

gokaldas exports ltd

GEL/SEC/2022-23

22nd July, 2022

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 - 22nd July, 2022

Ref: Regulation 33 read with Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

1. Reference to the captioned subject, the Board of Directors at their meeting held today, have inter-alia approved the Un-audited Financial Results for the quarter and three months ended 30th June, 2022 as per IND AS along with the Limited Review Report.

Copy of the Un-audited Financial Results for the quarter and three months ended 30th June, 2022 along with Limited Review Report issued by the Statutory Auditors M/S. MSKA & Associates, Chartered Accountants is enclosed for your information and record.

The meeting commenced at 11:45 AM and concluded at 1:00 PM

Kindly acknowledge the receipt and take note.

Thanking you,

Yours truly,

For Gokaldas Exports Limited,


Sivaramakrishnan Ganapathi
Managing Director



Encl: As detailed above and Press release



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

Statement of unaudited consolidated Ind AS financial results for the quarter ended June 30, 2022

(in Rs. lakhs, except earnings per share)

S. No.	Particulars	Quarter ended			Year ended
		Jun 30, 2022	Mar 31, 2022	Jun 30, 2021	Mar 31, 2022
		Unaudited	(Refer note 3)	Unaudited	Audited
I	Income				
	(a) Revenue from operations	61,063.14	58,496.52	24,096.66	179,031.57
	(b) Other income				
	Income from bank deposits and investment in mutual funds	153.51	152.74	163.64	732.93
	Others	52.62	146.21	38.43	335.84
	Total income	61,269.27	58,795.47	24,298.73	180,100.34
II	Expenses				
	(a) Cost of materials consumed	29,514.24	31,923.53	13,539.88	100,269.72
	(b) Purchases of stock-in-trade	1.23	17.91	171.90	1,478.89
	(c) Changes in inventories of work-in-progress and finished goods	3,411.72	(1,065.90)	(2,320.23)	(12,929.02)
	(d) Employee benefit expenses	17,068.71	15,380.35	8,571.00	53,877.58
	(e) Finance costs	643.22	938.00	1,006.54	4,020.74
	(f) Depreciation and amortisation expenses	1,707.99	1,779.20	1,242.46	5,894.82
	(g) Job work charges	426.77	758.32	146.20	2,776.86
	(h) (Gain)/loss on account of foreign exchange fluctuations (net)	(502.80)	(546.47)	(635.87)	(2,109.40)
	(i) Other expenses	3,916.82	4,372.82	2,832.07	15,117.02
	Total expenses	56,187.90	53,557.76	24,553.95	168,397.21
III	Profit / (loss) before tax (I - II)	5,081.37	5,237.71	(255.22)	11,703.13
IV	Tax expenses				
	Current tax	1,475.97	321.87	-	1,170.15
	Adjustment of tax relating to earlier years	-	3.83	-	(677.07)
	Deferred tax (credit)/charge	(333.86)	(1,178.98)	-	(498.08)
	Total tax expenses	1,142.11	(853.28)	-	(5.00)
V	Net profit / (loss) for the period / year (III-IV)	3,939.26	6,090.99	(255.22)	11,708.13
VI	Other comprehensive income (net of tax)				
	(A) Items that will not be reclassified to profit or loss				
	Re-measurement gain/(loss) on defined benefit plans	78.75	85.21	75.75	312.46
	(B) Items that will be reclassified to profit or loss:				
	The effective portion of gain/(loss) on hedging instruments in a cash flow hedge (net)	(3,255.80)	(863.02)	(650.18)	396.02
	Total other comprehensive income for the period / year	(3,177.05)	(777.81)	(574.43)	708.48
VII	Total comprehensive income for the period / year (V+VI)	762.21	5,313.18	(829.65)	12,416.61
	(Comprising profit and Other Comprehensive Income (net of tax) for the period/year)				
VIII	Paid-up equity share capital	3,025.35	2,948.85	2,144.78	2,948.85
	(face value Rs 5 each, fully paid up)				
IX	Earnings per equity share (EPS)				
	(a) Basic (Rs.)	6.54	10.33	(0.59)	23.08
	(b) Diluted (Rs.)*	6.49	10.02	(0.59)	22.14

* Employee stock options are not included in the calculation of diluted earnings per share as they are antidilutive for the quarter ended June 30, 2021.



