

gokaldas exports ltd

GEL/SEC/2020-21

26th June, 2020

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 – 26th June 2020

Regulation 33 of (Listing Obligations and Disclosure Requirements),2015 -Audited Financial Results for the Quarter and year ended 31st March, 2020.

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, 2020 along with Independent Auditors Report issued by the Statutory Auditors, M/s. MSKA & Associates (Firm Registration number: 105047W), approved by the Board of Directors' in the meeting held today.
2. We declare that the Auditor's Report is issued with unmodified/unqualified opinion on Annual Audited Results of the Company (Standalone and Consolidated) for year ended March 31, 2020 and the same was approved by the Board of Directors' in the meeting held today.
3. The Board appointed Mr. G Balu and Associates, Chartered Accountants, (Firm Registration number:000376S/S200073), 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 2020-21. Brief profile is enclosed below as Annexure 1.
4. The Board appointed Mr. Nagendra D Rao, Practising Company Secretary as the Secretarial Auditor of the Company for the financial year 2020-21. Brief profile is enclosed below as Annexure 2.
5. Mr. Gautham Madhavan, Non-executive Director has been co-opted as a Member in the Nomination and Remuneration Committee.

The reconstituted Nomination and Remuneration Committee is as follows:

Sl No.	Name of the Members	Designation
1.	Ms. Anuradha Sharma	Chairperson
2.	Mr. Richard B Saldanha	Member
3.	Mr. Mathew Cyriac	Member
4.	Mr. Gautham Madhavan	Member

The meeting commenced at 1:30 PM and concluded at 8:15 PM



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In accordance with the Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 granting relaxation from the provisions of Regulation 47 of the SEBI Regulations, the above financials results will not be advertised in the newspapers. However, the same will be available on the Company's website: www.gokaldasexports.com

Kindly acknowledge the receipt

Thanking you,

Yours truly,
for GOKALDAS EXPORTS LIMITED



Sameer Sudarshan RV
Company Secretary
Encl: as above



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Statement of audited standalone Ind AS financial results for the quarter and year ended March 31, 2020

(in Rs. lakhs, except earnings per share)

S. No.	Particulars	Quarter ended			Year ended	
		Mar 31, 2020	Dec 31, 2019	Mar 31, 2019	Mar 31, 2020	Mar 31, 2019
		(Refer note 11)	Unaudited	(Refer note 11)	Audited	Audited
I	Income					
	(a) Revenue from operations	35,516.43	32,095.97	32,625.96	1,36,220.49	1,17,337.17
	(b) Other income					
	Gain on account of foreign exchange fluctuations (net)	-	153.89	75.38	1,292.81	-
	Income from bank deposits and investment in mutual funds	263.78	272.10	231.09	1,103.71	1,081.61
	Government grant and other income	331.72	376.11	148.68	1,086.57	1,077.75
	Total Income	36,111.93	32,898.07	33,081.11	1,39,703.58	1,19,496.53
II	Expenses					
	(a) Cost of materials consumed	18,352.42	18,585.31	17,178.41	69,505.56	58,964.68
	(b) Changes in inventories of work-in-progress and finished goods	40.76	(4,356.73)	(2,399.67)	(618.94)	(6,700.01)
	(c) Employee benefit expenses	11,161.30	11,885.45	10,414.53	46,698.75	39,447.97
	(d) Finance costs	892.58	967.59	735.76	3,654.55	3,289.59
	(e) Depreciation and amortisation expenses	1,503.00	1,414.71	667.11	5,434.45	1,918.94
	(f) Job work charges	189.44	272.59	289.37	1,062.79	1,549.87
	(g) Other expenses					
	Loss on account of foreign exchange fluctuations (net)	121.17	-	-	-	1,565.53
	Others	3,152.89	3,273.22	4,499.68	12,724.42	16,333.83
	Total expenses	35,413.56	32,042.14	31,385.19	1,38,461.58	1,16,370.40
III	Profit / (loss) before tax and exceptional items (I - II)	698.37	855.93	1,695.92	1,242.00	3,126.13
IV	Exceptional items- (gain)/ loss (Refer note 6)	-	2,292.06	626.56	(1,993.94)	626.56
V	Profit / (loss) before tax (III - IV)	698.37	(1,436.13)	1,069.36	3,235.94	2,499.57
VI	Tax expenses					
	Current tax	(67.32)	(187.43)	-	74.19	-
	Adjustment of tax relating to earlier years	-	-	(63.33)	-	(63.33)
	Deferred tax (credit)/charge	67.32	187.43	-	(74.19)	-
	Total tax expenses	-	-	(63.33)	-	(63.33)
VII	Net profit / (loss) for the period / year (V-VI)	698.37	(1,436.13)	1,132.69	3,235.94	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	(378.89)	60.00	(186.91)	(198.89)	(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)	(2,042.46)	(28.96)	527.40	(3,401.95)	1,450.71
	Total Other Comprehensive Income / (loss) for the period / year	(2,421.35)	31.04	340.49	(3,600.84)	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)	(1,722.98)	(1,405.09)	1,473.18	(364.90)	3,837.17
X	Paid-up equity share capital (face value Rs 5 each, fully paid up)	2,141.28	2,141.03	2,140.78	2,141.28	2,140.78
XI	Earnings per equity share (EPS)					
	(a) Basic (Rs.)	1.63	(3.35)	2.65	7.56	6.09
	(b) Diluted (Rs.)	1.53	(3.35)	2.50	7.11	5.93



