gokaldas exports ltd

GEL/SEC/2017-18

8th August, 2018

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

SCRIP CODE: 532630

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

GOKEX

Dear Sir,

Sub: Outcome of the Board Meeting held today - 8th August, 2018

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

1. Pursuant to Regulation 33 of the Listing Agreement 2015, we enclose herewith Statement of Un-audited Financial Results for a period ended 30th June 2018 as per IndAS along with Limited Review Report issued by Statutory Auditor, M/s. S.R. Batliboi & Associates. LLP (Firm Registration number: 101049W/E300004), Chartered Accountants of the Company and the same approved by the Board of Directors' in the meeting held today.
2. Pursuant to the provision of section 139(1) of the Companies Act, 2013 and rules made thereunder, it is mandatory for the Company to rotate the statutory auditors on completion of maximum term permitted under the said section. In this regard, the Board of Directors of the Company have recommended to appoint M/s MSKA & Associates. Chartered Accountants, (FRN 105047W) as statutory Auditors of the Company in place on M/s S R Batliboi & Associates LLP, Chartered Accountants, (FRN : 101049W/E300004), the retiring statutory Auditors of the Company, for a term of five years i.e. from the conclusion of 15th Annual General Meeting until the conclusion of 20th Annual General Meeting. Brief profile is enclosed as Annexure 1.
3. The Board appointed M/s G Balu and Associates, Chartered Accountants, having office a Jammi Building, No.123, Royapettah High Road, Mylapore, Chennai - 600 004 as Internal Auditor of the Company for the financial year 2018-19. Brief profile is enclosed as Annexure 2.

The Meeting Commenced at 12.00 noon and concluded at 18.30 P.m.

Kindly acknowledge the receipt

Thanking you,

Yours truly,
for GOKALDAS EXPORTS LIMITED

Ramya.K

Bangalore-25

Ramya K
Company Secretary

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

ISO 9001 CERTIFICATION Intertek
UKAS MANAGEMENT SYSTEMS 014

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 ended June 30, 2018

(in Rs. lakh, except earnings per share)

S. No.	Particulars	Quarter ended			Year ended
		June 30, 2018	March 31, 2018	June 30, 2017	March 31, 2018
		Unaudited	(refer note 7)	Unaudited	Audited
I	**Revenue**				
	(a) Revenue from operations (inclusive of excise duty)	28,490.67	29,038.48	23,773.54	102,626.18
	(b) Other income	276.90	969.30	1,355.44	4,688.11
	Total revenue	**28,767.57**	**30,007.78**	**25,128.98**	**107,314.29**
II	**Expenses**				
	(a) Cost of materials consumed	15,016.23	13,803.52	12,536.64	52,698.75
	(b) Excise duty	-	-	48.50	48.50
	(c) Changes in inventories of work-in-progress and finished goods	(2,305.41)	1,104.44	(19.16)	1,034.58
	(d) Employee benefit expenses	9,174.76	8,541.57	2,626.49	28,150.56
	(e) Finance costs	905.76	960.84	939.95	3,742.31
	(f) Depreciation and amortisation expenses	378.76	441.03	374.53	1,598.87
	(g) Job work charges	552.18	178.82	6,522.12	7,300.31
	(h) Other expenses	4,639.81	4,320.30	2,951.02	15,615.39
	Total expenses	**28,362.09**	**29,350.52**	**25,980.09**	**110,189.27**
III	**Profit / (loss) before tax (I + II)**	**405.48**	**657.26**	**(851.11)**	**(2,874.98)**
IV	**Tax expenses**				
	a) Adjustment of tax relating to earlier years	-	-	-	-
	b) Current tax	-	-	-	-
	Total tax expenses	-	-	-	-
V	**Net profit / (loss) for the period / year (III ± IV)**	405.48	657.26	(851.11)	(2,874.98)
VI	**Other Comprehensive Income / (expenses) (net of tax)**				
	(A) (i) Items that will not to be reclassified to profit or loss				
	Re-measurement gains/ (losses) on defined benefit plans	3.32	(224.13)	17.88	10.64
	(ii) Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-
	(B) (i) Items that will be reclassified to profit or loss	(533.81)	(590.44)	(496.25)	(1,123.80)
	(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-
	Total Other Comprehensive Income for the period / year	**(530.49)**	**(814.57)**	**(478.37)**	**(1,113.16)**
VII	**Total Comprehensive Income for the period / year** (Comprising profit/(loss) and Other Comprehensive Income/(expenses) (net of tax) for the period/year (V ± VI)	**(125.01)**	**(157.31)**	**(1,329.48)**	**(3,988.14)**
VIII	**Paid-up equity share capital** (face value Rs 5 each, fully paid up)	2,138.16	1,747.64	1,746.97	1,747.64
IX	**Earnings per equity share (EPS)**				
	(a) Basic	1.01	1.88	(2.44)	(8.23)
	(b) Diluted	0.99	1.84	(2.44)	(8.23)

