

gokaldas exports Ltd

GEL/SEC/2019-20

17th May, 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 - 17th May 2019

Regulation 33 of Listing Agreement 2015 Audited Financial Results for the quarter and year ended 31st March, 2019.


1. Reference to the captioned subject and pursuant to Regulation 33 of the Listing Agreement 2015, we enclose herewith the Standalone and Consolidated Audited Financial Results and Statement of Assets and Liabilities for the quarter and year ended 31st March, 2019 along with Independent Auditors Report issued by the Statutory Auditor, M/s. MSKA & Associates, Chartered Accountants. (Firm Registration number: 105047W), of the Company and the same approved by the Board of Directors' in the meeting held today.
2. The Board appointed Mr. G Balu and Associates, Chartered Accountants, having their office at Jammi Building, No.123, Royapettah High Road, Mylapore, Chennai - 600 004 as the Internal Auditor of the Company for the financial year 2019-20. Brief profile is enclosed below as Annexure 1.
3. The Board appointed Mr. Nagendra D Rao, Practicing Company Secretary as the Secretarial Auditor of the Company for the financial year 2019-20. Brief profile is enclosed below as Annexure 2.

The meeting concluded at 7:00 P M

Kindly acknowledge the receipt

Thanking you,

Yours truly,
for GOKALDAS EXPORTS LIMITED



Sameer Sudarshan RV
Company Secretary
Encl: as above



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gokaldas exports ltd

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 audited standalone and consolidated Ind AS financial results of Gokaldas Exports Limited for the period ended March 31, 2019

S. No.	Particulars	(in Rs. lakh, except earnings per share)					
		Standalone Quarter ended			Standalone Year ended		Consolidated Year ended
		Mar 31, 2019	Dec 31, 2018	Mar 31, 2018	Mar 31, 2019	Mar 31, 2018	Mar 31, 2019
		(Refer note 12)	Unaudited	(Refer note 12)	Audited	Audited	Audited
I	Income						
	(a) Revenue from operations (inclusive of excise duty)	32,625.96	26,607.74	29,197.57	1,17,337.17	1,03,143.25	1,17,451.91
	(b) Other income	379.77	951.06	973.55	2,159.36	4,708.97	2,167.71
	Total Income	33,005.73	27,558.80	30,171.12	1,19,496.53	1,07,852.22	1,19,619.62
II	Expenses						
	(a) Cost of materials consumed	17,178.41	14,323.94	13,741.79	58,964.68	52,626.58	59,053.49
	(b) Excise duty	-	-	-	-	48.50	-
	(c) Changes in inventories of work-in-progress and finished goods	(2,399.67)	(3,854.60)	1,109.39	(6,700.01)	1,042.60	(6,727.61)
	(d) Employee benefit expenses	10,414.53	10,057.61	8,585.89	39,447.97	33,552.90	39,495.52
	(e) Finance costs	735.76	765.57	961.08	3,289.59	3,743.99	3,290.94
	(f) Depreciation and amortisation expenses	667.11	455.36	444.42	1,918.94	1,641.98	1,922.36
	(g) Job work charges	289.37	397.27	762.71	1,549.87	2,140.39	1,549.87
	(h) Other expenses	4,424.30	4,544.19	4,023.10	17,899.36	16,055.60	17,900.58
	Total expenses	31,309.81	26,689.34	29,628.38	1,16,370.40	1,10,852.54	1,16,485.15
III	Profit / (loss) before tax (I - II)	1,695.92	869.46	542.74	3,126.13	(3,000.32)	3,134.47
IV	Exceptional items	626.56	-	-	626.56	-	626.56
V	Profit / (loss) before tax (III - IV)	1,069.36	869.46	542.74	2,499.57	(3,000.32)	2,507.91
VI	Tax expenses						
	Current tax	-	-	22.62	-	22.62	-
	Adjustment of tax relating to earlier years	(63.33)	-	64.97	(63.33)	64.97	(50.05)
	Deferred tax (credit)/charge	-	-	-	-	-	-
	Total tax expenses	(63.33)	-	87.59	(63.33)	87.59	(50.05)
VII	Net profit / (loss) for the period / year (V-VI)	1,132.69	869.46	455.15	2,562.90	(3,087.91)	2,557.96
VIII	Other Comprehensive Income / (loss) (net of tax)						
	(A) (i) Items that will not be reclassified to profit or loss						
	Re-measurement gains/ (losses) on defined benefit plans	(186.91)	3.64	(3.91)	(176.44)	230.86	(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)	527.40	3,524.95	(590.44)	1,450.71	(1,123.80)	1,450.71
	Total Other Comprehensive Income / (loss) for the period / year	340.49	3,528.59	(594.35)	1,274.27	(892.94)	1,275.40
IX	Total Comprehensive Income for the period / year (VII+VIII)	1,473.18	4,398.05	(139.20)	3,837.17	(3,980.85)	3,833.36
	(Comprising profit/(loss) and Other Comprehensive Income/(loss) (net of tax) for the period/year						
X	Paid-up equity share capital	2,140.78	2,140.78	1,747.64	2,140.78	1,747.64	2,140.78
	(face value Rs 5 each, fully paid up)						
XI	Earnings per equity share (EPS)						
	(a) Basic	2.65	2.03	1.30	6.09	(8.84)	6.08
	(b) Diluted	2.50	2.00	1.27	5.93	(8.84)	5.92