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Statement of standalone assets and liabilities as at March 31, 2020		
	(in Rs. Lakhs)	
Particulars	March 31, 2020	March 31, 2019
	Audited	Audited
I. ASSETS		
(1) Non- current assets		
(a) Property, plant and equipment	12,694.46	10,532.89
(b) Right-of-use assets	4,206.45	-
(c) Capital work-in-progress	78.98	144.76
(d) Other intangible assets	220.06	184.69
(e) Financial assets		
(i) Investments	1,987.75	1,987.75
(ii) Loans and advances	3,398.32	2,236.98
(iii) Other financial assets	13,907.58	13,246.57
(f) Deferred tax assets	74.19	-
(g) Non-current tax assets (net)	1,162.92	1,270.68
(h) Other non-current assets	204.01	428.56
	37,934.72	30,032.88
(2) Current assets		
(a) Inventories	28,630.46	25,770.90
(b) Financial assets		
(i) Investments	3,551.45	-
(ii) Trade receivables	14,352.92	16,167.47
(iii) Cash and cash equivalents	1,223.45	1,110.23
(iv) Other financial assets	671.65	2,122.01
(c) Other current assets	7,556.89	6,457.32
	55,986.82	51,627.93
(3) Assets classified as held for sale	-	595.22
Total assets (1+2+3)	93,921.54	82,256.03
II. EQUITY AND LIABILITIES		
(1) Equity		
(a) Equity share capital	2,141.28	2,140.78
(b) Other equity	20,725.05	21,814.56
Total equity	22,866.33	23,955.34
Liabilities		
(2) Non-current liabilities		
(a) Financial liabilities		
Lease liability	2,865.95	-
(b) Provision for employee benefits	450.81	406.65
	3,316.76	406.65
(3) Current liabilities		
(a) Financial liabilities		
(i) Borrowings	39,095.07	38,070.07
(ii) Trade payables		
Total outstanding dues of micro, small and medium enterprises	24.39	18.62
Total outstanding dues of creditors other than micro, small and medium enterprises	11,352.49	8,530.04
(iii) Lease liability	2,031.94	-
(iv) Other current financial liabilities	11,188.09	7,469.90
(b) Other current liabilities	1,003.89	894.52
(c) Provision for employee benefits	3,042.58	2,590.89
	67,738.45	57,574.04
(4) Liabilities directly associated with assets classified as held for sale	-	320.00
Total equity and liabilities (1+2+3+4)	93,921.54	82,256.03



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Statement of standalone cash flows for the year March 31, 2020		
	(in Rs. Lakhs)	
	Apr to Mar 20	Apr to Mar 19
Cash flow from operating activities		
Profit before exceptional items and tax	1,242.00	3,126.13
<i>Adjustments to reconcile profit before tax to net cash flows:</i>		
Depreciation / amortization expense	5,434.45	1,918.94
Net (gain) / loss on disposal of property, plant and equipment	(43.47)	(59.27)
Unrealised foreign exchange (gain)/loss, (net)	232.37	(74.19)
Gain on sale of investments in mutual fund units	(168.24)	(173.18)
Income from government grant	(570.37)	(300.18)
Share based payments to employees	703.91	285.05
Interest income	(1,167.68)	(1,131.05)
Finance costs	3,654.55	3,289.59
Irrecoverable balances written off	-	565.93
Provision for doubtful deposits and advances	-	30.00
Provision for doubtful debts	514.01	327.73
Export Incentives Receivables written off	(610.84)	-
Excess provision of earlier years written back	(5.17)	(173.10)
Operating profit/(loss) before working capital changes	9,215.52	7,632.40
<i>Working capital adjustments:</i>		
(Increase)/ decrease in loans	(1,131.76)	314.67
(Increase)/ decrease in other financial assets	0.48	14.95
(Increase)/ decrease in other assets	(1,397.98)	124.15
(Increase)/ decrease in inventories	(2,859.56)	(8,438.75)
(Increase)/ decrease in trade receivables	1,663.90	5,020.41
Increase/ (decrease) in provisions for employee benefits	296.96	382.94
Increase/ (decrease) in trade payables	2,819.33	(1,021.45)
Increase/ (decrease) in other financial liabilities	858.12	675.39
Increase/ (decrease) in other liabilities	89.95	23.44
	9,554.96	4,728.15
Direct taxes refunded/ (paid) (net of refund/payments)	33.57	397.66
Net cash flows from/ (used in) operating activities (A)	9,588.53	5,125.81
Cash flow from investing activities		
Purchase of property, plant and equipment (including intangible assets and capital work-in-progress)	(3,775.39)	(2,442.06)
Proceeds from sale of property, plant and equipment	2,994.88	209.71
Investments in bank deposits	(13,684.42)	(13,220.78)
Redemption of bank deposits	13,022.50	14,093.84
Investment in mutual fund units	(8,800.00)	(6,700.00)
Proceeds from sale of investment in mutual fund units	5,416.79	6,873.18
Finance income received	1,160.61	1,186.19
Net cash flows from/ (used in) investing activities (B)	(3,665.03)	0.08
Cash flow from financing activities		
Proceeds from issue of shares / exercise of share options including share application money	3.22	6,829.47
Proceeds of short-term borrowings	1,98,223.23	1,73,724.71
Repayment of short-term borrowings	(1,95,973.11)	(1,82,795.97)
Payment of lease liabilities	(3,786.57)	-
Finance costs paid	(2,854.13)	(3,448.69)
Net cash flows from/ (used in) financing activities (C)	(4,387.36)	(5,690.48)
Net increase/ (decrease) in cash and cash equivalents (A+B+C)	1,536.14	(564.59)
Cash and cash equivalents at the beginning of the year	(2,488.01)	(1,923.42)
Cash and cash equivalents at the end of the year	(951.87)	(2,488.01)
Components of cash and cash equivalents		
Cash and cash equivalents	1,223.45	1,110.23
Bank overdraft	(2,175.32)	(3,598.24)
Total cash and cash equivalents	(951.87)	(2,488.01)



