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CIN: L85110KA1993PLC015091

Tuesday, 30th May, 2023

Department of Corporate Services (Listing) BSE Limited Phiroze Jeejeebhoy Towers Dalal Street, Fort Mumbai - 400 001 Scrip Code: 532413	Listing Department National Stock Exchange of India Limited 5 th Floor, Exchange Plaza Bandra (E), Mumbai-400 051 Scrip Symbol: CEREBRAINT
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Dear Sirs

Sub: Intimation of Outcome of Board Meeting held on Tuesday, 30th May, 2023.

Ref: Regulations 30 and 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI LODR Regulations”)

Further to our intimation dated 23rd May, 2023 and pursuant to Regulations 30 and 33 of SEBI LODR Regulations, we hereby inform you that the Board of Directors of Cerebra Integrated Technologies Limited (the “Company”) at its Meeting held today i.e., 30th May 2023, which commenced at 01:45 PM and concluded at 8.40 PM *inter-alia*, considered and approved the following:

1. Audited Financial Results prepared in accordance with Indian Accounting Standards (Ind AS) for the fourth quarter and financial year ended 31st March, 2023:

We hereby confirm that Messrs. YCRJ & Associates, Chartered Accountants (ICAI Firm Registration Number: 006927S), Statutory Auditors of the Company, have issued the Audit Report for the fourth quarter and financial year ended 31st March, 2023 with a modified opinion on the Audited Financial Results of the Company and pursuant to SEBI Circular No. CIRCULARCIR/CFD/CMD/56/2016 dated 27th May, 2016, statements showing impact on audit qualifications is also enclosed herewith.

2. Appointment of Messrs RPAR & Co. as the Internal Auditors of the Company for the FY 2022-23,



Thanking you
Yours faithfully

For Cerebra Integrated Technologies Limited

**Mala Poddar
Company Secretary and
Compliance Officer
M. No. - A53919**

Encl: As above

INDEPENDENT AUDITOR'S REPORT

To
The Board of Directors of
Cerebra Integrated Technologies Limited

Report on the audit of Standalone Financial Results

Qualified Opinion

We have audited the accompanying standalone quarterly financial results of Cerebra Integrated Technologies Limited (CIN :L85110KA1993PLC015091), for the quarter ended 31st March, 2023 and the year to date results for the period from April 01, 2022 to March 31, 2023, 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 (the "Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, Except for the effects of matters mentioned in the "Basis for Qualified Opinion" Para, these standalone financial results:

- a. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations; and
- b. gives a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards, and other accounting principles generally accepted in India of the net profit and other comprehensive income and other financial information of the company for the quarter ended March 31, 2023 as well as the year to date results for the period from April 01, 2022 to March 31, 2023.

Basis for Qualified Opinion

We conducted our audit of in accordance with the Standards on Auditing ("SA"s) specified under Section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those SAs are further described in the "Auditor's Responsibilities for the Audit of the 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 ("ICAI") together with the ethical requirements that are relevant to our audit of the financial results 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 ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our Qualified opinion.



- i. *The company has reported Rs.45.51 Crore as inventory held by the company including E waste inventory as on 31.03.2023, for which we have not been provided with item wise details, movement of inventory during the year and basis for valuation, due to the nature of inventory, we could not verify the quantity of the inventory and In the absence of sufficient audit evidence we are unable to validate the correctness of the quantity and value of inventory held as on 31.12.2023 and its consequential impact, if any, on the standalone Ind AS financial statement.*
- ii. *Loans (under Non current assets) reported by the company includes Rs.5.95 Crore receivable from its subsidiary company and which is outstanding for more than 3 years. Also, the subsidiary company's auditors expressed concerns over the subsidiary company's ability to continue as going concern as the net worth of the company has been completely eroded. The company has not made any provision for expected loss of said advance and its investment in equity shares (with book value of Rs.0.035 Crore) of the said subsidiary company. And hence, profit and Reserves reported in standalone financial result are over stated to the extent of Rs.5.97 Crore.*
- iii. *The company has not made any provision for bad and doubtful debts. Trade Receivables reported under non-current assets amounting Rs.60.57 crore and trade receivable reported under current assets includes Rs.86.40 crore receivable from various parties which are outstanding for more than 1 year. The balance reported under trade receivables are subject to confirmation and therefore we are unable to comment on the recoverability of the said receivables and its impact, if any, on the standalone Ind AS financial statements.*
- iv. *Other Non-Current Assets includes to Rs 85.28 Crore and Other current assets includes Rs.15 crore Pertaining to outstanding dues recoverable from an overseas party on account of sale consideration of Company's erstwhile subsidiary M/s Cerebra Middle East FZCO Dubai, vide sale agreement dated 17.03.2022. As per the terms of the said agreement, the payment period now stands expired and overdue for payment and no provision has been made in the books for bad and doubtful receivables, also the said balances were not restated as per the requirement of Ind AS 21 "The effects of changes in foreign exchange rates" and also, we are unable to comment on the regulatory compliances, recoverability of this and its impact on the standalone Ind AS financial statements.*
- v. *Other Current Assets includes Rs.18 crore capital advances and other advances paid by the company to various parties which are outstanding for more than 1 year and no provision has been made in the books for bad and doubtful portion and no confirmation of balances have been provided. Hence, we are unable to comment on its recoverability and its consequential impact, if any, on the standalone Ind AS financial statements.*

Emphasis of Matter

- a. We draw your attention to Current tax liabilities reported in Standalone Ind AS financial statement which includes Rs. 34.39 crore payable towards income tax dues of the company pertaining to earlier years.
- b. We draw your attention to Other current assets reported in Standalone Ind AS financial statement which includes the balance with Govt authorities amounting to Rs.5.82 cr which is subject to reconciliation with respective statutory returns.