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Notes to the standalone and consolidated Ind AS financial results of Gokaldas Exports Limited for the period ended March 31, 2019					
I Statement of standalone and consolidated assets and liabilities					
	Particulars	Standalone		Consolidated	
		As at		As at	
		Mar 31, 2019	Mar 31, 2018	Mar 31, 2019	Mar 31, 2018
		Audited	Audited	Audited	Audited
A	ASSETS				
I	Non-current assets				
	Property, plant and equipment	10,532.89	9,412.82	10,553.92	9,437.30
	Capital work-in-progress	144.76	7.00	144.76	7.00
	Other intangible assets	184.69	125.71	184.69	125.71
	Financial assets				
	Investments	1,987.75	1,987.75	0.29	0.29
	Loans	2,236.98	2,551.65	2,306.59	2,645.94
	Other financial assets	13,246.57	14,096.23	13,246.57	14,096.23
	Non current tax assets (net)	1,270.68	1,605.01	1,315.78	1,658.88
	Other non current assets	428.56	437.40	428.56	437.40
	Total non-current assets	30,032.88	30,223.57	28,181.16	28,408.75
II	Current assets				
	Inventories	25,770.90	17,332.15	26,268.72	17,802.38
	Financial assets				
	Trade receivables	16,167.47	21,615.96	16,170.02	21,616.45
	Cash and cash equivalents	1,110.23	1,696.99	1,118.75	1,714.43
	Bank balances other than cash and cash equivalents	-	27.13	-	27.13
	Other financial assets	2,122.01	730.51	2,122.01	730.62
	Other current assets	6,457.32	7,165.73	6,477.05	7,183.29
	Total current assets	51,627.93	48,568.47	52,156.55	49,074.30
III	Assets classified as held for disposal	595.22	626.56	595.22	626.56
	Total assets (I+II+III)	82,256.03	79,418.60	80,932.93	78,109.61
B	EQUITY AND LIABILITIES				
I	EQUITY				
	Equity share capital	2,140.78	1,747.64	2,140.78	1,747.64
	Other equity	21,814.56	11,256.01	21,897.49	11,342.75
	Total equity	23,955.34	13,003.65	24,038.27	13,090.39
	LIABILITIES				
II	Non-current liabilities				
	Financial liabilities				
	Long term provisions	406.65	369.81	412.32	369.81
	Total non-current liabilities	406.65	369.81	412.32	369.81
III	Current liabilities				
	Financial liabilities				
	Borrowings	38,070.07	47,244.96	38,070.07	47,244.96
	Trade payables	8,548.66	9,781.25	8,572.44	9,799.25
	Other current financial liabilities	7,469.90	6,079.50	6,031.16	4,653.97
	Other current liabilities	894.52	871.08	895.89	875.88
	Short term provisions	2,590.89	2,068.35	2,592.78	2,075.35
	Total current liabilities	57,574.04	66,045.14	56,162.34	64,649.41
IV	Liabilities directly associated with assets classified as held for sale	320.00	-	320.00	-
	Total equity and liabilities (I+II+III +IV)	82,256.03	79,418.60	80,932.93	78,109.61



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Notes to the standalone and consolidated Ind AS financial results of Gokaldas Exports Limited for the period ended March 31, 2019

