



# **Gokaldas Exports Ltd.**

Investor Presentation 3Q20

# Disclaimer

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This presentation contains forward-looking statements, inter-alia, to enable investors to comprehend Company's prospects and take informed investment decisions. This report and other statements – written and oral – that we periodically make, contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words as 'anticipate', 'estimate', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realized, although we believe we have been prudent in assumptions. The achievement of results is, inter-alia, subject to assumptions, risks, uncertainties, including but not limited to our ability to successfully conclude and integrate (potential) acquisition(s) and general regulatory and economic conditions affecting the industry. Should known or unknown risks or uncertainties materialize or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated, expected or projected. We undertake no obligation to publicly update or revise any forward looking statements, whether as a result of new information, future events or otherwise. Further this presentation may also contain references to findings of various reports available in public domain. We make no representations as to their accuracy or that we necessarily subscribe to those findings. Figures for previous periods / year have been regrouped, wherever necessary.

## A leading apparel exporter since 1979



- We cater to customers across all international markets including the US, Canada, Europe, Japan, Russia, Middle East, South Africa and South America.
- We have a large diversified customer base of leading global branded apparel players, serving their requirement across several product categories.
- We are one of the largest producer of outerwear and sportswear in India.
- We have dedicated design teams for major product categories and brands.
- All our factories are socially compliant with complete transparency.
- We have won numerous awards from industry bodies and customers over the years.

# Our Clients

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## Partnering with leading apparel brands

OLD NAVY



Z A R A

MUJI  
無印良品

H&M



T.J. maxx®

BANANA REPUBLIC  
BR

carhartt®

EST. 1892  
Abercrombie  
& Fitch  
NEW YORK



Columbia  
Sportswear Company®

AIGLE  
DEPUIS 1853

celio\*

KAPORAL  
JEANS

STYLEM



MARKS &  
SPENCER

BESTSELLER®



DECATHLON

# Financial Highlights 3Q20

Through a recent notification the Government has retrospectively withdrawn MEIS of 4% from 7<sup>th</sup> Mar 2019. This has resulted in reversal of income of Rs. 269 Mn. from Mar to Sep'19 and Rs. 90 Mn. for 3Q20. Against this a one-time relief of 0.58% upto 31<sup>st</sup> Dec 2019 has been provided.



Net impact of the above notification:

1. Reduction of Revenue and EBITDA of **Rs. 77 Mn** for 3Q20.
2. Exceptional provision of **Rs. 229 Mn** pertaining to prior period impacting PAT for 3Q20.

A one time provision of Rs. 25 Mn has been made against receivables from one of the foreign customer.



Total Income (excluding impact of MEIS reversal) of Rs. 3,378 Mn (+23% vs PY).



**Total Income** (adjusting for MEIS reversal) of **Rs. 3,301 Mn** (+20% vs PY).

EBITDA of Rs. 438 Mn (excluding MEIS impact and one time provision), 13.0% of total revenue.



Adjusting for MEIS, EBITDA is Rs. 361 Mn, 10.9% of total revenue.

Adjusting for MEIS and one time provision, **EBITDA is Rs. 336 Mn**, 10.2% of total revenue.

PAT (excluding MEIS and one time provision impact) of Rs. 198 Mn (vs. Rs. 85 Mn. in the PY Q3).



Adjusting for MEIS for Q3, PAT is Rs. 121 Mn, +3.7% of revenue vs. +3.1% in the PY Q3.

Adjusting for MEIS for prior period also and one time provision, **PAT is Rs. -134 Mn.**

