



Gokaldas Exports Ltd Performance Review Q3 2012-13

Gokaldas Exports Limited (GEX) has achieved total revenue of Rs.232 Cr on a consolidated basis in Q3 FY13 as compared to Rs.216 Cr in the corresponding quarter of previous year, showing a growth of 7%.

On a macro basis, there hasn't been any improvement seen in the apparel segment over the past few quarters. Exports of garments from India have declined by 8 % in first 9 months of current fiscal driven by a steep 22% decline in exports to Europe. Against this backdrop of declining exports, GEX has been able to show a growth of 15% in order book for the period April-December 2013 over corresponding period of previous year, through aggressive business development efforts. However due to weak demand, retail prices in the global markets are flat to lower with all major brands focusing on volume growth. In India, inflationary conditions continue to persist which is leading to rise in wages and salaries as well as other operational expenses. These factors have affected the bottom-line and have resulted in a PBT loss of Rs.39.8 Cr for the quarter under reference.

In order to counter the sluggish market conditions, the company has been working towards expanding the customer base. This has resulted in improved order book position in the second half of FY13, and these efforts will continue.

Increased focus on productivity improvement, cost management measures and growth in top line, should lead to improved performance in the coming quarters, despite the difficult market conditions.

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