



**PearlGlobal**

PGIL/SE/2020-21/18

Date: July 28, 2020

**THE GENERAL MANAGER,**  
DEPARTMENT OF CORPORATE SERVICES - CRD  
BSE LIMITED  
1<sup>ST</sup> FLOOR, NEW TRADING RING  
ROTUNDA BUILDING, P. J. TOWERS  
DALAL STREET, FORT,  
MUMBAI - 400 001

**THE GENERAL MANAGER,**  
LISTING DEPARTMENT  
NATIONAL STOCK EXCHANGE OF INDIA LTD.  
"EXCHANGE PLAZA", PLOT NO. C- 1,  
G- BLOCK,  
BANDRA - KURLA COMPLEX,  
BANDRA ( E ),  
MUMBAI - 400 051

**Reg: Scrip Code:        BSE-532808;        NSE - PGIL;**

**SUB:    AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31.03.2020.**

Dear Sir/Madam,

In continuation of our earlier letter no. PGIL/SE/2020-21/15 of even dated, please find enclosed herewith a copy of Audited Financial Results (Standalone & Consolidated) for the quarter and year ended March 31, 2020 along with Auditors' Report and Statement on Impact of Audit Qualifications on Consolidated Annual Financial Results for the year ended 31<sup>st</sup> March, 2020, in the prescribed format.

Further, we hereby confirm that the Statutory Auditors have issued Audit Report with unmodified opinion for the Standalone Financial Results for the year ended 31<sup>st</sup> March, 2020.

Kindly take the above on record.

Thanking you,

Yours faithfully,  
for **Pearl Global Industries Limited**

**(Sandeep Sabharwal)**  
**Company Secretary**

Encl: As above

**Pearl Global Industries Limited** ←

Corp. Office : Plot No. 51, Sector-32, Gurgaon-122001 Haryana (INDIA)  
Tel.: +91-124-4651000, Fax : +91-124-4651010. Website: www.pearlglobal.com

CIN : L74899DL1989PLC036849

Regd. Office: A-3, Community Centre, Naraina Industrial Area, Phase-II, New Delhi-110028

**Statement of Standalone & Consolidated Audited Financial Results for the quarter and Year ended 31st March 2020**

(₹ in Lakh except earning per share data)