- 2 The standalone unaudited Ind AS financial results of the Company for the quarter and year ended March 31, 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).
- 3 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.
- 4 Gokaldas Exports Limited ('the Company') operates in a single business segment of manufacture and sale of garments. Accordingly, no further segment disclosures are required.
- 5 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 current quarter. 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, year ended Mar 31, 2018 and quarter ended Dec 31, 2018 have been restated.
- 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.
- 6 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.
- 7 One of the foreign customers with an aggregate outstanding balance of Rs 441 lakhs has filed a plan for reorganisation of its business and creditors in respective jurisdictional court. Consequently, based on recommendation of legal counsel, the Company has filed a claim with the relevant authorities for the aforesaid receivable. The Company has made an expected loss provision of Rs 133 lakhs on these receivables. Subsequent to the reorganisation plan filed by the customer, the Company has made further dispatch of goods amounting to Rs. 845 lakhs to the said Customer based on updated purchase orders. In compliance with the Ind AS 115, the Company has postponed recognition of revenue towards goods supplied post filing of the customer's reorganisation plan and will be recognising revenue upon certainty in realization of sale consideration. The Company is confident of recovering at least the cost of inventory as this is under a court administered scheme. Further, the Company is confident that the impact of non-recoverability of the remaining receivable balances not provided for and the cost of inventory, if any, will not be material to these financial results.
- 8 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 12 months ended March 31, 2019.
- 9 The Company assessed the fair value less cost of sale of the investment in an associate held for sale as at Mar 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 has written down the carrying value of the asset by recognizing an impairment loss of Rs. 626.56 Lakhs as an exceptional charge during the current quarter. 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.
- 10 The statement of unaudited standalone Ind AS financial results for the quarter and year ended March 31, 2019 have been reviewed by the Audit Committee in their meeting on May 17, 2019 and approved by the Board of Directors in their meeting held on May 17, 2019.
- 11 The Statutory Auditors have carried out an audit of standalone and consolidated Ind AS financial results for the quarter ended March 31, 2019 in terms of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- 12 The figures for quarter ended March 31 of current and the previous years in the standalone Ind AS financial results are the balancing figures between the audited figures in respect of the full financial years and the unaudited published year-to-date figures for nine months ended December 31 for respective years.
- 13 Previous period/ year's figures have been regrouped/ reclassified, wherever necessary to confirm to the current period/ year's classification.
- 14 The comparative financial information of the Company for the quarter and year ended March 31, 2018 are audited by the predecessor auditor whose report for the year ended March 31, 2018 dated May 24, 2018 expressed an unmodified audit opinion on those financial statements, 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 audited by the statutory auditors.

For Gokaldas Exports Limited

Sivaramakrishnan Vilayur Ganapathi
Managing Director
DIN: 07954560

Date: May 17, 2019
Place: Bengaluru



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**Auditor's Report On Quarterly Financial Results and Year to Date Financial Results of the Company
Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements)
Regulations, 2015**

To the Board of Directors of Gokaldas Exports Limited

1. We have audited the accompanying Statement of Standalone Financial Results of Gokaldas Exports Limited ('the Company') for the quarter and year ended March 31, 2019 (the 'Statement'), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.
2. The Statement, as it relates to the quarter ended March 31, 2019, are the balancing figures between audited standalone figures in respect of the full financial year and the published standalone year to date figures up to the end of the third quarter of the financial year, prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ('Ind AS 34'). The Statement also relates to the year ended March 31, 2019 and has been prepared on the basis of the related standalone financial statements for the year ended March 31, 2019, prepared in accordance with the Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India. This Statement is the responsibility of the Company's Management and is approved by the Board of Directors. Our responsibility is to express an opinion on the Statement based on our audit of standalone financial statements for the year ended March 31, 2019 and our review of standalone financial results for the nine months period ended December 31, 2018.
3. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation of the Statement that give a fair presentation view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Statement.





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We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Statement.

Opinion

4. In our opinion and to the best of our information and according to the explanations given to us, the Statement:
 - i. is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016; and
 - ii. gives a true and fair view in conformity with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India of the net profit, total comprehensive income and other financial information of the Company for the year ended March 31, 2019.