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Notes to the standalone Ind AS financial results of Gokaldas Exports Limited for the quarter and year ended March 31, 2020

- 1 The standalone audited Ind AS financial results of the Gokaldas Exports Limited ('the Company') for the year ended March 31, 2020 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 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 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.
- 5 During the previous year certain foreign customers had 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 had filed a claim for the balances outstanding with the relevant authorities, including for some claims which were eligible for preferential payment. Based on final negotiation and settlement under the reorganization plan by the court appointed administrative claims manager and also realisations made during the year, the Company carries an aggregate provision on account of expected credit loss towards this customer amounting to Rs. 523 lakhs (including provision recognised in the current year Rs 390 lakhs) towards these claims. The aggregate outstanding balance as at March 31, 2020 from this customer is Rs. 357 lakhs (March 31, 2019: 308 lakhs) after adjusting the aforementioned provision and realisations of Rs 220 lakhs received during the year.

Subsequent to the year ended March 31, 2020 another foreign customer with an outstanding receivable balance of Rs 815 lakhs as at March 31, 2020, has filed for a plan for reorganisation of its business and creditors in the court, the Company has filed a creditor claim for the balances outstanding for Rs 250 lakhs as at the date of such filing (after considering subsequent realisations to March 31, 2020). Based on the assessment of expected recovery the Company has created a provision on account of expected credit loss amounting to Rs.125 lakhs.

The Company is confident of recovery of the balance amounts.



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6 Exceptional items:

a. During the year ended March 31, 2019, the Company had written down the carrying value of the Investment in Yepme UK Limited by recognizing an impairment loss of Rs. 626.56 Lakhs as an exceptional charge. Further to related developments during the year on this matter, including claims filed by the Company for the recovery, the Company has reassessed that it is appropriate to reclassify the Investment from 'Associate' to 'Others'.

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.

c. In view of Ministry of Textiles, Government of India's Gazette Notification number CG-DL-E 15012020-215423 dated January 14, 2020, the Company had, during the previous quarter (December 31, 2019) reversed the Merchandise Export from India Scheme (MEIS) benefit of Rs. 2,292.06 Lakhs for the period from March 07, 2019 to September 30, 2019 in the financial results, and to the extent it relates current year, reduced the same from the amount of revenue from operations which was shown under exceptional items in the results for the quarter ended December 31, 2019. Balance amount relating to prior year is continued to be disclosed as an exceptional item.

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 year ended March 31, 2020, the nature of expense for leasing arrangements has changed from lease rent in previous periods to amortization 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 year ended March 31, 2020.

8 The World Health Organization announced a global health emergency because of a new strain of coronavirus ("COVID-19") and classified its outbreak as a pandemic on March 11, 2020. On March 24, 2020, the Indian government announced a strict 21-day lockdown across the country to contain the spread of the virus, which has been/was further extended till May 3, 2020. This pandemic and government response are creating disruption in global supply chain and adversely impacting most of the industries which has resulted in global slowdown.

The management has made an assessment of the impact of COVID-19 on the Company's operations, financial performance and position as at and for the year ended March 31, 2020 and has concluded that the impact is primarily the operational aspects of the business and as the lock down was for a substantial period only subsequent to year end. Management has been able to address and counter the potential impact on the financial statements as at March 31, 2020 such as enhancing borrowing limits, strengthening liquidity, optimisation of resource utilisation, etc.



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In assessing the recoverability of receivables including receivables, investments, and other assets, the Company has considered internal and external information up to the date of approval of these financial results including status of existing and future customer orders, cash flow forecasts, commitments with suppliers, etc. The Company has performed sensitivity analysis on the assumptions used and based on current indicators of future economic conditions, the Company expects to recover the carrying amount of these assets, the Company has also considered the impact of subsequent events in its assessment and concluded that there is no significant impact which is required to be recognised in the financial statements. Accordingly, no further adjustments have been made to the financial statements.

Considering the dynamic nature of the issue, the impact of the global health pandemic may be different from that estimated as at the date of approval of these financial results and the Company will continue to closely monitor any material changes to future economic conditions.

