding Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 'Interim Financial Reporting' ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other recognized accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.

3. We conducted our review of the Statement in accordance with the Standard on Review 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 financial results are free of material misstatement. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

   We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

4. The Statement includes the results of the following entities:

Sr. No	Name of the Company	Relationship with the Holding Company
1	All Colour Garments Private Limited	Subsidiary
2	SNS Clothing Private Limited	Subsidiary
3	Vignesh Apparels Private Limited	Subsidiary

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5. Based on our review conducted and procedures performed as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with the recognition and measurement principles laid down in Ind AS 34, prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other recognized accounting principles generally accepted in India has not disclosed the information required to be disclosed in terms of the Regulation including the manner in which it is to be disclosed, or that it contains any material misstatement.

6. **Emphasis of matter**

   We draw attention to Note 4 to the consolidated unaudited financial results which states that certain foreign customers with an aggregate outstanding balance of Rs 977 lakhs as on September 30, 2019 have filed a plan for reorganisation of its business and creditors in the court ('the reorganisation plan'). Consequently, based on recommendation of legal counsel, the Holding Company has filed a claim ('the pre-petition claim') of Rs 441 lakhs with the relevant authorities in relation to the sales made prior to filing of the reorganisation plan. The remaining balance pertains to administrative claims from post-petition sales. Based on the expected recovery as per the Administrative Expense Claims Consent Program negotiated under the reorganisation plan, the Group has created a provision on account of expected loss amounting to Rs. 244 lakhs towards these claims.

   Our conclusion is not modified in respect of this matter.

7. The consolidated unaudited financial results includes the interim financial results of three subsidiaries which have not been reviewed by their auditors, whose interim financial results reflect total assets of Rs. 2,037.48 lakhs as at September 30, 2019 and total revenue of Rs. 81.92 lakhs and Rs. 226.64, total net profit/(loss) after tax of Rs. 1.06 lakhs and Rs.(195.01) lakhs and total comprehensive income / (loss) of Rs. 1.06 lakhs and Rs. (195.01) lakhs for the quarter ended September 30, 2019 and for the period from April 1, 2019 to September 30, 2019 , respectively, and cash flows (net) of Rs. (4.57) lakhs for the period from April 1, 2019 to September 30, 2019, as considered in the consolidated unaudited financial results. According to the information and explanations given to us by the Management, these interim financial results are not material to the Group.

   Our conclusion on the Statement is not modified in respect of the above matter.

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





Deepak Rao
Partner
Membership No.: 113292
UDIN: 19113292AAAALB7560

Place: Bengaluru
Date: November 14, 2019