gokaldas exports limited Bangalore

Chaturvedi & Associates Bangalore

Notes to standalone Ind AS financial results of Gokaldas Exports Limited for the quarter ended June 30, 2018

1 The standalone unaudited Ind AS financial results of the Company for the quarter ended June 30, 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).

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

3 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.

4 During the 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.

5 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.

6 The unaudited standalone Ind AS financial results of the Company for the quarter ended June 30, 2018 have been reviewed by the Audit Committee in their meeting on August 8, 2018 and approved by the Board of Directors in their meeting held on August 8, 2018.

7 The figures for quarter ended March 31, 2018 are the balancing figures between the audited figures in respect of the standalone Ind AS financial statements for the year ended March 31, 2018 and the published unaudited year-to-date figures for nine months ended December 31, 2017.

8 The statutory auditors of the Comapany have carried out a Limited review of unaudited standalone Ind AS financial results for the quarter ended June 30, 2018.

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

For Gokaldas Exports Limited

gokaldas exports limited Bangalore

Sivaramakrishnan Vilayur Ganapathi
Managing Director
DIN: 07954560

S.R. Batliboi & Associates LLP Bengaluru

Date: August 8, 2018
Place: Bengaluru

Regd. Office :
16/2, Residency Road, Bangalore - 560 025. (INDIA)
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S.R. BATLIBOI & ASSOCIATES LLP
Chartered Accountants

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Bengaluru - 560 001, India
Tel : +91 80 6648 9000

Limited Review Report

Review Report to
The Board of Directors of Gokaldas Exports Limited

1. We have reviewed the accompanying statement of unaudited standalone Ind AS financial results of Gokaldas Exports Limited (the 'Company') for the quarter ended June 30, 2018 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Regulation'), read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016 ('the Circular').

2. The preparation of the Statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS) 34 "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of Companies (Indian Accounting Standards) Rules, 2015, as amended, read with the Circular is the responsibility of the Company's management and has been approved by the Board of Directors of the Company. Our responsibility is to express a conclusion on the Statement based on our review.

3. We conducted our review in accordance with the Standard on Review Engagements (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 provides less assurance than an audit. We have not performed an audit and 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, prepared in accordance with the recognition and measurement principles laid down in the applicable Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of the Regulation, read with the Circular, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For S.R. BATLIBOI & ASSOCIATES LLP
Chartered Accountants
ICAI Firm registration number: 101049W/E300004

per Sandeep Karnani
Partner
Membership No.: 061207

S.R. Batliboi & Associates LLP Bengaluru

Place: Bengaluru
Date: August 8, 2018

Gokaldas Exports (GEX) announces results for quarter end June 30th, 2018

Gokaldas Exports Ltd. becomes net profitable in Q1, in a seasonally weak quarter, after a gap of 9 years, posting net profit after tax of Rs. 4.05 crores. Some of the key business highlights are

- Q1 FY19 revenues of Rs. 287.7 crores; grew year-on-year by 14.5%
- EBITDA margin of 5.9%; improved by 4.03% year-on-year basis
- Net profit of Rs. 4.05 crores during the quarter (as compared to net loss of Rs. 8.5 crores during Q1FY18)
- Addition of 2 new customers during the quarter