Sl. No.	Particulars	Consolidated					Standalone				
		Quarter Ended 31.03.2020 (Audited)	Quarter Ended 31.12.2019 (Unaudited)	Quarter Ended 31.03.2019 (Audited)	Year Ended 31.03.2020 (Audited)	Year Ended 31.03.2019 (Audited)	Quarter Ended 31.03.2020 (Audited)	Quarter Ended 31.12.2019 (Unaudited)	Quarter Ended 31.03.2019 (Audited)	Year Ended 31.03.2020 (Audited)	Year Ended 31.03.2019 (Audited)
I	Revenue										
	Revenue from Operations	51,847.40	35,030.13	50,254.18	1,68,512.58	1,75,749.78	24,611.75	15,899.40	26,157.20	82,533.33	84,025.72
II	Other Income	1,260.83	926.64	1,430.99	4,905.49	3,392.82	860.05	621.88	872.80	3,338.77	2,630.62
III	<b>Total income from operations (I+II)</b>	<b>53,108.23</b>	<b>35,956.77</b>	<b>51,685.17</b>	<b>1,73,418.07</b>	<b>1,79,142.60</b>	<b>25,471.80</b>	<b>16,521.28</b>	<b>27,030.00</b>	<b>85,872.10</b>	<b>86,656.34</b>
IV	Expenses										
	a) Cost of material consumed	21,041.14	18,897.78	20,486.04	76,203.44	76,220.57	7,817.90	7,360.00	8,834.21	28,543.04	26,069.98
	b) Purchase of stock in trade	1,058.47	1,056.52	3,265.31	5,210.29	12,954.77	2,580.37	1,705.68	4,330.70	11,981.44	16,506.39
	c) Changes in inventories of finished goods, work in progress and stock in trade.	6,058.82	(7,098.26)	1,414.45	(582.80)	(1,841.00)	1,789.47	(3,837.89)	573.14	(562.59)	(867.40)
	d) Employee benefits expense	9,770.25	10,022.83	11,970.83	39,325.57	36,000.15	3,778.51	3,859.05	3,691.29	15,017.30	13,190.64
	e) Finance Cost	1,304.93	1,019.05	980.44	4,201.04	3,037.30	624.93	615.27	483.70	2,448.45	1,987.45
	f) Depreciation & Amortization Expenses	1,171.64	1,032.78	590.48	4,204.40	2,585.48	452.23	441.61	336.18	1,761.66	1,289.07
	g) Other Expenditure	12,408.91	10,235.36	10,986.92	41,664.00	43,609.52	8,439.61	6,142.35	7,742.39	25,708.34	25,575.48
	<b>Total expenses (IV)</b>	<b>62,814.26</b>	<b>35,165.96</b>	<b>49,694.47</b>	<b>1,70,225.94</b>	<b>1,72,570.79</b>	<b>25,483.22</b>	<b>16,286.07</b>	<b>25,991.61</b>	<b>84,897.64</b>	<b>83,751.61</b>
V	<b>Profit / (Loss) from Operations before exceptional items (III-IV)</b>	<b>293.97</b>	<b>790.91</b>	<b>1,990.70</b>	<b>3,192.13</b>	<b>6,571.81</b>	<b>(11.42)</b>	<b>235.21</b>	<b>1,038.39</b>	<b>974.46</b>	<b>2,904.73</b>
VI	Exceptional Items	72.06	(25.23)	(1,755.01)	68.72	(1,722.12)	26.76	(95.25)	(318.67)	(116.05)	(280.92)
VII	<b>Profit / (Loss) before Tax (V-VI)</b>	<b>221.91</b>	<b>816.14</b>	<b>3,745.71</b>	<b>3,123.41</b>	<b>8,293.93</b>	<b>(38.18)</b>	<b>330.46</b>	<b>1,357.25</b>	<b>1,090.51</b>	<b>3,185.65</b>
VIII	Tax Expense										
	a. Current Tax	48.08	218.56	(77.76)	806.43	1,368.03	(21.28)	89.49	(163.61)	447.79	915.71
	b. Deferred Tax	287.75	66.58	237.22	144.15	214.98	266.69	67.07	136.69	141.83	119.75