- c. We draw attention to Exceptional items reported in the Standalone Ind AS financial statement, wherein advance for capital expenditure amounting Rs.14.44 crore has been written off and trade payable (trade payables) amounting to Rs.14.24 crore has been written back as no longer payable.
- d. We draw attention to Trade Payables reported in the Standalone Ind AS financial statement of Rs.52.36 crore is subject to confirmation and reconciliation.

Our opinion on the Statement is not modified in respect of above matters

Management's Responsibilities for the Standalone Financial Results

These quarterly standalone financial results as well as the year-to-date standalone financial results have been prepared on the basis of the annual financial statements.

The company's management and the Board of Directors are responsible for the preparation and presentation of these financial results that give a true and fair view of the net profit and other comprehensive income of the company and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standards, prescribed under Section 133 of the Act, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes 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 the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial results, the Board of Directors are responsible for assessing the Company's ability, 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 are also 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 standalone financial results 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 standalone financial results.



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

- Identify and assess the risks of material misstatement of the standalone financial results, 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 responsible for expressing our opinion, through a separate report on the complete set of financial statements, 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 financial results or, if such disclosures are inadequate, to modify our opinion. Our opinions 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 standalone financial results, including the disclosures, and whether the financial results represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance 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

The standalone annual financial results include the results for the quarter ended 31 March 2023 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 which were subject to limited review by us.

For **YCRJ & Associates**
Chartered Accountant
Firm Reg: 006927S


Yashwanth Khanderi

Partner

M No : 029066

Place: Bangalore

Date : May 30, 2023

UDIN : 23029066BGSEOY9688





CEREBRA INTEGRATED TECHNOLOGIES LIMITED

CIN: L85110KA1993PLC015091

Regd. Office: No.S 5 Off 3rd Cross, 1st Stage, Peenya Industrial Area,

Bangalore-560058 Tel No.: +91 80 2839 4783

email:investors@cerebracomputers.com, www.cerebracomputers.com,

Rs. In Lakhs

Statement of Standalone Audited Financial Results for the Fourth Quarter and Year ended 31.03.2023

Particulars	3 months ended			Year ended	
	31.03.2023	31.12.2022	31.03.2022	31.03.2023	31.03.2022
	(Audited) (Ref note 5)	(Unaudited)	(Audited)	(Audited)	(Audited)
I INCOME :					
(a) Revenue from operations	1,330.10	1,304.41	7,691.29	8,620.33	23,107.67
(b) Other income	41.21	3.30	463.79	51.52	479.73
Total income	1,371.31	1,307.71	8,155.07	8,671.85	23,587.40
II Expenses					
(a) Cost of materials consumed	1,254.56	755.73	6,267.54	6,164.95	17,220.68
(b) Employee benefit expenses	170.16	261.33	297.23	901.01	918.81
(c) Finance cost	344.72	152.72	202.75	952.56	624.96
(d) Depreciation and amortisation	11.69	10.15	9.34	42.14	42.82
(e) Other expenses	54.55	79.10	287.54	575.28	732.05
Total expenses	1,835.69	1,259.04	7,064.39	8,635.95	19,539.32
Profit before exceptional items and tax	(464.38)	48.67	1,090.68	35.90	4,048.08
Exceptional items					
- Advances written off as no longer receivable				1,443.91	-
- Creditors written back as no longer payable				(1,424.48)	-
Profit Before Tax	(464.38)	48.67	1,090.68	16.47	4,048.08
Current tax	(628.83)	10.71	849.16	(185.21)	1,292.77
Prior Period Tax Expenses					
Deferred tax expense				(50.78)	12.83
Total tax expense	(628.83)	10.71	849.16	(235.99)	1,305.60
Profit after tax for the year	164.44	37.96	241.52	252.46	2,742.48
OTHER COMPREHENSIVE INCOME / (LOSS)					
(i) Items that will not be reclassified subsequently to the statement of profit and loss	-	-	-	-	-
(ii) Income tax on the items that will not be reclassified subsequently to the statement of profit and loss	-	-	-	-	(0.22)
TOTAL OTHER COMPREHENSIVE INCOME / (LOSS)	-	-	-	-	(0.22)
TOTAL COMPREHENSIVE INCOME / (LOSS) FOR THE YEAR	164.44	37.96	241.52	252.46	2,742.26
Earnings per share (of Rs 10 each):					
Basic	0.01	0.03	0.02	0.23	2.45
Diluted	0.02	0.03	0.02	0.23	2.31

Notes

- The above audited financial results as reviewed and recommended by the Audit Committee were approved by the Board of Directors at its Meeting held on 30th May, 2023.
- These financial results have been prepared in accordance with Indian Accounting Standards ("IND AS") prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules thereunder and in terms of Regulation 33 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and SEBI Circular dated 5 July, 2016.
- The Company has added to its list a few more MNC companies as clients.
- Since more than 90% of the operations of the Company are related to E-Waste, segment results are not published.
- The figures for the quarter ended 31st March 2023 and 31st March 2022 are arrived at as difference between audited figures for the respective full financial year and reviewed figures up to 9 months ended 31st December 2022 and 31st December 2021 respectively.