# Profit and Loss Statement

Parameters	3Q20	3Q19	9M20	9M19
Revenue from Operations including Exchange gain	3,273	2,728	10,479	8,575
Other income	27	33	84	85
<b>Total income (I)</b>	<b>3,301</b>	<b>2,760</b>	<b>10,563</b>	<b>8,660</b>
Materials consumed	1,426	1,059	5,062	3,755
Employee expense	1,190	1,007	3,548	2,907
Other expenses	324	487	1,000	1,474
<b>Total Expenses (II)</b>	<b>2,940</b>	<b>2,553</b>	<b>9,610</b>	<b>8,136</b>
<b>EBITDA* (I-II)</b>	<b>361</b>	<b>208</b>	<b>953</b>	<b>524</b>
<b>EBITDA %</b>	<b>10.9%</b>	<b>7.5%</b>	<b>9.0%</b>	<b>6.1%</b>
<b>EBITDA, adj. for IndAS</b>	<b>266</b>	<b>208</b>	<b>684</b>	<b>524</b>
<b>EBITDA %, adj. for IndAS</b>	<b>8.1%</b>	<b>7.5%</b>	<b>6.5%</b>	<b>6.1%</b>
<b>Less:</b>				
Finance costs**	98	77	278	255
Depreciation and amortization***	143	46	397	125
<b>PBT before excep. Items</b>	<b>121</b>	<b>85</b>	<b>278</b>	<b>143</b>
Exceptional Items	-254	-	-34	-
<b>PBT</b>	<b>-134</b>	<b>85</b>	<b>244</b>	<b>143</b>
Tax expenses	-	-	-	-
<b>PAT</b>	<b>-134</b>	<b>85</b>	<b>244</b>	<b>143</b>

Figures in  
INR Mn.

Exceptional items	3Q20	9M20
Sale of land	-	260
MEIS reversal for prior period	-229	-229
One-time provision	-25	-65
<b>Total</b>	<b>-254</b>	<b>-34</b>

## Comment :

3Q20 Revenue does not include MEIS income of Rs.77 Mn.

\*Without onetime income and provisions/expenses

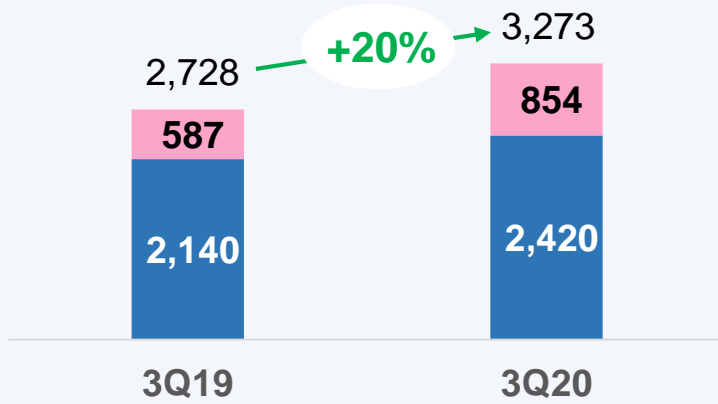
\*\*Due to IND AS 116 Finance Cost increased by 17mn in 3Q20 & 51mn for 9M20

\*\*\*Due to IND AS 116 Depreciation and amortization increased by 78mn in 3Q20 & 218mn for 9M20

# Quarterly and Nine Month Performance

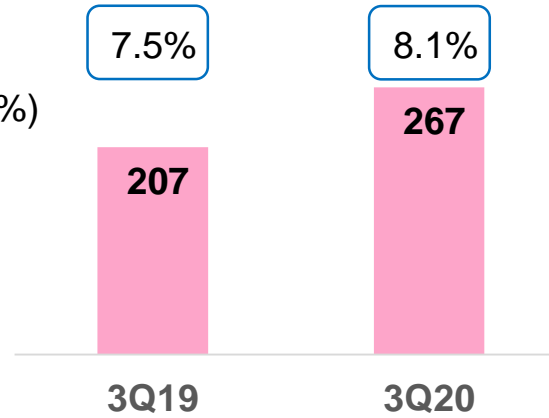
## Revenue from Operations

■ Export ■ Domestic



■ Adj. EBITDA (Rs Mn)

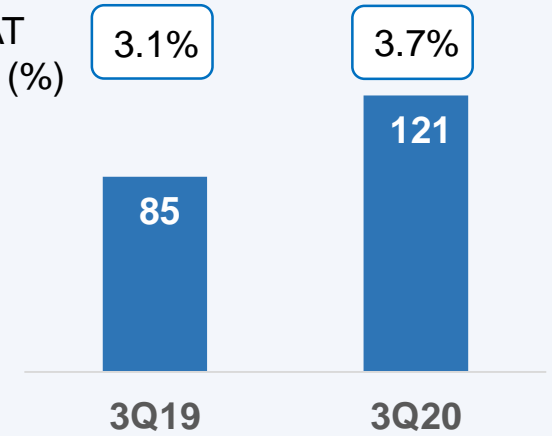
Adj.  
EBITDA  
Margin (%)