	<b>Total Tax Expenses (VIII)</b>	<b>336.83</b>	<b>285.14</b>	<b>159.48</b>	<b>950.58</b>	<b>1,583.01</b>	<b>265.41</b>	<b>156.56</b>	<b>(26.92)</b>	<b>589.62</b>	<b>1,035.46</b>
IX	<b>Net Profit / (Loss) for the period (VII-VIII)</b>	<b>(113.92)</b>	<b>531.00</b>	<b>3,586.25</b>	<b>2,172.83</b>	<b>6,710.92</b>	<b>(303.59)</b>	<b>173.90</b>	<b>1,384.17</b>	<b>500.89</b>	<b>2,150.19</b>
X	Total other comprehensive income for the period										
	(a) Items that will not be reclassified to profit or loss	156.63	64.54	400.94	340.22	222.67	(32.97)	59.36	250.39	135.15	202.70
	(b).Income Tax(benefit)/expense on items that will not be reclassified to profit and loss	(9.55)	(21.01)	(96.73)	(69.11)	(71.93)	11.52	(20.74)	(87.49)	(47.23)	(70.83)
	(c) Items that will be reclassified to profit or loss	586.83	283.84	(77.19)	1,556.22	1,322.21	(1,041.79)	62.35	-	(991.80)	-
	(d).Income Tax(benefit)/expense on items that will be reclassified to profit and loss	364.04	(21.79)	-	346.57	-	364.04	(21.79)	-	346.57	-
	<b>Total Other Comprehensive Income</b>	<b>1,097.95</b>	<b>305.58</b>	<b>227.02</b>	<b>2,173.90</b>	<b>1,472.95</b>	<b>(699.20)</b>	<b>79.18</b>	<b>162.90</b>	<b>(557.31)</b>	<b>131.87</b>
XI	<b>Total comprehensive income for the period (IX+X)</b> (Comprising profit/(loss) and other Comprehensive Income for the period)	<b>984.03</b>	<b>836.58</b>	<b>3,813.27</b>	<b>4,346.73</b>	<b>8,183.87</b>	<b>(1,002.79)</b>	<b>253.08</b>	<b>1,547.07</b>	<b>(56.42)</b>	<b>2,282.06</b>
XII	Net Profit / (Loss) for the period attributable to :										
	-Owners of the Company	(16.75)	522.87	3,585.89	2,156.44	6,728.01	-	-	-	-	-
	-Non Controlling Interest	(97.17)	8.13	0.36	16.39	(17.10)	-	-	-	-	-
	Other Comprehensive Income for the period attributable to										
	-Owners of the Company	1,009.32	297.76	334.56	2,047.10	1,372.02	-	-	-	-	-
	-Non Controlling Interest	88.63	7.82	(107.54)	126.80	100.94	-	-	-	-	-
	<b>Total Comprehensive Income for the period attributable to</b>										
	-Owners of the Company	992.57	820.63	3,920.45	4,203.55	8,100.03	-	-	-	-	-
	-Non Controlling Interest	(8.54)	15.95	(107.18)	143.18	83.84	-	-	-	-	-
XIII	<b>Paid-up equity share capital</b> (Face value of Rs.10/-each)	<b>2,166.39</b>	<b>2,166.39</b>	<b>2,166.39</b>	<b>2,166.39</b>	<b>2,166.39</b>	<b>2,166.39</b>	<b>2,166.39</b>	<b>2,166.39</b>	<b>2,166.39</b>	<b>2,166.39</b>
XIV	<b>Reserves (excluding Revaluation Reserve)</b>				<b>43,649.63</b>	<b>44,820.35</b>				<b>28,421.53</b>	<b>29,452.08</b>
XV	Earning Per Share (in ₹) (of Rs.10 each) (not annualised):										
	(a) Basic	(0.08)	2.41	16.55	9.95	31.06	(1.40)	0.80	6.39	2.31	9.93
	(b) Diluted	(0.08)	2.41	16.55	9.95	31.06	(1.40)	0.80	6.39	2.31	9.93





**Notes to Financials Results:**

- The above results have been reviewed and recommended to the Board of Directors by the Audit Committee and subsequently approved by the Board of Directors at their meeting held on July 28, 2020. These results have been audited by the Statutory Auditors.
- The financial results have been prepared in accordance with principal and procedures of Indian Accounting Standards("Ind AS") as notified under the Companies (Indian Accounting standards) Rules, 2015 as specified in section 133 of the Companies Act,2013.
- The Company has adopted Ind AS 116, 'Leases'. effective April 01, 2019, using modified retrospective approach, as a result of which comparative information are not required to be restated. The Company has discounted lease payments using the incremental borrowing rate as at April 01, 2019 for measuring lease liabilities and accordingly recognised right-of-use assets (after adjusting prepaid lease rent) by adjusting retained earnings (net of tax), as at the aforesaid date.

Particulars	₹ in lakh	
	Consolidated	Standalone
Lease liabilities	(8,129.19)	(3,201.46)
Right-of-use assets	8,587.12	2,908.00
Retained earnings (net of tax)	(355.57)	(190.61)

In the Statement of Profit and Loss for the current year, the nature of expenses in respect of operating leases has changed from lease rent in previous year to: Depreciation cost for the "Right-to-Use(ROU)" Asset and "Finance Cost" for interest accrued on Lease Liability. The Impact of adopting Ind AS-116 on the financial results for the quarter and year ended March 31, 2020 are as follows. The company did not had any finance lease as on April 1, 2019 thus no amount has been reclassified from Property Plant & Equipment to ROU.

The Impact of adopting Ind AS-116 on the financial results for the quarter and year ended March 31, 2020 are as follows:

Particulars	₹ in lakh					
	Standalone					
	Quarter ended 31.03.2020 (Erstwhile basis)	Quarter ended 31.03.2020 (As per Ind AS - 116)	Increase/ (Decrease) in Profit	Year ended 31.03.2020 (Erstwhile basis)	Year ended 31.03.2020 (As per Ind AS - 116)	Increase/ (Decrease) in Profit
Other expenses	8,560.13	8,439.81	120.32	26,216.62	25,708.34	508.28
Finance costs	509.43	624.93	(115.50)	2,097.75	2,448.45	(350.70)
Depreciation and amortisation	414.79	452.23	(37.44)	1,461.65	1,761.66	(300.01)
<b>Profit / (Loss) before Tax</b>	<b>(5.58)</b>	<b>(38.21)</b>	<b>(32.62)</b>	<b>1,232.93</b>	<b>1,090.49</b>	<b>(142.43)</b>

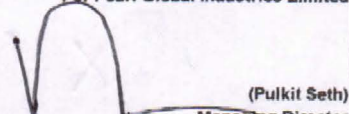
Particulars	₹ in lakh					
	Consolidated					
	Quarter ended 31.03.2020 (Erstwhile basis)	Quarter ended 31.03.2020 (As per Ind AS - 116)	Increase/ (Decrease) in Profit	Year ended 31.03.2020 (Erstwhile basis)	Year ended 31.03.2020 (As per Ind AS - 116)	Increase/ (Decrease) in Profit
Other expenses	13,104.99	12,408.91	696.08	43,467.48	41,664.00	1,803.48
Finance costs	1,089.80	1,304.94	(215.14)	3,379.60	4,201.04	(821.44)
Depreciation and amortisation	613.01	1,171.64	(558.63)	2,900.94	4,204.40	(1,303.46)
<b>Profit / (Loss) before Tax</b>	<b>298.60</b>	<b>221.91</b>	<b>77.69</b>	<b>3,444.83</b>	<b>3,123.40</b>	<b>321.43</b>

- In respect of Standalone operations, Effective April 1, 2019, the Company has adopted cash flow hedging on derivative contracts. The effective portion of changes in the fair value of the derivative contracts that are designated and qualify as cash flow hedges is recognized in the Other Comprehensive Income (OCI). As a result of above, profit after tax is higher by ₹ 645.23 Lakhs (net of taxes ₹ 346.57 Lakhs), (including for the current quarter by ₹ 677.75 Lakh net of taxes by ₹ 364.04 Lakh)
- In respect of Standalone operations, the exceptional item for the year ended March 31, 2020 include :

(a) Profit on enhanced compensation received from Haryana Urban Development Authority	78.09
(b) Amount received from National Highway Authority of India on account of compulsory acquisition of land	106.39
(c) Loss on sale of tangible Assets	-41.19
<b>Total</b>	<b>143.29</b>
- The standalone operations of the company falls primarily under manufacturing of garments which is considered to be the only reportable segment by the management. For consolidated operations, the group has primarily three operating segments (Hongkong, Bangladesh and India), which have been determine on geographical basis. The segment results are presented on consolidated basis.
- Figures for the Quarter ended March 31, 2020 and March 31, 2019 are the balancing figures between the audited figures for the full financial year and reviewed year to date figures upto the third quarter of respective financial years.
- Based on initial assessment, the Management does not expect any short term to medium term impact on the business of the Company due to the COVID-19 pandemic. The Company has evaluated the possible effects on the carrying amounts of property, plant and equipment, intangible assets, right of use assets, investments, inventory and receivables basis the internal and external sources of information and determined, exercising reasonable estimates and judgements, that the carrying amounts of these assets are recoverable. Having regard to the above, and the Company's liquidity position, there is no material uncertainty in meeting the financial obligations over the foreseeable future. The situation is changing rapidly giving rise to inherent uncertainty around the extent and timing of the potential future impact of the COVID-19 which may be different from that estimated as at the date of approval of these standalone and consolidated financial statements. The Company will continue to closely monitor any material changes arising of future economic conditions and impact on its business.
- The Government of India has inserted section 115BAA in the Income Tax Act 1961 vide the Taxation Laws (Amendment) Ordinance 2019 dated 20th September, 2019, which provides a non-reversible option to domestic companies to pay corporate tax at reduced rate effective from 1st April, 2019 subject to certain conditions. The company continued to recognise the taxes on income for the quarter and year ended March 31, 2020 as per earlier provisions of the Income Tax Act, since the Company opted for utilization of available MAT credit entitlement as at April 1 2019 for the financial year 2019-20.
- The Board of Directors has decided not to recommend any dividend for the year.
- The audited results of the Company for the quarter and year ended March 31, 2020 are also available on the Company's website(www.pearlglobal.com) and on the website of BSE Limited (www.bseindia.com) and National Stock Exchange of India Limited (www.nseindia.com)
- Previous period figures have been re-grouped/reclassified wherever necessary, to current period's classification.



By Order of the Board  
For Pearl Global Industries Limited

  
(Pulkit Seth)  
Managing Director  
DIN 00003044



Segment wise Revenue, Results, Assets and Liabilities (Consolidated)												(₹ in Lakh)
Geographical Segment	Quarter Ended		Quarter Ended		Quarter Ended		Year Ended		Year Ended		Period Ended	
	31.03.2020 (Audited)	%	31.12.2019 (Unaudited)	%	31.03.2019 (Audited)	%	31.03.2020 (Audited)	%	31.03.2019 (Audited)	%	31.12.2019 (Unaudited)	%
<b>Segment Revenue</b>												
Hong Kong	32,117.30	40.13	19,261.38	38.62	24,130.23	32.07	91,820.95	37.25	88,206.10	35.60	59,703.65	35.86
India	24,611.75	30.75	15,899.40	31.88	26,208.94	34.83	82,533.33	33.48	84,077.46	33.93	57,921.58	34.79
Bangladesh	18,803.74	23.49	10,629.93	21.31	19,330.74	25.69	54,862.36	22.17	59,751.02	24.11	35,858.62	21.54
Others	4,505.23	5.63	4,081.84	8.18	5,570.57	7.40	17,498.77	7.10	15,762.27	6.36	12,993.54	7.80
<b>Total</b>	<b>80,038.02</b>	<b>100.00</b>	<b>49,872.55</b>	<b>100.00</b>	<b>75,240.48</b>	<b>100.00</b>	<b>2,46,515.41</b>	<b>100.00</b>	<b>2,47,796.85</b>	<b>100.00</b>	<b>1,66,477.39</b>	<b>100.00</b>
Less: Inter Segment Revenue	28,190.62		14,842.42		24,986.30		78,002.83		72,047.07		49,812.21	
<b>Net Segment Revenue</b>	<b>51,847.40</b>		<b>35,030.13</b>		<b>50,254.18</b>		<b>1,68,512.58</b>		<b>1,75,749.78</b>		<b>1,16,665.18</b>	
<b>Segment Results</b>												
<b>Profit / (Loss) before Tax and Interest</b>												
Hong Kong	512.60	33.57	159.44	8.85	482.79	10.60	1,346.44	18.38	1,172.27	10.50	833.84	14.37
India	729.33	47.77	873.55	48.49	3,276.39	71.90	3,546.59	48.42	6,615.59	59.25	2,817.26	48.59
Bangladesh	317.39	20.79	627.53	34.83	489.56	10.74	1,863.10	25.44	2,628.11	23.54	1,545.71	26.66
Others	(32.49)	(2.13)	141.01	7.83	307.94	6.76	568.31	7.75	749.91	6.72	600.80	10.36
<b>Total</b>	<b>1,526.83</b>	<b>100.00</b>	<b>1,801.53</b>	<b>100.00</b>	<b>4,556.68</b>	<b>100.00</b>	<b>7,324.44</b>	<b>100.00</b>	<b>11,165.88</b>	<b>100.00</b>	<b>5,797.61</b>	<b>100.00</b>
Less : Interest	1,304.93		985.39		810.97		4,201.04		2,871.95		2,896.11	
<b>Total Profit before Tax**</b>	<b>221.90</b>		<b>816.14</b>		<b>3,745.71</b>		<b>3,123.40</b>		<b>8,293.93</b>		<b>2,901.50</b>	
<b>Segment Assets</b>												
Hong Kong	35,508.37	28.35	29,809.90	23.71	23,791.26	21.62	35,508.37	28.35	23,791.26	21.62	29,809.90	23.71
India	55,691.95	44.47	57,911.24	46.06	54,032.11	49.10	55,691.95	44.47	54,032.11	49.10	57,911.24	46.06
Bangladesh	22,027.81	17.59	23,216.15	18.47	17,903.18	16.27	22,027.81	17.59	17,903.18	16.27	23,216.15	18.47
Others	5,504.42	4.40	6,160.78	4.90	8,933.31	8.12	5,504.42	4.39	8,933.31	8.11	6,160.78	4.90
Un-allocable Assets	6,498.16	5.19	8,622.67	6.86	5,389.48	4.90	6,498.16	5.19	5,389.48	4.90	8,622.67	6.86
<b>Total</b>	<b>1,25,230.71</b>	<b>100.00</b>	<b>1,25,720.74</b>	<b>100.00</b>	<b>1,10,049.34</b>	<b>100.00</b>	<b>1,25,230.71</b>	<b>100.00</b>	<b>1,10,049.34</b>	<b>100.00</b>	<b>1,25,720.74</b>	<b>100.00</b>
<b>Segment Liabilities</b>												
Hong Kong	3,973.85	5.38	3,875.89	5.14	1,707.93	2.76	3,973.85	5.38	1,707.93	2.76	3,875.89	5.14
India	17,536.66	23.74	17,252.50	22.90	13,762.46	22.23	17,536.66	23.74	13,762.46	22.23	17,252.50	22.90
Bangladesh	12,479.10	16.89	12,426.60	16.49	11,120.43	17.96	12,479.10	16.89	11,120.43	17.96	12,426.60	16.50
Others	1,449.43	1.96	1,394.60	1.85	1,584.21	2.56	1,449.43	1.96	1,584.21	2.56	1,394.60	1.85
Un-allocable Liabilities	38,437.83	52.03	40,398.41	53.62	33,734.31	54.49	38,437.83	52.03	33,734.31	54.49	40,398.41	53.62
<b>Total</b>	<b>73,876.87</b>	<b>100.00</b>	<b>75,348.00</b>	<b>100.00</b>	<b>61,909.34</b>	<b>100.00</b>	<b>73,876.87</b>	<b>100.00</b>	<b>61,909.34</b>	<b>100.00</b>	<b>75,348.00</b>	<b>100.00</b>





## Statement of Assets and Liabilities

(₹ in Lakh except earning per share data)

Particulars	Consolidated as at		Standalone as at	
	Year Ended 31.03.2020	Year Ended 31.03.2019	Year Ended 31.03.2020	Year Ended 31.03.2019
	(Audited)	(Audited)	(Audited)	(Audited)
<b>Assets</b>				
<b>(1) Non-current assets</b>				
(a) Property, plant and equipment	22,189.06	24,355.89	13,173.38	13,146.90
(b) Capital work in progress	3,610.29	778.62	232.50	159.72
(c) Right to Use	10,725.98		2,614.35	
(d) Investment Properties	7,393.26	7,429.89	7,393.26	7,429.89
(e) Goodwill	1,792.66	1,897.56	-	-
(f) Other Intangible assets	84.76	114.94	84.76	114.94
(g) Financial assets				
(i) Investment in subsidiaries		-	11,728.05	11,726.14
(ii) Investment - Others	3,084.37	3,276.16	142.63	135.13
(iii) Loans	2,445.25	2,293.60	505.20	474.62
(iv) Other financial assets	1,363.86	1,402.45	936.66	844.06
(h) Deferred tax assets (net)	87.61			
(i) Non current Tax Assets (net)	763.99	452.22	469.39	303.15
(j) Other non current assets	772.82	1,354.45	499.40	385.80
<b>Total Non-current assets</b>	<b>54,313.90</b>	<b>43,355.78</b>	<b>37,779.57</b>	<b>34,720.35</b>
<b>(2) Current assets</b>				
(a) Inventories	26,387.33	23,632.17	14,792.54	13,513.04
(b) Financial assets				
(i) Investments	692.68	-	692.68	-
(ii) Trade receivables	22,042.47	22,177.86	9,740.45	11,134.77
(iii) Cash and cash equivalents	8,808.89	9,434.12	2,059.77	2,234.64
(iv) Bank balances other than cash and cash equivalents	2,168.83	1,707.71	931.61	1,454.01
(v) Loans	1,731.24	1,664.72	325.78	349.63
(vi) Other Financial assets	114.99	1,687.43	87.17	1,566.59
(c) Other current assets	8,970.38	6,389.55	4,989.12	3,912.78
<b>Total current assets</b>	<b>70,916.81</b>	<b>66,693.56</b>	<b>33,619.11</b>	<b>34,165.46</b>
<b>Total Assets</b>	<b>1,25,230.70</b>	<b>1,10,049.34</b>	<b>71,398.68</b>	<b>68,885.81</b>
<b>Equity And Liabilities</b>				
<b>(1) Equity</b>				
(a) Equity share capital	2,166.39	2,166.39	2,166.39	2,166.39
(b) Other equity	47,891.00	44,820.35	28,421.53	29,452.08
Equity attributable to equity Holders	50,057.39	46,986.74	30,587.92	31,618.47
Non-Controlling Interest	1,296.44	1,153.26		
<b>Total equity</b>	<b>51,353.84</b>	<b>48,140.00</b>	<b>30,587.92</b>	<b>31,618.47</b>
<b>Liabilities</b>				
<b>(2) Non-current liabilities</b>				
(a) Financial liabilities				
(i) Borrowings	9,983.68	8,106.76	5,384.23	3,185.15
(ii) Lease Liabilities	6,987.43	-	2,813.37	-
(iii) Others Financial Liabilities	246.97	222.00	246.97	222.00
(b) Provisions	2,079.72	2,112.60	881.14	710.08
(c) Deferred tax liabilities	248.31	236.46	248.31	340.46
(d) Other non current Liabilities	2,997.91	3,309.63	2,997.91	3,076.96
<b>Total non-current liabilities</b>	<b>22,544.02</b>	<b>13,987.45</b>	<b>12,571.91</b>	<b>7,534.65</b>
<b>(3) Current liabilities</b>				
(a) Financial liabilities				
(i) Borrowings	25,715.32	23,486.07	15,380.86	16,182.41
(ii) Lease Liabilities	810.25	-	236.41	-
(iii) Trade payables :-				
- Total outstanding due of micro enterprises and small enterprises	331.05	63.70	331.05	63.70
- Total outstanding due of creditors other than micro enterprises and small enterprises	17,775.62	18,042.77	8,800.36	10,450.22
(iv) Other Financial Liabilities	5,717.63	5,156.89	2,617.65	1,938.27
(b) Other Current Liabilities	857.36	866.66	815.18	837.89
(c) Provisions	68.40	81.67	57.35	70.04
(d) Current Tax Liabilities (net)	57.23	224.13	-	190.16
<b>Total current liabilities</b>	<b>51,332.85</b>	<b>47,921.89</b>	<b>28,236.85</b>	<b>29,732.89</b>
<b>Total equity and liabilities</b>	<b>1,25,230.70</b>	<b>1,10,049.34</b>	<b>71,398.68</b>	<b>68,885.81</b>

See accompany notes to the financial results





**Pearl Global Industries Limited**  
**Consolidated Statement of Cash Flow for the year ended March 31, 2020**

(₹ in Lakh except earning per share data)

Particulars	For the Year ended	For the Year ended
	March 31, 2020 (Audited)	March 31, 2019 (Audited)
<b>Cash Flows From Operating Activities</b>		
<b>Profit before exceptional items and tax</b>	3,123.40	8,293.92
<b>Adjustments for:</b>		
Depreciation and amortization	4,204.40	2,589.48
Goodwill amortisation	-	-
Interest Paid and other borrowing cost	2,727.05	2,845.56
Unwinding of discount on security deposit	30.32	26.39
Sundry balances Written back	(37.34)	(55.17)
Grant Amortised during the year	(1.00)	(1.00)
Government grant received	-	-
Provision for Doubtful Debt Written Back	-	(37.87)
Amortisation of deferred Rental Income	(32.08)	(31.67)
Unwinding of discount on security deposits	157.32	(39.87)
Profit on sale of current investment - Mutual Fund	(73.79)	(218.20)
Rental Income	(980.53)	(814.53)
Interest Income	(1,142.49)	(907.06)
Fair value loss (gain) on financial assets measured at fair value through profit and	(29.41)	133.64
Amortisation of deferred asset - security deposit paid	(154.15)	42.22
Fair value loss (gain) on financial assets measured at fair value through OCI	38.29	(12.67)
Re-measurement gains/ (losses) on defined benefit plans	340.22	222.67
Foreign exchange translation reserve	3,740.59	1,160.81
Loss / (Profit) on mark to market forward contracts	482.80	(247.24)
Allowance for bad and doubtful debts	47.92	391.92
Bad debts written off	26.31	103.78
<b>Operating Profit Before Working Capital Changes</b>	<b>12,447.83</b>	<b>13,445.12</b>
<b>Movement in Working Capital:</b>		
(Increase)/Decrease in Trade Receivables	61.16	(8,439.11)
(Increase)/Decrease in other non-current financial assets	(278.63)	876.74
(Increase)/Decrease in other current financial assets	332.68	(384.94)
(Increase)/Decrease in other non-current assets	786.53	1,210.31
(Increase)/Decrease in other current assets	(2,594.07)	683.72
(Increase)/Decrease in Inventories	(2,755.16)	(2,628.26)
Increase/(Decrease) in Trade Payables	37.54	7,236.34
Increase/(Decrease) in other non-current financial liabilities	57.05	37.07
Increase/(Decrease) in other current financial liabilities	268.62	(49.27)
Increase/(Decrease) in non-current provisions	(32.87)	232.85
Increase/(Decrease) in current provisions	(13.27)	20.58
Increase/(Decrease) in other non-current liabilities	(310.72)	(275.54)
Increase/(Decrease) in other current liabilities	3.94	103.46
<b>Cash Generated From Operations</b>	<b>8,010.64</b>	<b>12,069.07</b>
Tax paid on dividend	(133.59)	(89.06)
Direct Tax paid (Net of Refunds)	(1,574.14)	(2,779.47)
<b>Cash flow before exceptional items</b>	<b>6,302.91</b>	<b>9,200.53</b>
Exceptional items	68.72	(1,722.12)
<b>Net Cash Inflow From/(Used In) Operating Activities (A)</b>	<b>6,371.63</b>	<b>7,478.41</b>
<b>Cash Flows From Investing Activities</b>		
Purchase of property, plant and equipment	(7,013.59)	(8,930.08)
Sale proceeds of property, plant and equipment	341.33	1,916.16
(Increase)/Decrease in Capital work in progress	(2,831.68)	61.80
Purchase of Investment Properties	(49.12)	(1.29)
Purchase of Intangible assets	(17.57)	(27.65)
Purchase of goodwill	-	(79.82)
(Increase)/decrease in capital advances	(50.76)	(21.20)
Increase/(decrease) in capital creditor	(819.04)	800.73
(Increase)/Decrease in non-current Investments	191.79	(166.39)
(Increase)/Decrease in current Investments	(589.48)	717.17
(Increase)/Decrease in non-current Loans	(151.65)	(189.57)
(Increase)/Decrease in current Loans	(66.52)	(1,329.73)
(Increase)/Decrease in bank deposit	492.52	(346.99)
Interest Received	1,130.72	923.00
Rent Received	980.53	814.53
<b>Net Cash From/ (Used In) Investing Activities (B)</b>	<b>(8,452.51)</b>	<b>(6,859.32)</b>
<b>Cash Flows From Financing Activities</b>		
Increase/ (Decrease) in Long Term Borrowings	2,965.24	(381.97)
Increase/ (Decrease) in Long Term Borrowings-Non Cash Ind AS Impact	(349.38)	(17.49)
Government grant received	-	144.61
Increase/ (Decrease) in Short Term Borrowings	2,229.26	2,131.64
Increase/ (Decrease) in unpaid dividend account	(30.32)	-
Dividend Paid	(644.90)	(430.97)
Interest paid (net)	(2,714.25)	(2,856.62)
<b>Net cash inflow from/(used In) