

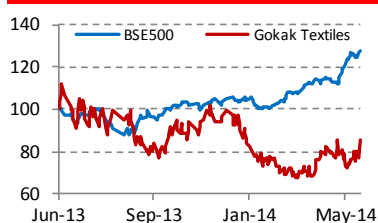
Gokak Textiles Ltd.

Market data

Current price*	Rs 35.4 (BSE)
Market cap *	Rs 230.1 m
Face value	Rs 10
BSE Code	532957
No. of shares	6.5 m
Free float	26.5%
52 week H/L*	Rs 46.0/26.0

*as on 3rd Jun 14

Rs 100 invested is now worth



Shareholding (Mar-2014)

Category	(%)
Promoters	73.5
FII's	3.1
DII's	5.6
Others	17.8
Total	100.0

Report prepared by

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Quarter results overview

Result performance review

- Gokak Textiles operating income declined by 5.6% on a year on year (YoY) basis during the March 2014 quarter. Its expenses however grew by 1.8% YoY during the same period.
- Due to fall in income coupled with increase in operating expense, the company's operating profit declined at a whopping rate of 96.9% YoY to Rs 2 m in the quarter.
- Consequently the operating margins got impacted and declined to 0.2% in March 2014 quarter as compared to 7.5% in the same quarter over the previous year.
- While depreciation increased marginally by 0.4% YoY, the interest charges declined by 2.7% YoY for the March quarter.
- At the bottom line level, the company's net loss increased to Rs 81.5 m as compared to loss of Rs 41 m during the same quarter of the previous year.

Quarter result comparison snapshot

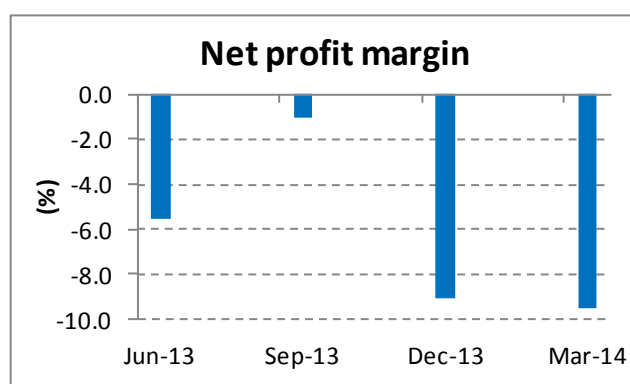
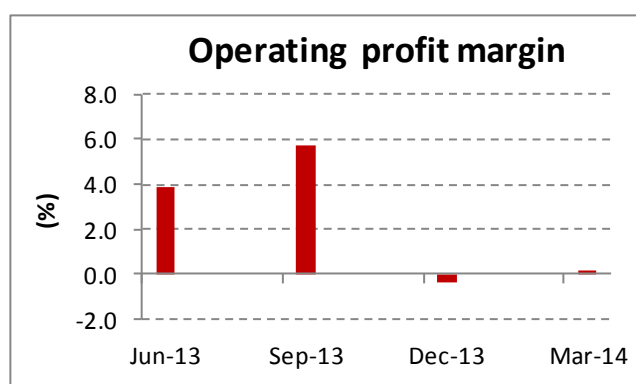
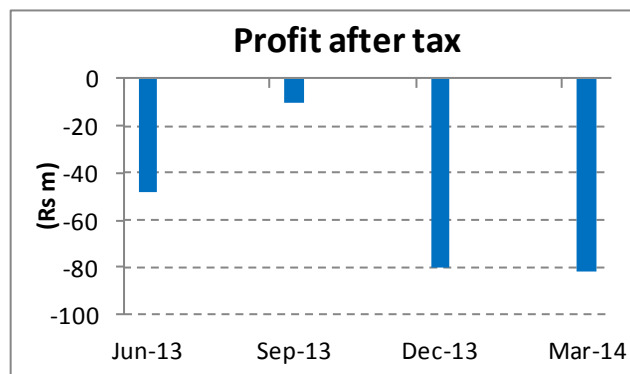
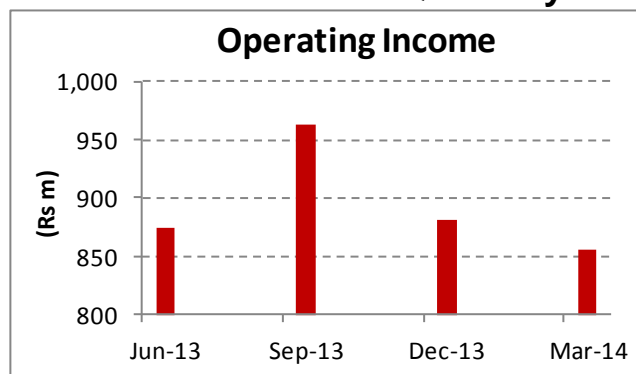
Rs m	Mar-13	Dec-13	Mar-14	QoQ ch	YoY ch
Operating Income	906.0	881.2	855.6	-2.9%	-5.6%
Other income	0.0	0.0	0.0		
Total Income	906.0	881.2	855.6	-2.9%	-5.6%
Expenses	838.0	885.0	853.5	-3.6%	1.8%
Operating profit	68.0	-3.8	2.1	NA	-96.9%
Depreciation	26.0	25.8	26.1	1.2%	0.4%
Interest	59.0	50.3	57.4	14.1%	-2.7%
Profit before tax	-17.0	-79.9	-81.5	NA	NA
Tax	24.0	0.0	0.0	NA	-100%
Profit after tax	-41.0	-79.9	-81.5	NA	NA
Operating profit margin	7.5%	-0.4%	0.2%		
Effective tax rate	-141%	0.0%	0.0%		
Net profit margin	-4.5%	-9.1%	-9.5%		
Diluted EPS	-6.3	-12.3	-12.5		

Note: Quarter results exclude extraordinary / exceptional items | Wherever the results are consolidated we have taken consolidated numbers else standalone. NA = Not applicable

Current valuation

The company's stock trades at Rs 35.4 per share. Its trailing twelve months earnings are negative, hence its P/E ratio is not meaningful.

Quarterly financial trend charts



Important Message from Equitymaster:

- This report has been prepared exclusively for the BSE Investor Protection initiative.
- The data for this report has been sourced primarily from the company's Annual Report and other publicly available information.
- Equitymaster did not meet the management of this company in person.
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- The only purpose of this report is to make available publicly information on the company to readers in a format that is easy to understand

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