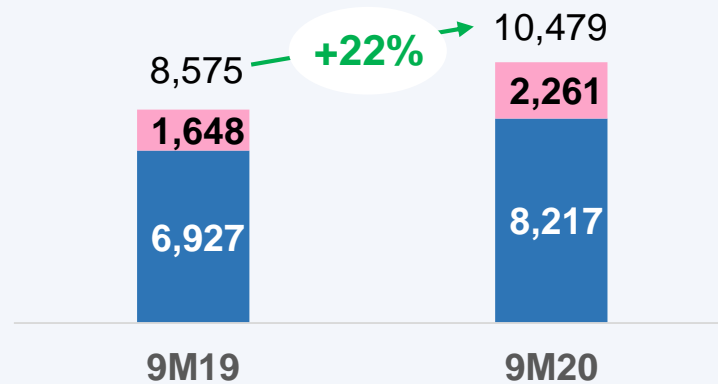
Figures in INR Mn.

■ Adj. PAT (Rs Mn)

Adj. PAT  
Margin (%)

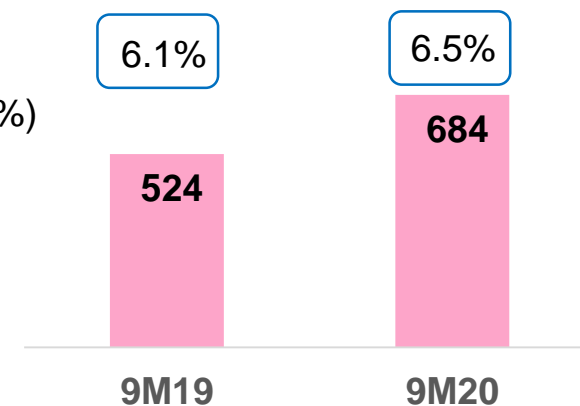


■ Export ■ Domestic



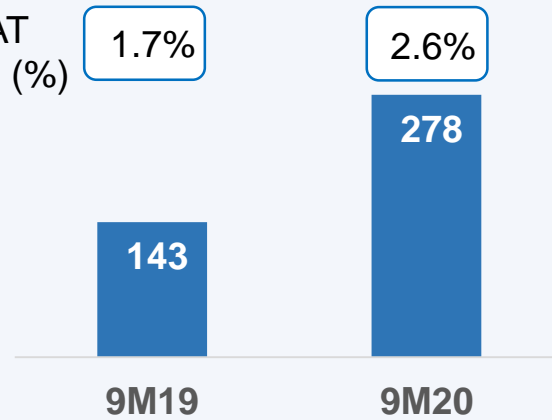
■ Adj. EBITDA (Rs Mn)

Adj.  
EBITDA  
Margin (%)