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Statement of unaudited standalone Ind AS financial results for the quarter ended June 30, 2022

(in Rs. lakhs, except earnings per share)

S. No.	Particulars	Quarter ended			Year ended
		Jun 30, 2022	Mar 31, 2022	Jun 30, 2021	Mar 31, 2022
		Unaudited	(Refer note 3)	Unaudited	Audited
I	Income				
	(a) Revenue from operations	61,030.83	58,462.26	24,083.76	178,908.80
	(b) Other income				
	Income from bank deposits and investment in mutual funds	153.51	152.74	163.64	732.93
	Others	130.35	166.28	36.92	361.76
	Total income	61,314.69	58,781.28	24,284.32	180,003.49
II	Expenses				
	(a) Cost of materials consumed	29,515.47	31,926.25	13,540.29	100,283.25
	(b) Purchases of stock-in-trade	-	-	167.11	1,403.40
	(c) Changes in inventories of work-in-progress and finished goods	3,358.95	(1,069.99)	(2,353.93)	(12,976.81)
	(d) Employee benefit expenses	17,060.18	15,375.57	8,565.83	53,850.37
	(e) Finance costs	639.00	919.74	1,001.19	3,995.27
	(f) Depreciation and amortisation expenses	1,703.08	1,762.08	1,226.49	5,829.29
	(g) Job work charges	426.77	758.32	146.20	2,776.86
	(h) (Gain)/loss on account of foreign exchange fluctuations (net)	(502.80)	(546.47)	(635.87)	(2,109.40)
	(i) Other expenses	3,963.48	4,427.91	2,877.11	15,278.29
	Total expenses	56,164.13	53,553.41	24,534.42	168,330.52
III	Profit / (loss) before tax (I - II)	5,150.56	5,227.87	(250.10)	11,672.97
IV	Tax expenses				
	Current tax	1,475.97	321.87	-	1,170.15
	Adjustment of tax relating to earlier years	-	8.83	-	(672.07)
	Deferred tax (credit)/charge	(333.86)	(1,178.98)	-	(498.08)
	Total tax expenses	1,142.11	(848.28)	-	-
V	Net profit / (loss) for the period / year (III-IV)	4,008.45	6,076.15	(250.10)	11,672.97
VI	Other comprehensive income (net of tax)				
	(A) Items that will not to be reclassified to profit or loss				
	Re-measurement gain/(loss) on defined benefit plans	78.00	87.88	75.00	312.88
	(B) Items that will be reclassified to profit or loss:				
	The effective portion of gain/(loss) on hedging instruments in a cash flow hedge (net)	(3,255.80)	(863.02)	(650.18)	396.02
	Total other comprehensive income for the period / year	(3,177.80)	(775.14)	(575.18)	708.90
VII	Total comprehensive income for the period / year (V+VI)	830.65	5,301.01	(825.28)	12,381.87
	(Comprising profit and Other Comprehensive Income (net of tax) for the period/year)				
VIII	Paid-up equity share capital	3,025.35	2,948.85	2,144.78	2,948.85
	(face value Rs 5 each, fully paid up)				
IX	Earnings per equity share (EPS)				
	(a) Basic (Rs.)	6.66	10.30	(0.58)	23.01
	(b) Diluted (Rs.)*	6.60	10.00	(0.58)	22.07

* Employee stock options are not included in the calculation of diluted earnings per share as they are antidilutive for the quarter ended June 30, 2021



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Notes to the standalone and consolidated unaudited Ind AS financial results of Gokaldas Exports Limited for the quarter ended June 30, 2022

- 1 The standalone and consolidated unaudited Ind AS financial results of Gokaldas Exports Limited (the Company) and its subsidiaries (cumulatively referred to as 'Group') for the quarter ended June 30, 2022 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 figures for quarter ended March 31, 2022 are the balancing figures between the audited figures in respect of the standalone/consolidated Ind AS financial statements for the year ended March 31, 2022 and the published unaudited year-to-date figures for nine months ended December 31, 2021.
- 4 The Group operates in a single business segment of manufacture and sale of garments. Accordingly, no further segment disclosures are required.
- 5 For the period/ days of the respective lockdowns imposed by the government during FY 21, the Company has evaluated the various directions, circulars and orders issued by government authorities regarding payment of wages to employees, and accordingly has paid certain ex-gratia amount to eligible employees for the period of lockdown where they have not worked.

The matter relating to validity of government orders relating to payment of wages during lockdown is pending conclusion with the Honourable Supreme Court of India (SC).

Pending conclusion of such matter, management based on the interim order of SC and advise obtained from external legal expert, has concluded that the Company is in compliance with the relevant requirement on this matter.

The Company will reassess, if necessary, any further actions, based on the final conclusion by the SC in this regard.

- 6 The Indian Parliament had approved the Code on Social Security, 2020. The Ministry of Labour and Employment has notified the draft rules under the Code on Social Security, 2020 on November 13, 2020 inviting objections and suggestions, if any, from the stakeholders. The draft rules provide for operationalization of provisions in the Code on Social Security, 2020 relating to Employees' Provident Fund, Employees' State Insurance Corporation, Gratuity, Maternity Benefit, Social Security and Cess in respect of Building and Other Construction Workers, Social Security for Unorganised Workers, Gig Workers and Platform Workers.

