



During the financial year 2008-09, the company has reported a 9% increase in sales from Rs.1003 Crores to Rs.1094 Crores. The EBIDTA for the whole year stands at Rs.154 Crores, registering a growth of 30%.

This performance is impressive given that 2008-09 also saw one of the most severe economic meltdowns the world has ever seen, especially affecting the retail sales in both the US and European markets of our customers. The textile and clothing sector in India has gone through a rough time with customers shrinking volumes and lowering their purchase budgets. However Gokaldas Exports Ltd. has been able to maintain its volumes and increase its market share within India, as evident from the 9% increase its revenues.

However the company has been at the receiving end of the forex volatility this financial year, when the rupee initially appreciated and depreciated significantly against the US Dollar. This has resulted in large forex hedging losses to the tune of Rs.71 crores. As a result of this, the company's net profit has decreased from Rs 47 crore to Rs 3.4 crore this year. In the absence of these one-time hedging losses, this would have been among the best years of performance of the company.

For the Q-4 of 2008-09, the company registered a marginal profit of Rs.13 Lakhs as against a loss of Rs.15 Crores for Q-3 of the same year, primarily due to the depreciation of the Rupee.

As regards the order book for Q-1 and Q-2, the company is having orders of approximately Rs.450 Crores, despite the drop in demand from the US and European markets. However the next 6-7 months are expected to remain challenging for the retail markets in the West.