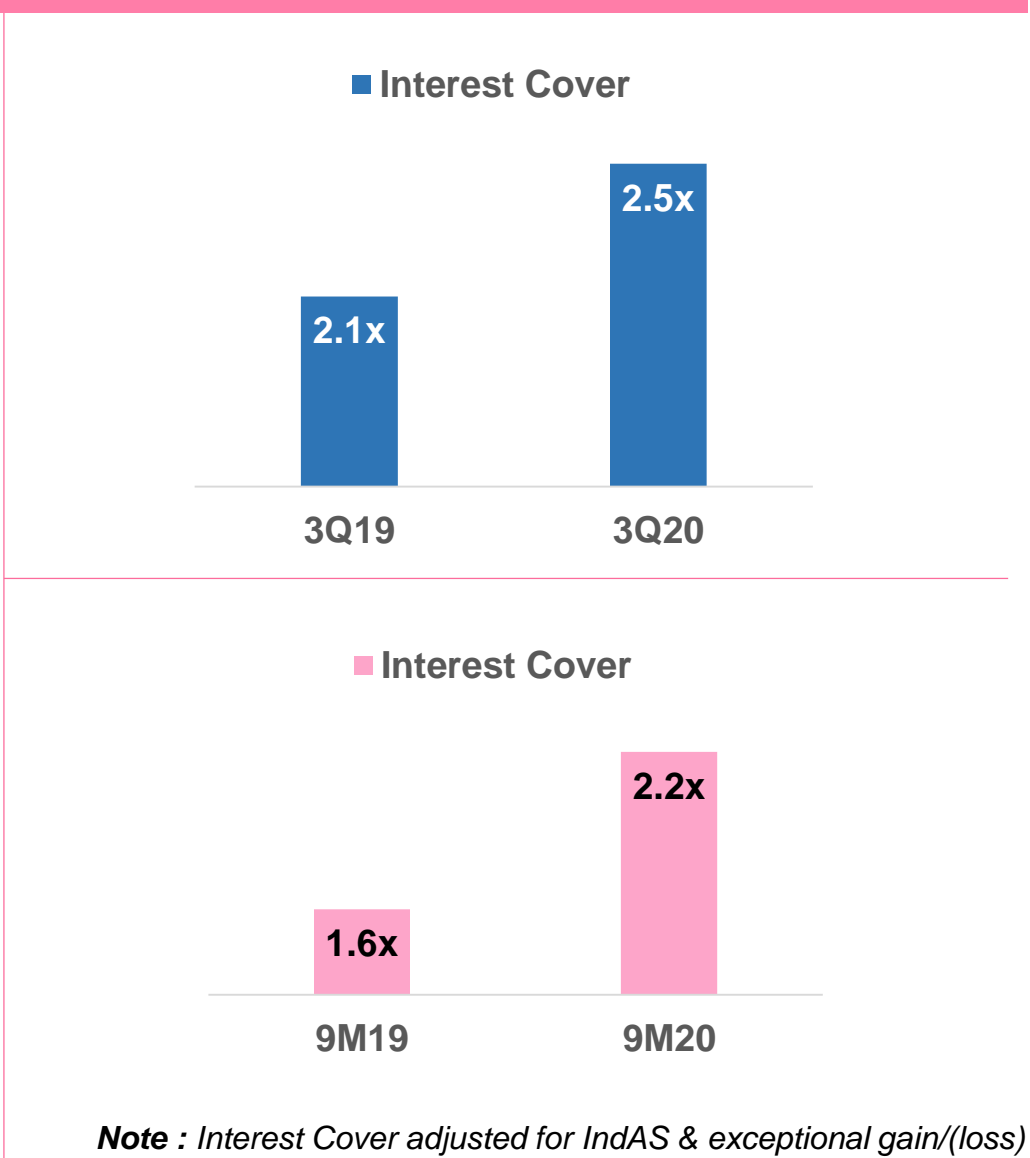