For and on behalf of the Board of Directors
For CEREBRA INTEGRATED TECHNOLOGIES LTD.

V. Ranganathan
Managing Director
V. Ranganathan

Managing Director
DIN: 01247305

Place : Bangalore
Date: 30.05.2023

Statement of Assets and Liabilities

Particulars	Rs. in Lakhs	
	31-Mar-23	31-Mar-22
Assets		
Non-current assets		
Property, plant and equipment	963.05	959.05
Intangible asset	20.07	28.19
Capital work in progress- Building	290.91	290.91
Intangible asset under development		
Financial assets		
i) Investments		
a) Investment in subsidiaries, associates and joint ventures	3.50	3.50
b) Investment in others	25.24	25.04
ii) Trade receivables	6,056.75	6,056.75
iii) Loans and advances	595.24	594.12
iv) Other financial assets	4.38	2.91
Deferred tax assets(Net)	104.73	53.95
Other non current assets	9,497.05	9,374.90
Current assets		
Inventories	4,550.89	2,287.75
Financial assets		
i) Trade receivables	14,008.57	18,908.81
ii) Cash and cash equivalents	11.99	39.52
iii) Bank balances other than (ii) above	218.03	187.13
iv) Loans and advances		
Other current assets	4,162.85	4,287.57
Total assets	40,514.23	43,100.09
Equity and liabilities		
Equity		
(a) Equity share capital	11,198.65	11,198.65
(b) Other equity	15,339.14	15,086.68
Liabilities		
Non-current liabilities		
Financial liabilities		
Borrowings	1.62	3.31
Provisions	48.65	56.10
Current liabilities		
Financial liabilities		
i) Borrowings	4,101.32	3,242.40
ii) Trade payable		
a) Total outstanding dues of micro enterprise and small enterprise	19.04	9.61
b) Total outstanding dues of creditors other than micro enterprise and small enterprise	5,217.31	8,775.34
iii) Other financial liabilities	18.39	75.77
Provisions	126.62	106.15
Other current liabilities	1,000.42	1,255.23
Current tax liabilities (Net)	3,443.08	3,290.84
Total equity and liabilities	40,514.23	43,100.09

For and on behalf of the Board of Directors
For CEREBRA INTEGRATED TECHNOLOGIES LTD.


Managing Director

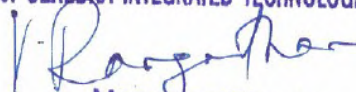
V. Ranganathan
Managing Director
DIN: 0124730

Place : Bangalore
Date: 30.05.2023

Cerebra Integrated Technologies Limited
Standalone Cash flow Statement for the Year Ended 31st March 2023

Particulars	INR in Lakhs	
	2022-23	2021-22
A.Cash flow from operating activities		
Net profit before tax	16.47	4,048.08
Adjustments for:		
Depreciation(net)	42.14	42.82
Interest expenditure	952.56	624.96
Interest income	-13.79	-12.08
Excess provision/unclaimed credit withdrawn	-1,459.37	-
Adjustments for unrealised foreign exchange losses gains	-0.87	345.55
Trade receivables written off	1,443.91	0.76
Provision for employee benefit Expenses	48.13	-
Provision for warranty	-35.11	-
Income tax provision	185.21	-
Dividend Income	-1.32	-
Bad Advances Written off	-	-
Profit on sale of assets	-	1,002.01
Operating profit/(Loss)before working capital changes	1,177.95	5,050.09
Adjustments for changes in :		
Decrease/(increase) in inventories	-2,263.14	256.94
Decrease/(increase) in trade & other receivables	3,458.31	-14,595.48
Decrease/(increase) in trade & other payables	-2,397.29	7,554.44
	-1,202.11	-6,784.10
Cash generated from operations	-24.16	-1,734.01
Less: Income tax paid(net of refund)	174.17	-
Net cash flow from operating activities	-198.33	-1,734.01
B.Cash flow from investing activities		
Interest income	13.79	12.08
Investment in Subsidiary	-	-
Dividend Income	1.32	-
Investment in fixed deposits	-30.91	-
Redemption /(Investment) in mutual funds(Net)	-1.20	-1.02
Purchase of fixed assets including capital WIP	-38.01	-27.96
Net cash flow from investing activities	-55.01	-16.90
C.Cash flow from Financing activities		
Increase(decrease) in borrowings	836.22	656.62
Loan to Subsidiary	-1.13	-
Increase in Fixed Deposits	-	327.11
Amount received towards share capital, security premium and share warrants	-	-
Interest paid	-630.30	-625.40
Net cash flow from financing activities	204.79	358.33
Net increase/(Decrease)in Cash & Cash equivalents(A+B+C)	-48.54	-1,392.57
Cash &Cash equivalents		
Opening balance	-2,346.88	-954.31
Closing balance	-2,395.42	-2,346.88
Net increase/Decrease in cash and cash equivalents	-48.54	-1,392.57

For CEREBRA INTEGRATED TECHNOLOGIES LTD.