Emphasis of Matter

5. We draw attention to Note 7 to the financial results which states that one of the foreign customers with an aggregate outstanding balance of Rs. 441 lakhs as on March 31, 2019 has filed a plan for reorganisation of its business and creditors in the court. Consequently, based on the recommendation of legal counsel, the Company has filed a claim with the relevant authorities for the amount due from the said customer. Further, the Company has created a provision on account of expected loss amounting to Rs. 133 lakhs on the balance due from the Customer.

Subsequent to the reorganisation plan filed by the customer, the Company has made further dispatch of goods amounting to Rs. 845 lakhs to the said Customer based on updated purchase orders. In accordance with the provisions of 'Ind AS 115 Revenue from Contracts with Customers', the Company has postponed recognition of revenue towards the said goods as there is significant uncertainty with respect to collectability.

Our opinion is not modified in respect of this matter.





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Other Matter

6. The comparative financial information of the Company for the quarter and year ended March 31, 2018 are audited by the predecessor auditor whose report for the quarter and year ended March 31, 2018 dated May 24, 2018 expressed an unmodified audit opinion on those financial statements, 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 audited by us.

Our opinion 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: May 17, 2019



& Associates

Chartered Accountants

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Auditor's Report On Quarterly Consolidated Financial Results and Consolidated Year to Date Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To the Board of Directors of Gokaldas Exports Limited

1. We have audited the accompanying Statement of Consolidated Financial Results of Gokaldas Exports Limited (the 'Company') and its subsidiaries (the Company and its subsidiaries together referred to as "the Group") and its associates for the year ended March 31, 2019 (the 'Statement') , being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.
2. The Statement, as it relates to the quarter ended March 31, 2019, are the balancing figures between audited consolidated figures in respect of the full financial year and the published consolidated year to date figures up to the end of the third quarter of the financial year, prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ('Ind AS 34'). The Statement also relates to the year ended March 31, 2019 and has been prepared on the basis of the related consolidated financial statements for the year ended March 31, 2019, prepared in accordance with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India. This Statement is the responsibility of the Company's Management and is approved by the Board of Directors. Our responsibility is to express an opinion on the Statement based on our audit of consolidated financial statements for the year ended March 31, 2019 and our review of consolidated financial results for the nine months period ended December 31, 2018.
3. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation of the Statement that give a fair presentation view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Statement.



We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in the paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Statement.

Opinion

4. In our opinion and to the best of our information and according to the explanations given to us, the Statement:
- includes the financial results of the entities (listed in Annexure A) considered for consolidation for the year ended March 31, 2019;
 - is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016; and
 - gives a true and fair view in conformity with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India of the consolidated net profit, total comprehensive income and other financial information of the Group for the year ended March 31, 2019.

Emphasis of Matter

5. We draw attention to Note 7 to the financial results which states that one of the foreign customers with an aggregate outstanding balance of Rs. 441 lakhs as on March 31, 2019 has filed a plan for reorganisation of its business and creditors in the court. Consequently, based on the recommendation of legal counsel, the Company has filed a claim with the relevant authorities for the amount due from the said customer. Further, the Company has created a provision on account of expected loss amounting to Rs. 133 lakhs on the balance due from the Customer.

Subsequent to the reorganisation plan filed by the customer, the Company has made further dispatch of goods amounting to Rs. 845 lakhs to the said Customer based on updated purchase orders. In accordance with the provisions of 'Ind AS 115 Revenue from Contracts with Customers', the Company has postponed recognition of revenue towards the said goods as there is significant uncertainty with respect to collectability.

Our opinion is not modified in respect of this matter.

Other Matters

6. We did not audit financial statements of three subsidiary companies, whose financial statements reflect total assets of Rs.2,115 lakhs as at March 31, 2019 (year to date), total revenues of Rs. 366 lakhs as at March 31, 2019 (year to date), as considered in the Statement. The financial statements of these subsidiaries have been audited by the other auditors whose reports have been furnished to us by the management, and our opinion on this Statement, 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, insofar as it relates to the aforesaid subsidiaries, is based solely on the report of other auditors.





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7. The comparative financial information of the Company for the quarter and year ended March 31, 2018 were audited by the predecessor auditor whose report for the quarter and year ended March 31, 2018 dated May 24, 2018 expressed an unmodified audit opinion on those financial statements

Our opinion is not modified in respect of these matters.