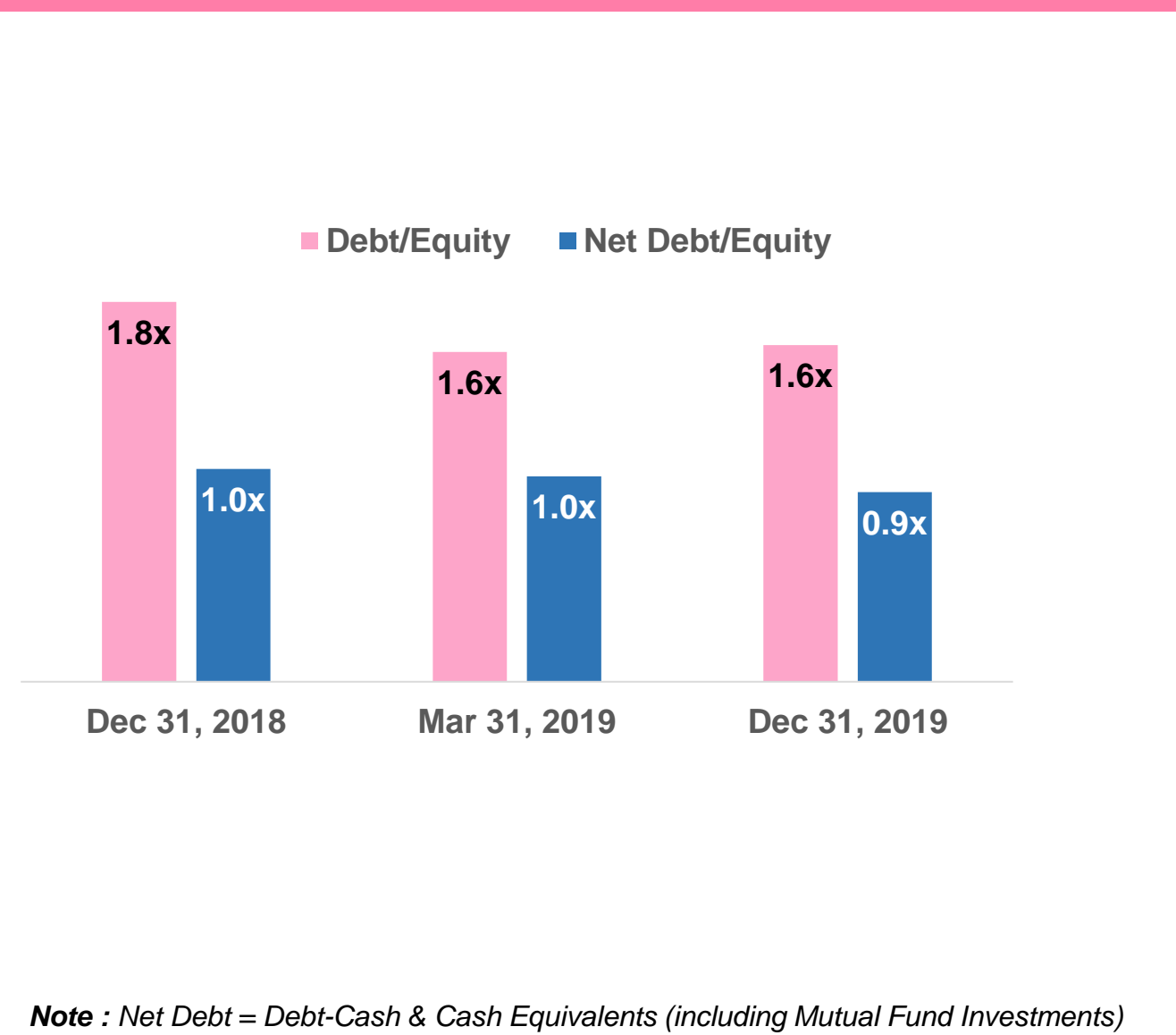
■ Adj. PAT (Rs Mn)

Adj. PAT  
Margin (%)



**Note :** Adj. EBITDA and PAT are adjusted for IndAS and exceptional gain/(loss)

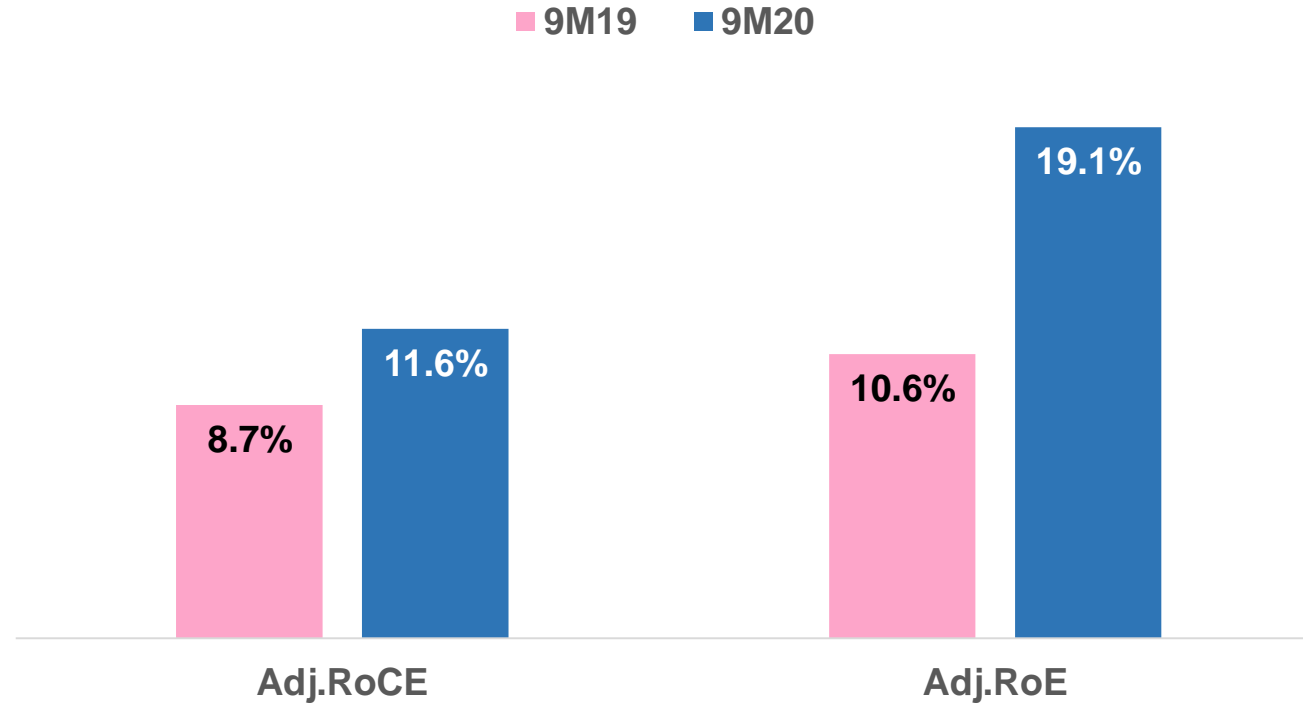
# Financial Ratios





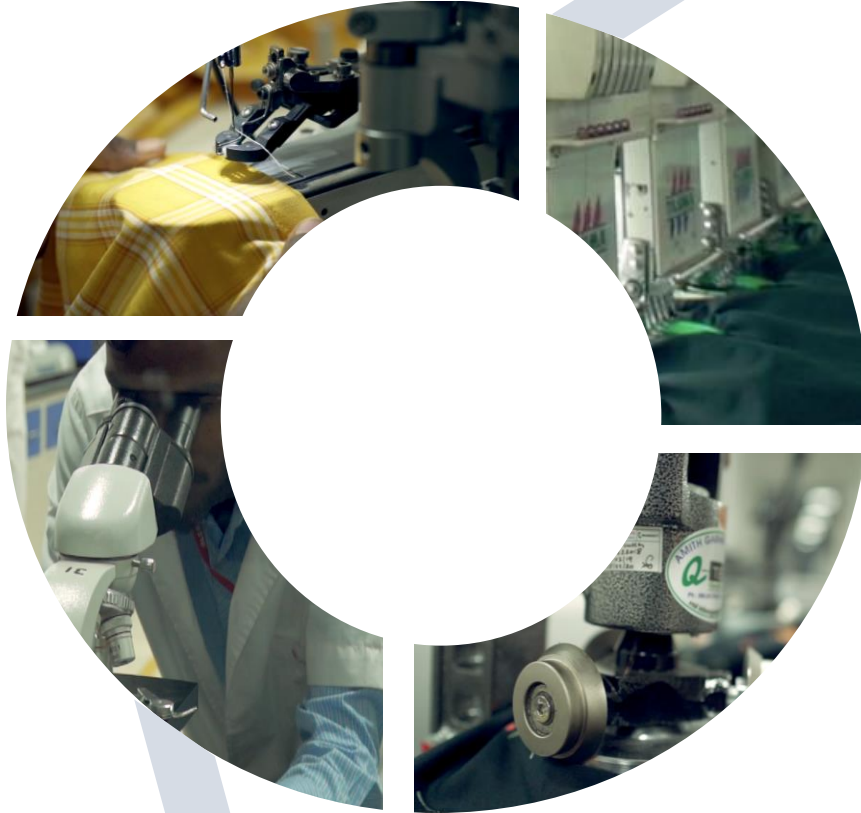
# Financial Ratios

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**Note :**

- Returns adjusted for gains /(loses) from exceptional items
- Calculations are based on TTM
- $ROCE = \text{Adjusted EBIT} / \text{Average Capital Employed}$
- $ROE = \text{Adjusted PAT} / \text{Average Equity}$



**Thank you**

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