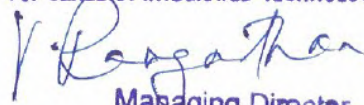

Managing Director

Notes:

6. Cash flow statement has been prepared under the 'Indirect Method' as set out in the Ind AS 7 - Cash Flow statements.
7. Cash and cash equivalents represent cash and bank balances.
8. Previous year's figures have been regrouped/reclassified wherever applicable.

For and on behalf of the Board of Directors

For CEREBRA INTEGRATED TECHNOLOGIES LTD.



Managing Director

V. Ranganathan
Managing Director

DIN: 01247305

Place : Bangalore

Date: 30.05.2023

ANNEXURE I

Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with Annual Audited Financial Results – (Standalone)

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2023				
			Audited Figures (Rs. In Lakhs Except EPS)	Adjusted Figures (Rs. In Lakhs Except EPS)
I.	Sl. No.	Particu lars	(as reported before adjusting for qualifications)	(audited figures after adjusting for qualifications)
	1.	Turnover / Total income	8671.85	8671.85
	2.	Total Expenditure	8419.39	9016.39
	3.	Net Profit/(Loss)	252.46	(344.54)
	4.	Earnings / (loss) Per Share (Basic)	0.23	(0.31)
	5.	Total Assets	40514.23	39917.23
	6.	Total Liabilities	40514.23	39917.23
	7.	Net Worth	26537.79	25940.79
	8.	Any other financial item(s) (as felt appropriate by the management)	-	-
II.	<u>Audit Qualification (each audit qualification separately):</u>			
	a.	Details of Audit Qualification:		
	i.	The company has reported Rs.45.51 Crore as inventory held by the company including E waste inventory as on 31.03.2023, for which we have not been provided with item wise details, movement of inventory during the year and basis for valuation, due to the nature of inventory, we could not verify the quantity of the inventory and In the absence of sufficient audit evidence we are unable to validate the correctness of the quantity and value of inventory held as on 31.12.2023 and its consequential impact, if any, on the standalone Ind AS financial statement.		
	ii.	Loans (under Non-current assets) reported by the company includes Rs.5.95 Crore receivable from its subsidiary company and which is outstanding for more than 3 years. Also, the subsidiary company's auditors expressed concerns over the subsidiary company's ability to continue as going concern as the net worth of the company has been completely eroded. The company has not made any provision for expected loss of said advance and its investment in equity shares (with book value of Rs.0.035 Crore) of the said subsidiary company. And hence, profit and Reserves reported in standalone financial result are over stated to the extent of Rs.5.97 Crore.		
	iii.	The company has not made any provision for bad and doubtful debts. Trade Receivables reported under non-current assets amounting Rs.60.57 crore and trade receivable reported under current assets includes Rs.86.40 crore receivable from various parties which are outstanding for more than 1 year. The balance reported under trade receivables are subject to confirmation and therefore we are unable to comment on the recoverability of the said receivables and its impact, if any, on the standalone Ind AS financial statements.		

iv. Other Non-Current Assets includes to Rs 85.28 Crore and Other current assets includes Rs.15 crore Pertaining to outstanding dues recoverable from an overseas party on account of sale consideration of Company's erstwhile subsidiary M/s Cerebra Middle East FZCO Dubai, vide sale agreement dated 17.03.2022. As per the terms of the said agreement, the payment period now stands expired and overdue for payment and no provision has been made in the books for bad and doubtful receivables, also the said balances were not restated as per the requirement of Ind AS 21 "The effects of changes in foreign exchange rates" and also, we are unable to comment on the regulatory compliances, recoverability of this and its impact on the standalone Ind AS financial statements.

v. Other Current Assets includes Rs.18 crore capital advances and other advances paid by the company to various parties which are outstanding for more than 1 year and no provision has been made in the books for bad and doubtful portion and no confirmation of balances have been provided. Hence, we are unable to comment on its recoverability and its consequential impact, if any, on the standalone Ind AS financial statements.

b. **Type of Audit Qualification :** Qualified Opinion

c. **Frequency of qualification:** 3 qualifications Appeared first time and 2 qualifications are repeated

d. **For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:**

With respect to the qualifications mentioned above, Auditor has quantified only the qualification mentioned in the point no.ii. With respect to the same management proposing to merge the subsidiary company with the company or it will look out for outright sale for recovery of advance.

e. **For Audit Qualification(s) where the impact is not quantified by the auditor:** In respect of the qualification mentioned in the point no.1 the impact is not quantified by the auditors.

(i) **Management's estimation on the impact of audit qualification:** No quantification.

(ii) **If management is unable to estimate the impact, reasons for the same:** With respect to the qualification mentioned above in point no.i management is of the opinion that, company have maintained stock records. However, nature of inventory measurement of EPR materials can be done only on estimated basis. However, company has initiated the development of software to address the requirement.