- 9 The statement of audited standalone Ind AS financial results for the quarter and year ended March 31, 2020 have been reviewed by the Audit Committee in their meeting on June 26, 2020 and approved by the Board of Directors in their meeting held on June 26, 2020.
- 10 The Statutory Auditors have carried out an audit of audited standalone Ind AS financial results for the quarter and year ended March 31, 2020 in terms of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- 11 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.
- 12 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 Vilayur Ganapathi
Managing Director
DIN: 07954560



Date: June 26, 2020
Place: Bengaluru



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Statement of audited consolidated Ind AS financial results for the quarter and year ended March 31, 2020

S. No.	Particulars	(in Rs. lakhs, except earnings per share)				
		Quarter ended			Year ended	
		Mar 31, 2020 (Refer note 10)	Dec 31, 2019 Unaudited	Mar 31, 2019 (Refer note 10)	Mar 31, 2020 Audited	Mar 31, 2019 Audited
I	Income					
	(a) Revenue from operations	35,591.51	32,202.97	32,798.41	1,36,524.48	1,17,451.91
	(b) Other income					
	Gain on account of foreign exchange fluctuations (net)	-	153.89	75.38	1,292.81	-
	Income from bank deposits and investment in mutual funds	263.78	272.10	231.09	1,103.71	1,081.61
	Government grant and other income	334.82	377.21	157.03	1,094.43	1,086.10
	Total Income	36,190.11	33,006.17	33,261.91	1,40,015.43	1,19,619.62
II	Expenses					
	(a) Cost of materials consumed	18,332.68	18,651.99	17,324.93	69,609.75	59,053.49
	(b) Changes in inventories of work-in-progress and finished goods	242.09	(4,393.30)	(2,427.27)	(414.71)	(6,727.61)
	(c) Employee benefit expenses	11,170.43	11,897.07	10,463.21	46,742.44	39,495.32
	(d) Finance costs	899.71	975.97	737.11	3,682.47	3,290.94
	(e) Depreciation and amortisation expenses	1,514.93	1,426.56	670.53	5,481.92	1,922.36
	(f) Job work charges	189.44	272.59	289.37	1,063.87	1,549.87
	(g) Other expenses					
	Loss on account of foreign exchange fluctuations (net)	121.17	-	-	-	1,565.53
	Others	3,122.79	3,220.10	4,500.57	12,804.92	16,335.05
	Total expenses	35,593.24	32,050.98	31,558.45	1,38,970.66	1,16,485.15
III	Profit / (loss) before tax and exceptional items (I - II)	596.87	955.19	1,703.46	1,044.77	3,134.47
IV	Exceptional items- (gain)/ loss (Refer note 5)	-	2,292.06	626.56	(1,993.94)	626.56
V	Profit / (loss) before tax (III - IV)	596.87	(1,336.87)	1,076.90	3,038.71	2,507.91
VI	Tax expenses					
	Current tax	(67.32)	(187.43)	-	74.19	-
	Adjustment of tax relating to earlier years	-	-	(48.49)	-	(50.05)
	Deferred tax (credit)/charge	67.32	187.43	-	(74.19)	-
	Total tax expenses	-	-	(48.49)	-	(50.05)
VII	Net profit / (loss) for the period / year (V-VI)	596.87	(1,336.87)	1,125.39	3,038.71	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	(376.65)	60.00	(185.78)	(196.65)	(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)	(2,042.46)	(28.96)	527.40	(3,401.95)	1,450.71
	Total Other Comprehensive Income / (loss) for the period / year	(2,419.11)	31.04	341.62	(3,598.60)	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	(1,822.24)	(1,305.83)	1,467.01	(559.89)	3,833.36
X	Paid-up equity share capital (face value Rs 5 each, fully paid up)	2,141.28	2,141.03	2,140.78	2,141.28	2,140.78
XI	Earnings per equity share (EPS)					
	(a) Basic (Rs.)	1.39	(3.12)	2.63	7.10	6.08
	(b) Diluted (Rs.)	1.31	(3.12)	2.48	6.67	5.92