In Q1 FY19, the company delivered a total income of Rs. 287.7 crores, EBITDA of Rs. 16.9 crores and net profit after tax of Rs. 4.05 crores, as against a total income of Rs 251.3 Crores, EBITDA of Rs 4.63 Cr and net loss of Rs 8.5 crores during the same period last year. This improved performance in Q1 FY19 is particularly remarkable as the company has managed to offset the negative impact of reduction in export incentives by Rs. 9.7 crores over Q1 FY18, brought about by a reduction in duty drawback rates in October 2017.

The company's strong operating performance was mainly driven by a strong revenue growth of 14.5% resulting in better capacity utilization, reduction in production wastages, better material consumption and lower procurement costs. The company has also improved its on time performance for its customers during this quarter.

Date: August 8, 2018

Gokaldas Exports Limited Bangalore-25

MSKA
& Associates
Chartered Accountants

Annexure 1

STATUTORY AUDITOR - BRIEF PROFILE

MSKA & Associates is a Chartered Accountant Firm registered with Institute of Chartered Accountants of India with Firm Registration No. 105047W. It was established in year 1978.

The firm has presence in 8 cities in India viz Bengaluru, Chennai, Kolkata, Hyderabad, Mumbai, New Delhi – Gurgaon, Pune and Ahmedabad.

The Firm provides various services, viz. Statutory Audit, Group Audit, Certification, Ind AS Conversion, Compliance Reviews, Internal / Concurrent Audit, US GAAP Conversion, Internal Controls Review, Tax Audit, Accounting Manual, System / IT Audit Limited Reviews, Audit & Assurance, Taxation.

The Firm has 20 Partners and 400+ staff operating from 8 cities across India.

Knowledge Management

The firm has a dedicated Knowledge Management Team to keep the firm's professionals informed of emerging legislative, regulatory, auditing and accounting issues.

Gokaldas Exports Limited
Bangalore-25

Annexure 2

INTERNAL AUDITORS – BRIEF PROFILE

Firm of Chartered Accountants, established for more than 3 decades and highly experienced in this profession. Head-quartered in Chennai with branch in Bangalore and supported by affiliates, in and outside India.

Vision is to provide a comprehensive professional service to its diversified clientele with utmost Integrity and Values combined with the high-quality standards and ethics set by ICAI.

PARTNERS

Firm consists of 9 partners, with rich experience in the core areas of audit, assurance and attestation services across industries and sectors. Engagement Partner handling this assignment is Mr. Raja Gopalan.

OUR HUMAN ASSETS

The key to GBA's performance is the strong team of professionals including qualified Directors, Managers, Team Leads and Audit Leads. This helps in offering a variety of services without constraint across core areas. With a strength of more than sixty and a strong alma matter of more than three hundred professionals so far, our endeavor is to build an institution that has been a backbone to this profession. GBA focuses on improving quality of its Human Resources through ▯ Ensuring that every audit staff is handpicked ▯ Internalizing staff with organizational ideology ▯ Constant training in specialized skills ▯ Creating a Team to deliver

Our Associates:
Apart from the above in-house strength of resources, we have also associated with us, subject matter experts relevant to the fields of Ind-AS, Legal and Corporate Laws, GST, GAAR and other related specific subjects for more effective professional support to our clientele.

Gokaldas Exports Limited Bangalore-25

G. BALU ASSOCIATES
CHARTERED ACCOUNTANTS

SERVICES OFFERED

The Firm offers 4 category of services like Audit and Assurance Services, Tax and Regulatory Services, Risk Assurance and Compliance Services and Other management consulting services.

OUR CLIENTELE

Clientele Classification	% of Clientele
COMPANIES	75%
FIRMS	3%
INDIVIDUALS	3%
TRUST AND ASSOCIATIONS	5%
BANKS & PFI	10%
OTHERS	4%

Gokaldas Exports Limited Bangalore-25