With respect to the qualification mentioned above in point no.iii, the management is of the opinion that, it is continuously following up with customers for recovery and also formed bad debts provision policy for making provision for bad and doubtful debts. However, the management is confident of recovering most of the receivables

With respect to the qualification mentioned above in point no.iv, the management is of the opinion that, it is taking steps to revalidate the agreement by extending period and is confident of recovering the dues.

With respect to the qualification mentioned above in point no.v, the management is of the opinion that, the company has given advances for purchase of machinery which were subsequently rejected due to quality issues and making efforts to recover the advance given.

(iii) **Auditors' Comments on (i) or (ii) above:** This will be looked into in the forthcoming quarters.

<p>III.</p>	<p>Signatories:</p> <p>For CEREBRA INTEGRATED TECHNOLOGIES LTD.</p> <p><i>V. Rangappa</i> Managing Director CEO/Managing Director</p> <p><i>Slyyapa k...</i> Audit Committee Chairman</p> <p><i>[Signature]</i> CFO</p> <p><i>[Signature]</i> Statutory Auditor</p> <p>Place: Bangalore Date: 30.05.2023</p>
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INDEPENDENT AUDITOR'S REPORT

To
**The Board of Directors of
Cerebra Integrated Technologies Limited**

Report on the audit of the Consolidated Annual Financial Results

Qualified Opinion

We have audited the accompanying consolidated annual financial results of Cerebra Integrated Technologies Limited (hereinafter referred to as the "Holding Company") and its subsidiary (Holding Company and its subsidiary together referred to as "the Group") for the year ended 31 March 2023, 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, Except for the effects of matters mentioned in the "Basis for Qualified Opinion" Para and based on the consideration of reports of other auditors on separate audited financial statements of the subsidiaries the aforesaid consolidated annual financial results:

a. include the annual financial results of the following entity

1. Cerebra LPO India Limited

b. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and

c. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards, and other accounting principles generally accepted in India, of consolidated net profit and other comprehensive income and other financial information of the Group for the year ended 31 March 2023.

Basis for Qualified Opinion

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Annual 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 along with the consideration of audit reports of the other auditors referred to in sub paragraph (a) of the "Other Matters" paragraph below, is sufficient and appropriate to provide a basis for our qualified opinion on the consolidated annual financial results.

- i. *The company has reported Rs.45.51 Crore as inventory held by the company including E waste inventory as on 31.03.2023, for which we have not been provided with item wise details, movement of inventory during the year and basis for valuation, due to the nature of inventory, we could not verify the quantity of the inventory and In the absence of sufficient audit evidence we are unable to validate the correctness of the quantity and value of inventory held as on 31.12.2023 and its consequential impact, if any, on the consolidated Ind AS financial statement.*
- ii. *The company has not made any provision for bad and doubtful debts. Trade Receivables reported under non-current assets amounting Rs.60.57 crore and trade receivable reported under current assets includes Rs.86.40 crore receivable from various parties which are outstanding for more than 1 year. The balance reported under trade receivables are subject to confirmation and therefore we are unable to comment on the recoverability of the said receivables and its impact, if any, on the consolidated Ind AS financial statements.*
- iii. *Other Non-Current Assets includes to Rs 85.28 Crore and Other current assets includes Rs.15 crore Pertaining to outstanding dues recoverable from an overseas party on account of sale consideration of Company's erstwhile subsidiary M/s Cerebra Middle East FZCO Dubai, vide sale agreement dated 17.03.2022. As per the terms of the said agreement, the payment period now stands expired and overdue for payment and no provision has been made in the books for bad and doubtful receivables, also the said balances were not restated as per the requirement of Ind AS 21 "The effects of changes in foreign exchange rates" and also, we are unable to comment on the regulatory compliances, recoverability of this and its impact on the consolidated Ind AS financial statements.*
- iv. *Other Current Assets includes Rs.18 crore capital advances and other advances paid by the company to various parties which are outstanding for more than 1 year and no provision has been made in the books for bad and doubtful portion and no confirmation of balances have been provided. Hence, we are unable to comment on its recoverability and its consequential impact, if any, on the consolidated Ind AS financial statements.*

Emphasis of Matter

We draw attention to the following matters in the consolidated financial result wherein:

- We draw your attention to Current tax liabilities reported in Consolidated Ind AS financial statement which includes Rs. 34.39 crore payable towards income tax dues of the company pertaining to earlier years.
- We draw your attention to Other current assets reported in Consolidated Ind AS financial statement which includes the balance with Govt authorities amounting to Rs.5.82 cr which is subject to reconciliation with respective statutory returns.



- We draw attention to Exceptional items reported in the Consolidated Ind AS financial statement, wherein advance for capital expenditure amounting Rs.14.44 crore has been written off and trade payable (trade payables) amounting to Rs.14.24 crore has been written off as no longer payable.
- We draw attention to Trade Payables reported in the Consolidated Ind AS financial statement of Rs.52.36 crore is subject to confirmation and reconciliation.