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CIN : L18101KA2004PLC033475



gokaldas exports ltd

Statement of consolidated assets and liabilities as at March 31, 2020		
Particulars	(in Rs. Lakhs)	
	March 31, 2020	March 31, 2019
	Audited	Audited
I. ASSETS		
(1) Non- current assets		
(a) Property, plant and equipment	12,713.18	10,553.92
(b) Right of use asset	4,308.06	-
(c) Capital work-in-progress	78.98	144.76
(d) Other intangible assets	220.06	184.69
(e) Financial assets		
(i) Investments	0.29	0.29
(ii) Loans and advances	3,472.76	2,306.59
(iii) Other financial assets	13,907.58	13,246.57
(f) Deferred tax assets	74.19	-
(g) Non-current tax assets (net)	1,206.28	1,315.78
(h) Other non-current assets	204.01	428.56
	36,185.39	28,181.16
(2) Current assets		
(a) Inventories	28,924.05	26,268.72
(b) Financial assets		
(i) Investments	3,551.45	-
(ii) Trade receivables	14,353.04	16,170.02
(iii) Cash and cash equivalents	1,229.28	1,118.75
(iv) Other financial assets	671.65	2,122.01
(c) Other current assets	7,557.00	6,477.05
	56,286.47	52,156.55
(3) Assets classified as held for sale	-	595.22
Total assets (1+2+3)	92,471.86	80,932.93
II. EQUITY AND LIABILITIES		
(1) Equity		
(a) Equity share capital	2,141.28	2,140.78
(b) Other equity	20,520.05	21,897.49
Total equity	22,661.33	24,038.27
Liabilities		
(2) Non-current liabilities		
(a) Financial liabilities		
Lease liability	2,946.02	-
(b) Provision for employee benefits	455.30	412.32
	3,401.32	412.32
(3) Current liabilities		
(a) Financial liabilities		
(i) Borrowings	39,095.07	38,070.07
(ii) Trade payables		
Total outstanding dues of micro, small and medium enterprises	24.39	18.62
Total outstanding dues of creditors other than micro, small and medium enterprises	11,404.59	8,553.82
(iii) Lease liability	2,120.45	-
(iv) Other current financial liabilities	9,711.83	6,031.16
(b) Other current liabilities	1,008.93	895.89
(c) Provision for employee benefits	3,043.95	2,592.78
	66,409.21	56,162.34
(4) Liabilities directly associated with assets classified as held for sale	-	320.00
Total equity and liabilities (1+2+3+4)	92,471.86	80,932.93



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gokaldas exports ltd

Statement of consolidated cash flows for the year ended March 31, 2020		
	(in Rs. Lakhs)	
	Apr to Mar 20	Apr to Mar 19
Cash flow from operating activities		
Profit before exceptional items and tax	1,044.77	3,134.47
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation and amortisation expenses	5,481.92	1,922.36
Net loss/(gain) on disposal of property, plant and equipment	(43.47)	(59.27)
Foreign exchange loss/(gain), net unrealised	232.37	(74.19)
Gain on sale of investments in mutual fund units	(168.24)	(173.18)
Income from government grants	(570.37)	(300.18)
Share based payment expenses	703.91	285.06
Provision no longer required, written back	(5.17)	(173.10)
Irrecoverable balances written off	-	565.93
Provision for doubtful deposits and advances	-	30.00
Provision for doubtful debts	514.01	327.73
Provision For Export Incentives Receivables	(610.84)	-
Interest income	(973.32)	(1,135.29)
Finance costs	3,682.47	3,290.94
Operating profit/(loss) before working capital changes	9,288.04	7,641.28
Working capital adjustments:		
(Increase)/ decrease in loans	(1,136.58)	339.35
(Increase)/ decrease in other financial assets	0.48	15.05
(Increase)/ decrease in other assets	(1,397.36)	121.98
(Increase)/ decrease in inventories	(2,655.33)	(8,466.34)
(Increase)/ decrease in trade receivables	1,666.33	5,018.35
Increase/ (decrease) in provisions for employee benefits	297.50	384.63
Increase/ (decrease) in trade payables	2,847.65	(1,015.68)
Increase/ (decrease) in other financial liabilities	820.60	662.21
Increase/ (decrease) in other liabilities	93.62	20.01
	9,824.95	4,720.84
Direct taxes refunded/ (paid) (net of refund/payments)	35.31	393.15
Net cash flows from/ (used in) operating activities (A)	9,860.26	5,113.99
Cash flow from investing activities		
Purchase of property, plant and equipment (including intangible assets and capital work-in-progress)	(3,775.39)	(2,442.06)
Proceeds from sale of property, plant and equipment	2,994.88	209.71
Investments in bank deposits	(13,684.42)	(13,220.78)
Redemption of bank deposits	13,022.50	14,093.84
Investment in mutual funds	(8,800.00)	(6,700.00)
Proceeds from sale of investment in mutual funds	5,416.79	6,873.18
Finance income received	966.25	1,190.44
Net cash flows from/ (used in) investing activities (B)	(3,859.39)	4.33
Cash flow from financing activities		
Proceeds from issue of shares/exercise of share options including share application money	3.22	6,829.47
Proceeds of short-term borrowings	1,98,223.23	1,73,724.71
Repayment of short-term borrowings	(1,93,973.11)	(1,82,795.97)
Payment of lease liabilities	(3,860.41)	-
Finance costs paid	(2,860.35)	(3,430.04)
Net cash flows from/ (used in) financing activities (C)	(4,467.42)	(5,691.83)
Net increase/ (decrease) in cash and cash equivalents (A+B+C)	1,533.45	(573.51)
Cash and cash equivalents at the beginning of the year	(2,479.49)	(1,905.98)
Cash and cash equivalents at the end of the year	(946.04)	(2,479.49)
Components of cash and cash equivalents		
Cash and cash equivalents	1,229.28	1,118.75
Bank overdraft	(2,175.32)	(3,598.24)
Balances per statement of cash flows	(946.04)	(2,479.49)



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Notes to the consolidated Ind AS financial results of Gokaldas Exports Limited for the quarter and year ended March 31, 2020

- 1 The consolidated audited Ind AS financial results of Gokaldas Exports Limited (the Company) and its subsidiaries (cumulatively referred to as 'Group') for the quarter and year ended March 31, 2020 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 During the previous year certain foreign customers had 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 had filed a claim for the balances outstanding with the relevant authorities, including for some claims which were eligible for preferential payment. Based on final negotiation and settlement under the reorganization plan by the court appointed administrative claims manager and also realisations made during the year, the Group carries an aggregate provision on account of expected credit loss towards this customer amounting to Rs. 523 lakhs (including provision recognised in the current year Rs 390 lakhs) towards these claims. The aggregate outstanding balance as at March 31, 2020 from this customer is Rs. 357 lakhs (March 31, 2019: 308 lakhs) after adjusting the aforementioned provision and realisations of Rs 220 lakhs received during the year.

Subsequent to the year ended March 31, 2020 another foreign customer with an outstanding receivable balance of Rs 815 lakhs as at March 31, 2020, has filed for a plan for reorganisation of its business and creditors in the court, the Group has filed a creditor claim for the balances outstanding for Rs 250 lakhs as at the date of such filing (after considering subsequent realisations to March 31, 2020). Based on the assessment of expected recovery the Group has created a provision on account of expected credit loss amounting to Rs. 125 lakhs.

The Group is confident of recovery of the balance amounts.

5 Exceptional items:

a. During the year ended March 31, 2019, the Group had written down the carrying value of the Investment in Yepme UK Limited by recognizing an impairment loss of Rs. 626.56 Lakhs as an exceptional charge. Further to related developments during the year on this matter, including claims filed by the Group for the recovery, the Group has reassessed that it is appropriate to reclassify the Investment from 'Associate' to 'Others'.

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.



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c. In view of Ministry of Textiles, Government of India's Gazette Notification number CG-DL-E 15012020-215423 dated January 14, 2020, the Group had, during the previous quarter (December 31, 2019) reversed the Merchandise Export from India Scheme (MEIS) benefit of Rs. 2,292.06 Lakhs for the period from March 07, 2019 to September 30, 2019 in the financial results, and to the extent it relates current year, reduced the same from the amount of revenue from operations which was shown under exceptional items in the results for the quarter ended December 31, 2019. Balance amount relating to prior year is continued to be disclosed as an exceptional item.

6 The statement of audited consolidated Ind AS financial results for the quarter and year ended March 31, 2020 have been reviewed by the Audit Committee in their meeting on June 26, 2020 and approved by the Board of Directors in their meeting held on June 26, 2020.

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 year ended March 31, 2020, the nature of expense for leasing arrangements has changed from lease rent in previous periods to amortization 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 year ended March 31, 2020.

8 The World Health Organization announced a global health emergency because of a new strain of coronavirus ("COVID-19") and classified its outbreak as a pandemic on March 11, 2020. On March 24, 2020, the Indian government announced a strict 21-day lockdown across the country to contain the spread of the virus, which has been/was further extended till May 3, 2020. This pandemic and government response are creating disruption in global supply chain and adversely impacting most of the industries which has resulted in global slowdown.

The management has made an assessment of the impact of COVID-19 on the Group's operations, financial performance and position as at and for the year ended March 31, 2020 and has concluded that the impact is primarily the operational aspects of the business and as the lock down was for a substantial period only subsequent to year end. Management has been able to address and counter the potential impact on the financial statements as at March 31, 2020 such as enhancing borrowing limits, strengthening liquidity, optimisation of resource utilisation, etc.

In assessing the recoverability of receivables including receivables, investments, and other assets, the Group has considered internal and external information up to the date of approval of these financial results including status of existing and future customer orders, cash flow forecasts, commitments with suppliers, etc. The Group has performed sensitivity analysis on the assumptions used and based on current indicators of future economic conditions, the Group expects to recover the carrying amount of these assets, the Group has also considered the impact of subsequent events in its assessment and concluded that there is no significant impact which is required to be recognised in the financial statements. Accordingly, no further adjustments have been made to the financial statements.



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Considering the dynamic nature of the issue, the impact of the global health pandemic may be different from that estimated as at the date of approval of these financial results and the Group will continue to closely monitor any material changes to future economic conditions.

- 9 The Statutory Auditors have carried out an audit of audited consolidated Ind AS financial results for the quarter and year ended March 31, 2020 in terms of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- 10 The figures for quarter ended March 31 of current and the previous years in the consolidated 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.
- 11 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 Vilayur Ganapathi
Managing Director
DIN: 07954560



Date: June 26, 2020

Place: Bengaluru



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**Independent Auditor's Report on Quarterly Standalone Financial Results and Year to Date
Standalone Financial Results pursuant to the Regulation 33 of the SEBI (Listing Obligations and
Disclosure Requirements) Regulations 2015**

To the Board of Directors of Gokaldas Exports Limited

Report on the Audit of Standalone Financial Results

Opinion

We have audited the accompanying standalone annual financial results of **Gokaldas Exports Limited** (hereinafter referred to as 'the Company') for the quarter and year ended March 31, 2020 ('the Statement'), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Statement:

- (i) are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- (ii) give a true and fair view in conformity with the applicable accounting standards prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India, of net profit and other comprehensive income and other financial information of the Company for the year ended March 31, 2020.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Results section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to:

- i) Note 4 to the audited financial statements which states that certain foreign customers with an aggregate outstanding balance of Rs 357 lakhs as on March 31, 2020 had 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 with the relevant authorities. Based on the settlement by the Administrative Expense Claims Consent Program negotiated under the reorganization plan, subsequent realisation and expected recovery the Company has created a provision on account of expected loss amounting to Rs. 523 lakhs towards these claims. Further, subsequent to the year-ended March 31, 2020, another foreign customer has filed for a plan for reorganisation of its business and creditors in the court. The Company has filed a creditor claim and based on assessment of recovery, has consequently created a provision on account of expected loss amounting to Rs. 125 lakhs.
- ii) Note 8 to the financial statements which states that the management has made an assessment of the impact of COVID-19 on the Company's operations, financial performance and position as at and for the year ended March 31, 2020 and has concluded that primarily the operational aspects of the business have been affected substantially only subsequent to year end. Management has considered the mitigating actions taken and results of its assessment on subsequent events and concluded that there is no significant impact which is required to be recognised in the financial statements.

Our opinion is not modified in respect of the above matters.

Board of Directors' Responsibilities for the Standalone Financial Results

This Statement have been prepared on the basis of the standalone annual financial statements. The Company's Board of Directors are responsible for the preparation and presentation of this Statement that give a true and fair view of the net profit and other comprehensive income in accordance with the Indian Accounting Standards prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The Board of Directors of the Company are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Statement by the Directors of the Company, as aforesaid.

In preparing the Statement, the Board of Directors of the Company are responsible for assessing the ability of the Company to continue as a going concern, disclosing, as applicable, matters related to going

concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors of the Company are responsible for overseeing the financial reporting process of the Company.

Auditor's Responsibilities for the Audit of the Standalone Financial Results

Our objectives are to obtain reasonable assurance about whether the Statement as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Statement.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance of the Company of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matters

- i) The Statement include the results for the quarter ended March 31, 2020 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" which were subject to limited review by us.
- ii) Due to the Covid-19 related lockdown we were not able to participate in the physical verification of inventory that was carried out by the management subsequent to the year end. Consequently, we have performed alternate procedures to the audit of existence of inventory as per the guidance provided in SA 501 - "Audit Evidence - Specific Considerations for Selected Items" and have obtained sufficient appropriate audit evidence to issue our unmodified opinion on these Standalone Financial Results.

Our opinion is not modified in respect of these matters.

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

Deepak
Kumar Rao

Deepak Kumar Rao
Chartered Accountant
Membership No. 113292
UDIN: 20113292AAAAALD7409

Deepak Rao
Partner
Membership No. 113292
UDIN: 20113292AAAAALD7409

Place: Bengaluru
Date: June 26, 2020

Independent Auditor's Report on Quarterly Consolidated Financial Results and Year to Date Consolidated Financial Results pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015

To the Board of Directors of Gokaldas Exports Limited [Holding Company]

Report on the Audit of Consolidated Financial Results

Opinion

We have audited the accompanying consolidated annual financial results of Gokaldas Exports Limited (hereinafter referred to as the 'Holding Company') and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group") for the year ended March 31, 2020, ('the Statement') attached herewith, being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations').

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate audited financial statements, the aforesaid Statement:

(i) include the annual financial results of the following entities

Sr. No	Name of the Entity	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

(ii) are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and

(iii) give a true and fair view in conformity with the applicable accounting standards prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India, of net profit and other comprehensive income and other financial information of the Group for the year ended March 31, 2020.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Results section of our report. We are independent of the Group, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

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

Emphasis of Matter

We draw attention to:

- i) Note 4 to the audited financial statements which states that certain foreign customers with an aggregate outstanding balance of Rs 357 lakhs as on March 31, 2020 had 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 with the relevant authorities. Based on the settlement by the Administrative Expense Claims Consent Program negotiated under the reorganization plan, subsequent realisation and expected recovery the Company has created a provision on account of expected loss amounting to Rs. 523 lakhs towards these claims. Further, subsequent to the year-ended March 31, 2020, another foreign customer has filed for a plan for reorganisation of its business and creditors in the court. The Company, has filed a creditor claim and based on assessment of recovery has consequently created a provision on account of expected loss amounting to Rs. 125 lakhs.
- ii) Note 8 to the financial statements which states that the management has made an assessment of the impact of COVID-19 on the Company's operations, financial performance and position as at and for the year ended March 31, 2020 and has concluded that primarily the operational aspects of the business have been affected substantially only subsequent to year end. Management has considered the mitigating actions taken and results of its assessment on subsequent events and concluded that there is no significant impact which is required to be recognised in the financial statements.

Our opinion is not modified in respect of the above matter.

Board of Directors' Responsibilities for the Consolidated Financial Results

These Statement have been prepared on the basis of the consolidated annual financial statements. The Holding Company's Board of Directors are responsible for the preparation and presentation of this Statement that give a true and fair view of the net profit and other comprehensive income and other financial information of the Group in accordance with the Indian Accounting Standards prescribed under

Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Statement by the Directors of the Holding Company, as aforesaid.

In preparing the Statement, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Results

Our objectives are to obtain reasonable assurance about whether the Statement as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Statement.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal

financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial results/financial information of the entities within the Group to express an opinion on the Statement. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the Statement of which we are the independent auditors. For the other entities included in the Statement, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the Statement of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matters

1. The Statement include the audited Financial Results of three subsidiaries, whose Financial Statements reflect Group's share of total assets of Rs. 538 lakhs as at March 31, 2020, Group's share of total revenue of Rs. 586 lakhs and Group's share of total net profit after tax of Rs. 197 (loss) (year to date), as considered in the Statement, which have been audited by their respective independent auditors. The independent auditors' reports on financial statements of these entities have been furnished to us and our opinion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these entities, is based solely on the report of such auditors and the procedures performed by us are as stated in paragraph above.

2. The Statement include the results for the quarter ended March 31, 2020 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" which were subject to limited review by us.
3. Due to the Covid-19 related lockdown we were not able to participate in the physical verification of inventory that was carried out by the management subsequent to the year end. Consequently, we have performed alternate procedures to the audit of existence of inventory as per the guidance provided in SA 501 - "Audit Evidence - Specific Considerations for Selected Items" and have obtained sufficient appropriate audit evidence to issue our unmodified opinion on these Financial Results.

Our opinion is not modified in respect of the above matters.

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

Deepak
Kumar Rao

Deepak Kumar Rao is a Chartered Accountant
in the firm of MSKA & Associates
Chartered Accountants
Firm No. 105047W
Date: 2020.06.26 14:29:00

Deepak Rao
Partner
Membership No.: 113292
UDIN: 20113292AAAALE9272

Place: Bengaluru
Date: June 26, 2020

gokaldas exports ltd

GEL/SEC/2020-21

26th June, 2020

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: 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, 2020

This declaration is issued in compliance with 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)

Telephone : 41272200, 41272220

Fax No. 91 - (080) - 33477491, E-mail : gokex@vsnl.com

CIN : L18101KA2004PLC033475



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 a 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 8 partners, with rich experience in the core areas of audit, assurance and attestation services across industries and sectors. Engagement Partner handling this assignment shall be Mr. Raja Gopalan .B

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 and fifty 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 Assurance Services, Tax Advisory Services, Risk Advisory Services and Business Advisory Services

OUR CLIENTELE

Clientele Classification	% of Clientele
COMPANIES	65%
INDIVIDUALS	7%
TRUST AND ASSOCIATIONS	10%
BANKS & PFI	18%

Date: 25th June 2020

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

Mr. Nagendra D. Rao, a Fellow Member of the Institute of Company Secretaries of India (ICSI), is the Designated Partner and Founder of Nagendra D. Rao and Associates, LLP, a firm of Practising Company Secretaries based at Bengaluru. He holds a bachelor's degree in Commerce and also a Law graduate from University of Mumbai (erstwhile University of Bombay).

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 etc. Prior to setting up his whole-time practice, he has also worked in multinational companies like Godrej Foods Limited, Indo Nissin Foods Limited, & Sobha Limited and was responsible for legal and secretarial functions.

Mr. Nagendra D. Rao is a member of the Council of the ICSI for the term 2019-2022, and has been elected as the Vice President for the year 2020.

He has been associated with the ICSI for several years now. He was elected to the Southern India Regional Council for two terms viz., 2011-2014 & 2015-2018 and has served as Chairman for the year 2015. Prior to that he was elected to the Managing Committee of the Bengaluru Chapter of the ICSI for the period 2007-2010 and was elevated as Chairman during the year 2009.

As a recognition for his outstanding services rendered in the field of education Mr. Nagendra D. Rao was recently conferred the title “**VIDYA VIKAS**” by Dr. D.G. Shetty Educational Society (R), Dharwad, Karnataka.

Mr. Nagendra D. Rao was a member of the Central Taxes, Corporate Laws & GST Committee of the Federation of Karnataka Chambers of Commerce & Industry for the year 2018-19. He was a member of the Corporate Affairs and Taxation Committee of the Bangalore Chamber of Industry & Commerce during the period 2000 – 2004. He is a widely acclaimed resource person for various seminars organised by prominent educational institutions and has also addressed various conclaves and summits organised by ICSI for its members and students.

GOKALDAS EXPORTS LIMITED

PRESS RELEASE

Gokaldas Exports Ltd. reported a total income of Rs.1400 Crs (YOY growth 17%) and net profit of Rs.30.4 Crs in FY20 as against a profit Rs.25.6 Crs. in FY19. It generated EBITDA of Rs.102 Crs (excluding exceptional items) and reduced net debt by Rs.34 Crs during the year.

The company reported a total income for Q4 FY20 of Rs.361.90 Crs (YOY growth 9%) and net profit of Rs.5.97 Crs. The current quarter's performance was subdued due to withdrawal of MEIS benefits and onset of lockdown and business disruption due to COVID-19, compared to the corresponding quarter of the previous year.

The company has invested Rs.42 Crs towards upgradation and modernisation of its business infrastructure. It's key operating parameters like production efficiency, wastages and on-time production and delivery etc. have consistently improved.

The corona virus has unleashed an unprecedented event which has been so sudden and so extensive in its sweep, that it has caught the world unprepared for the economic consequences. The company expects the disruption induced by the pandemic to last in some form for at least three to six more months. The company is confident of addressing this challenge that has impacted the industry globally and expects a steady improvement in operating parameters going forward.

Date: 26th June 2020