The Group will assess the impact and will give appropriate accounting treatment in its financial statements in the period in which the Code on Social Security, 2020 (including the related rules framed thereunder) becomes effective.

- 7 The statement of unaudited standalone and consolidated Ind AS financial results for the quarter ended June 30, 2022 have been reviewed by the Audit Committee in their meeting on July 22, 2022 and approved by the Board of Directors in their meeting held on July 22, 2022.



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- 8 The Statutory Auditors have carried out a limited review of unaudited standalone and consolidated Ind AS financial results for the quarter ended June 30, 2022 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.

For Gokaldas Exports Limited



Sivaramakrishnan Ganapathi
Managing Director
DIN: 07954560



Date: July 22, 2022
Place: Bengaluru



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

**The Board of Directors
Gokaldas Exports Limited**

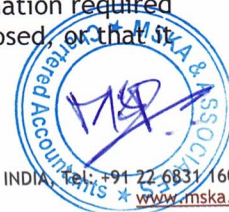
1. We have reviewed the accompanying statement of unaudited consolidated Ind AS financial results of Gokaldas Exports Limited ('the Holding Company') and its subsidiaries, (the Holding Company and its subsidiaries together referred to as the 'Group') for the quarter ended June 30, 2022 ('the Statement'), 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'). This statement is the responsibility of the Holding Company's Management and has been approved by the Holding Company's Board of Directors. Our responsibility is to express a conclusion on the based on our review.
2. This Statement has been prepared by the Holding Company's Management 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.
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. This 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 Company
2	SNS Clothing Private Limited	Subsidiary Company
3	Vignesh Apparels Private Limited	Subsidiary Company
4	GokaldasExports Acharpura Private Limited	Subsidiary Company
5	Sri Susamyuta Knits Private Limited	Subsidiary Company
6	Gokaldas Exports FZCO, Dubai, UAE	Subsidiary Company

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 are 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. The unaudited consolidated Ind AS financial results includes the interim unaudited financial results of six subsidiaries which have not been reviewed by their auditors, whose interim unaudited financial results reflect total assets of Rs. 6,937.66 lakhs as at June 30, 2022 and total revenue of Rs.95.16 lakhs, total net profit after tax of Rs. 8.67 lakhs and total comprehensive income of Rs. 9.42 lakhs for the quarter ended June 30, 2022, as considered in the unaudited consolidated Ind AS financial results. According to the information and explanations given to us by the Management, these unaudited interim financial results are not material to the Group.

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

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No.105047W



Pradeep Mysore Suresh
Partner
Membership No: 216181
UDIN: 22216181ANKSQF9881

Place: Bengaluru
Date: July 22, 2022

Independent Auditor's Review Report on unaudited quarterly standalone 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 Ind AS financial results of Gokaldas Exports Limited ('the Company') for the quarter ended June 30, 2022 ('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'). This statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to express a conclusion on the based.
2. This Statement has been prepared by the Company's Management in accordance with the recognition and measurement principles laid down in Ind AS 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.
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 standalone Ind AS 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 Ind AS 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.

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No.105047W



Pradeep Mysore Suresh
Partner
Membership No: 216181
UDIN:22216181ANKSGI9360
Place: Bengaluru
Date: July 22, 2022



Financial Results, Q1 FY23

Gokaldas Exports Limited today declared its financial results for the quarter ended 30th June 2022. For the quarter, the Company reported a revenue of ₹612.7 Crore on a consolidated basis, up by 152% compared to a Covid impacted revenue of ₹243 Crore in the corresponding quarter of last year. The company has made appreciable progress across all key performance indicators.

Commenting on the company's performance, **Mr. Siva Ganapathi, Managing Director**, said, the solid revenue and profit growth was driven by excellence in execution and utilizing the capacity optimally in a challenging economic environment.

Key Highlights:

- Profit before tax was ₹50.8 Crore compared to a loss Rs.2.6 Crore in Q1 FY22 and ₹52.4 Crore in the previous quarter, Q4 FY22. During quarter the company considered share-based compensation charge of ₹6 Crore, excluding which the profit before tax was ₹56.8 Crore.
- Reported a net profit of ₹39.4 Crores in the current quarter and generated an EBITDA of ₹74.3 Crore compared to ₹19.9 Crore in the Q1 FY22.
- During the quarter, the company has incurred a CapEx of ₹32 Crore towards capacity expansion and modernisation.

The company will continue to focus on optimal resource utilization and drive operational excellence.



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