Our opinion on the Statement is not modified in respect of above matters

Management's and Board of Directors' Responsibilities for the Consolidated Annual Financial Results

These consolidated annual financial results have been prepared on the basis of the consolidated annual financial statements. The Holding Company's Management and the Board of Directors are responsible for the preparation and presentation of these consolidated annual financial results that give a true and fair view of the consolidated net profit and other comprehensive income and other financial information of the Group in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Act and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The respective Management and 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 each 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 consolidated annual financial results 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 consolidated annual financial results by the Management and the Directors of the Holding Company, as aforesaid.

In preparing the consolidated annual financial results, the Management and the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of each 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 respective Board of Directors either intends to liquidate the company 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 is responsible for overseeing the financial reporting process of each company.

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

Our objectives are to obtain reasonable assurance about whether the consolidated annual financial results 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 consolidated annual financial results.

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 consolidated annual financial results, 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 through a separate report on the complete set of financial statements 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 in the consolidated financial results made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and 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 appropriateness of this assumption. 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 consolidated annual financial results 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 consolidated annual financial results, including the disclosures, and whether the consolidated annual financial results 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 consolidated annual financial results. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial results of which we are the independent auditors. For the other entities included in the consolidated annual financial results, 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. Our responsibilities in this regard are further described in paragraph (a) of the section titled "Other Matters" in this audit report.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated annual financial results 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

- (a) The consolidated annual financial results include the audited financial results of M/s Cerebra LPO India Limited the subsidiary, whose financial statements reflect total assets (before consolidation adjustments) of Rs. 0.87 lakhs as at 31 March 2023, total revenue (before consolidation adjustments) of Rs. Nil and total net loss (before consolidation adjustments) of Rs. 1.03 lakhs and nil net cash outflows of lakhs for the year ended on that date, as considered in the consolidated annual financial results, which have been audited by their independent auditor. The independent auditors' reports on financial statements of the entity have been furnished to us by the management and our opinion on the consolidated annual financial results, in so far as it relates to the amounts and disclosures included in respect of this entity, is based solely on the report of such auditor and the procedures performed by us are as stated in paragraph above.
Our opinion on the consolidated annual financial results is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.
- (b) The consolidated annual financial results include the results for the quarter ended 31 March 2023 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 which were subjected to limited review by us.

For **YCRJ & Associates**
Chartered Accountant
Firm Reg: 006927S


Yashvanth Khanderi
Partner

M No : 029066

Place: Bangalore

Date : May 30, 2023

UDIN : 23029068BGSEOZ5740





CEREBRA INTEGRATED TECHNOLOGIES LIMITED
CIN: L85110KA1993PLC015091

Regd. Office: No.5 S Off 3rd Cross, 1st Stage, Peenya Industrial Area,

Bangalore-560058 Tel No.: +91 80 2839 4783

email: investors@cerebracomputers.com, www.cerebracomputers.com,

Statement of Consolidated Audited Financial Results for the Fourth Quarter and Audited Financial Year ended 31.03.2023

Particulars	3 months ended			Year ended	
	31.03.2023	31.12.2022	31.03.2022	31.03.2023	31.03.2022
	(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
I INCOME :					
(a) Revenue from operations	1,330.10	1,304.41	7,657.15	8,620.33	23,107.67
(b) Other income	41.21	3.30	463.40	51.52	479.73
Total income	1,371.31	1,307.71	8,120.55	8,671.85	23,587.40
II Expenses					
(a) Cost of materials consumed	1,254.56	755.73	6,191.06	6,164.95	17,220.68
(b) Employee benefit expenses	170.16	261.33	264.13	901.01	918.81
(c) Finance cost	344.72	152.73	202.76	952.56	624.97
(d) Depreciation and amortisation	11.69	10.15	9.40	42.14	42.82
(f) Other expenses	54.77	79.45	248.28	576.31	733.11
Total expenses	1,835.90	1,259.40	6,915.63	8,636.98	19,540.38
Profit before exceptional items and tax	(464.58)	48.31	1,204.93	34.87	4,047.02
Exceptional items					
- Advances written off as no longer receivable	-	-	-	1,443.91	-
- Creditors written back as no longer payable	-	-	-	(1,424.48)	-
Profit Before Tax	(464.58)	48.31	1,204.93	15.44	4,047.02
Current tax	(290.82)	10.63	849.16	(185.21)	1,292.77
Prior Period Tax Expenses	-	-	-	-	-
Deferred tax expense	-	-	-	(50.78)	12.83
Total tax expense	(290.82)	10.63	849.16	(235.99)	1,305.60
Profit after tax for the year	(173.76)	37.68	355.77	251.43	2,741.42
OTHER COMPREHENSIVE INCOME / (LOSS)					
(i) Items that will not be reclassified subsequently to the statement of profit and loss	-	-	-	-	-
(ii) income tax on the items that will not be reclassified subsequently to the statement of profit and loss	-	-	-	-	(0.22)
TOTAL OTHER COMPREHENSIVE INCOME / (LOSS)	-	-	-	-	0.22
TOTAL COMPREHENSIVE INCOME / (LOSS) FOR THE YEAR	(173.76)	37.68	355.77	251.43	2,741.64
Profit for the year attributable to :					
Shareholders of the company	(173.98)	37.79	355.73	251.74	2,741.52
Non controlling interest	0.05	(0.11)	0.05	(0.31)	(0.32)
Other comprehensive income attributable to					
Shareholders of the company	-	-	-	-	-
Non controlling interest	-	-	-	-	-
Total comprehensive income attributable to					
Shareholders of the company	(173.98)	37.79	355.73	251.74	2,741.52
Non controlling interest	0.05	(0.11)	0.05	(0.31)	(0.32)
Earnings per share (of Rs 10 each):					
Basic	(0.02)	0.03	0.03	0.22	2.45
Diluted	0.03	0.03	0.03	0.22	2.31


For CEREBRA INTEGRATED TECHNOLOGIES LTD.

V. Ranganatha
Managing Director

Consolidated Statement of Assets and Liabilities

Particulars	31-Mar-23	31-Mar-22
Assets		
Non-current assets		
Property, plant and equipment	953.05	959.05
Intangible asset	20.07	28.19
Capital work in progress	290.91	290.91
Intangible asset under development	-	-
Financial assets		
i) Investments	26.24	25.04
ii) Trade receivables	6,056.75	6,056.75
iii) Loans and advances	-	-
iv) Other financial assets	4.38	2.91
Deferred tax assets(Net)	104.73	53.96
Other non current assets	9,497.07	9,374.92
Current assets		
Inventories	4,550.89	2,287.75
Financial assets		
i) Trade receivables	14,008.57	18,908.81
ii) Cash and cash equivalents	12.22	39.75
iii) Bank balances other than (ii) above	218.03	187.13
iv) Loans and advances	-	-
Other current assets	4,163.47	4,288.00
Total assets	39,916.36	42,503.17
Equity and liabilities		
Equity		
(a) Equity share capital	11,198.65	11,198.65
(b) Other equity	14,842.20	14,590.46
Non Controlling Interest	(211.48)	(211.17)
Liabilities		
Non-current liabilities		
Financial liabilities		
Borrowings	1.62	3.31
Provisions	48.65	55.10
Current liabilities		
Financial liabilities		
i) Borrowings	4,101.32	3,242.40
ii) Trade payable		
a) Total outstanding dues of micro enterprise and small enterprise	19.04	9.61
b) Total outstanding dues of creditors other than micro enterprise and small enterprise	5,217.31	8,775.34
iii) Other financial liabilities	28.01	85.32
Provisions	128.96	108.49
Other current liabilities	1,099.01	1,353.83
Current tax liabilities (Net)	3,443.08	3,290.84
Total equity and liabilities	39,916.36	42,503.17

For CEREBRA INTEGRATED TECHNOLOGIES LTD.



Managing Director

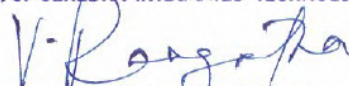
Cerebra Integrated Technologies Limited
Consolidated Cash flow Statement for the Year Ended 31st March 2023

INR in Lakhs

Particulars	2022-23		2021-22	
A.Cash flow from operating activities				
Net profit before tax		15.44		4,047.02
Adjustments for:				
Depreciation(net)	42.14		42.82	
Interest expenditure	952.56		624.97	
Interest income	-13.79		-12.08	
Excess provision/unclaimed credit withdrawn	-1,459.37		-	
Trade receivables written off	1,443.91		0.76	
Adjustments for unrealised foreign exchange losses gains	-0.87		345.55	
Provision for impairment in Investment / Loan in subsidiary			-	
Provision for employee benefit Expenses	48.13			
Provision for warranty	-35.11		-	
Dividend Income	-1.32		-1.11	
Income tax provision write back	185.21		-	
Profit on sale of assets	-	1,161.48	-	1,000.90
Operating profit/(Loss)before working capital changes		1,176.93		5,047.91
Adjustments for changes in :				
Decrease/(increase) in inventories	-2,263.14		256.94	
Decrease/(increase) in trade & other receivables	3,458.13		-14,595.97	
Decrease/(increase) in trade & other payables	-2,397.21		7,555.52	
		-1,202.22		-6,783.50
Cash generated from operations		-25.29		-1,735.58
Less: Income tax paid(net of refund)		174.17		-
Net cash flow from operating activities		-199.46		-1,735.58
B.Cash flow from investing activities				
Interest income	13.79		12.08	
Investment in Subsidiary				
Dividend Income	1.32		-	
Repayment of Loan to Holding Company				
Investment in fixed deposits	-30.91		1.11	
Redemption /(Investment) in mutual funds(Net)	-1.20		-1.02	
Purchase of fixed assets including capital WIP	-38.01		-27.96	
Net cash flow from investing activities		-55.01		-15.78
C.Cash flow from Financing activities				
Increase(decrease) in borrowings	836.22		656.62	
Increase in Fixed Deposits			327.11	
Amount received towards share capital, security premium and share warrants				
Interest paid	-630.30		-624.97	
Net cash flow from financing activities		205.92		358.76
Cash in currency fluctuation		0		-
Net increase/(Decrease)in Cash & Cash equivalents(A+B+C)		-48.55		-1,392.60
Cash &Cash equivalents				
Opening balance		-2,346.64		-954.04
Closing balance		-2,395.19		-2,346.64
Net increase/Decrease in cash and cash equivalents		-48.55		-1,392.60

For and on behalf of the Board of Directors

For CEREBRA INTEGRATED TECHNOLOGIES LTD.


Managing Director

V. Ranganathan
Managing Director

DIN: 01247305

Place : Bangalore

Date: 30.05.2023

ANNEXURE I

Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with Annual Audited Financial Results – (Consolidated)

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2023				
			Audited Figures (Rs. In Lakhs Except EPS)	Adjusted Figures (Rs. In Lakhs Except EPS)
I.	Sl. No.	Particu lars	(as reported before adjusting for qualifications)	(audited figures after adjusting for qualifications)
	1.	Turnover / Total income	8671.85	8671.85
	2.	Total Expenditure	8420.42	8420.42
	3.	Net Profit/(Loss)	251.43	251.43
	4.	Earnings / (loss) Per Share (Basic)	0.22	0.22
	5.	Total Assets	39916.36	39916.36
	6.	Total Liabilities	39916.36	39916.36
	7.	Net Worth	26040.85	26040.85
	8.	Any other financial item(s) (as felt appropriate by the management)	-	-
II.	Audit Qualification (each audit qualification separately):			
	Details of Audit Qualification:			
	<p>I. The company has reported Rs.45.51 Crore as inventory held by the company including E waste inventory as on 31.03.2023, for which we have not been provided with item wise details, movement of inventory during the year and basis for valuation, due to the nature of inventory, we could not verify the quantity of the inventory and In the absence of sufficient audit evidence we are unable to validate the correctness of the quantity and value of inventory held as on 31.12.2023 and its consequential impact, if any, on the consolidated Ind AS financial statement.</p>			
	<p>II. The company has not made any provision for bad and doubtful debts. Trade Receivables reported under non-current assets amounting Rs.60.57 crore and trade receivable reported under current assets includes Rs.86.40 crore receivable from various parties which are outstanding for more than 1 year. The balance reported under trade receivables are subject to confirmation and therefore we are unable to comment on the recoverability of the said receivables and its impact, if any, on the consolidated Ind AS financial statements.</p>			
	<p>III. Other Non-Current Assets includes to Rs 85.28 Crore and Other current assets includes Rs.15 crore Pertaining to outstanding dues recoverable from an overseas party on account of sale consideration of Company's erstwhile subsidiary M/s Cerebra Middle East FZCO Dubai, vide sale agreement dated 17.03.2022. As per the terms of the said agreement, the payment period now stands expired and overdue for payment and no provision has been made in the books for bad and doubtful receivables, also the said balances were not restated as per the requirement of Ind AS 21 "The effects of changes in foreign exchange rates" and also, we are unable to comment on</p>			

the regulatory compliances, recoverability of this and its impact on the consolidated Ind AS financial statements.

IV. Other Current Assets includes Rs.18 crore capital advances and other advances paid by the company to various parties which are outstanding for more than 1 year and no provision has been made in the books for bad and doubtful portion and no confirmation of balances have been provided. Hence, we are unable to comment on its recoverability and its consequential impact, if any, on the consolidated Ind AS financial statements.

b. **Type of Audit Qualification :** Qualified Opinion

c. **Frequency of qualification:** 3 qualifications Appeared first time and 1 qualification is repeated

d. **For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:**

For the qualifications mentioned above, auditor has not quantified the impact

e. **For Audit Qualification(s) where the impact is not quantified by the auditor:** In respect of the qualification mentioned above the impact is not quantified by the auditors.

(i) **Management's estimation on the impact of audit qualification:** No quantification.

(ii) **If management is unable to estimate the impact, reasons for the same:** With respect to the qualification mentioned above in point no.I management is of the opinion that, company have maintained stock records. However, nature of inventory measurement of EPR materials can be done only on estimated basis. However, company has initiated the development of software to address the requirement.

With respect to the qualification mentioned above in point no.II, the management is of the opinion that, it is continuously following up with customers for recovery and also formed bad debts provision policy for making provision for bad and doubtful debts. However, the management is confident of recovering most of the receivables

With respect to the qualification mentioned above in point no.III, the management is of the opinion that, it is taking steps to revalidate the agreement by extending period and is confident of recovering the dues.

With respect to the qualification mentioned above in point no.IV, the management is of the opinion that, the company has given advances for purchase of machinery which were subsequently rejected due to quality issues and making efforts to recover the advance given.

(iii) **Auditors' Comments on (i) or (ii) above:** This will be looked into in the forthcoming quarters.

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<p>III.</p>	<p>Signatories:</p> <p>For CEREBRA INTEGRATED TECHNOLOGIES LTD.</p> <p><i>V. Rangana</i> Managing Director Managing Director</p> <p><i>S. Jyopala Krishna</i> Audit Committee Chairman</p> <p>Place: Bangalore Date: 30.05.2023</p> <p><i>[Handwritten Signature]</i> CFO</p> <p>For YCRJ & Associates Chartered Accountants <i>[Handwritten Signature]</i> Partner Id No: 122896 FIC No: 0058276</p> <p>Statutory Auditor</p>
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