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

Deepak Rao
Partner
Membership No.: 113292



Place: Bengaluru
Date: May 17, 2019



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Annexure A:

1. All Colour Garments Private Limited
2. SNS Clothing Private Limited
3. Vignesh Apparels Private Limited



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GEL/SEC/2019-20

17th May, 2019

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

SCRIP CODE: 532630

GOKEX

Dear Sir

Sub: Declaration pursuant to Regulation 33(3)(d) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended

I, Sivaramakrishnan Ganapathi, Managing Director of M/s Gokaldas Exports Ltd having its registered office at No.16/2, Residency Road, Bangalore - 560025, hereby declare that, the statutory Auditor of the Company M/s. MSKA & Associates (Firm Registration number: 105047W) Chartered Accountants have issued an Audit Report with unmodified/unqualified opinion on Annual Audited Results of the Company (Standalone and Consolidated) for year ended March 31, 2019

This declaration is issued in compliance or Regulation 33(3)(d) of the SEBI (LODR) Regulations, 2015 as amended by the SEBI (LODR) (Amendment) Regulations, 2016 vide notification No. SEBI/LADNRO/GN/2016 -17/001 dated 25/05/2016 and Circular no. CIR/CFD/CMD/56/2016 dated May 27, 2016.

For Gokaldas Exports Ltd



Sivaramakrishnan Ganapathi
Managing Director



Regd. Office :

#16/2, Residency Road, BANGALORE - 560 025 (INDIA)

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Gokaldas Exports Ltd. continued its journey of growth and profitability during Q4 FY19 and reported total income of Rs.330 Crs (YOY +9%) and net profit of Rs.11.32 Crs (YOY +149%), after taking a one-time provision of Rs.6.3 Crs.

The key highlights for FY19 are

Financial:

- Total income of Rs.1196 Crs, 11% increase on YoY basis
- Operating profits of Rs.77 Crs, 3 times more than that in FY18
- Net profits of Rs.25.58 Crs, as against a loss of 31 Crs. in FY18
- Reduction in gross debt by more than Rs.90 Crs during the year

Others

- The company added 7 new marque customers during the year
- Improvement in all operating parameters like production efficiency, material consumption, wastages and on-time production and delivery.
- Investment of Rs.36 Crs in capacity increase and modernization.

The turn-around in profitability of company in FY19 was achieved due to company's focus on strengthening customer relationship, operational excellence, and cost effective capacity expansion.

The company is confident of sustained growth in revenues and profitability going forward given a good demand environment and strong competitive position of the company.

Date: May, 17 2019



Annexure 1 – Brief profile of G Balu Associates LLP – Internal Auditors

INTERNAL AUDITORS – GOKALDAS EXPORTS LIMITED

LLP 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 eighty 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.

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%

Place: Bangalore

Date: 17th May 2019

Annexure 2 – Brief profile of Mr. Nagendra D Rao –Secretarial Auditor

Mr. Nagendra D Rao is the Designated Partner and Founder of the Nagendra D. Rao and Associates, LLP. He is a Commerce graduate and post graduate in Law from Bombay University. He is also a Fellow Member of the Institute of Company Secretaries of India. Presently, he is whole time Practicing as a Company Secretary.

He has worked in multinational companies like Godrej Group of Companies Bombay; Indo Nissin Foods Limited, Bangalore & Sobha Developers Limited, Bangalore looking into Legal & Secretarial aspects.

He possesses over 15 years of experience in Corporate Sector and specializes in Corporate and Securities Laws, Capital Markets Transactions, Business Planning, Mergers & Acquisitions, Financial Restructuring, Strategic Investment, Funds Planning & Arrangement.

He was elected to the Managing Committee of the Bengaluru Chapter of the ICSI for the period 2007-2010. He has served the Bengaluru Chapter of the ICSI as Secretary - 2007, Vice-Chairman - 2008 and Chairman – 2009.

He has been elected to the Southern India Regional Council for Two terms 2011 – 2014 & 2015 - 2018 and was the Chairman of Southern India Regional Council for the year 2015.

He was the member of the Corporate Affairs and Taxation Committee of the Bangalore Chamber of Industry & Commerce during the period 2000 – 2004. He is Director in Avava Environs Pvt. Ltd. and is a guest lecturer in Christ University, since 2004. He has been associated with the Bengaluru Chapter, ICSI as a faculty and addressed number of Secretarial Modular Training Programmes (SMTP), Training Orientation Programme (TOP), Seminars and Workshops conducted by ICSI.