

Gokaldas Exports Ltd

Performance Review – Q2 FY 2015-16

Gokaldas Export Limited (GEX) has posted a growth of 10% in revenue in Q2 FY2015-16 at Rs.298 Cr as compared Q1 of FY2015-16. On a YoY basis, revenue has declined by 6% in Q2 FY2015-16 as compared to Q2 FY2014-15. On a 6 month basis for FY 2015-16, this has declined by 4%.

There is favorable momentum seen in certain accounts where the business size has grown. This has got offset with decline in few other accounts where the customers' retail offtake have come under pressure. We are seeing positive signals in the US market with the economy's GDP growth being promising in the past few quarters. However, the situation in the European region continues to be weak. In our revenue mix, export revenues for the first 6 months of FY2015-16 has shown a marginal growth, whereas decline in domestic business has led to decline in total revenues.

Net borrowings have been brought down further in this quarter, and is under continuous focus. Company continues to post steady gross margins in this quarter too, and has reported positive PBT for the quarter under review. PBT for the quarter Q2 FY2015-16 stands at Rs.5.0 Cr as compared to Rs.3.2 Cr of Q2 FY14-15. Management has taken necessary initiatives to ensure improved performance, including various cost reduction initiatives to support bottom line which should start providing results from coming quarters.

Date: Nov 9, 2015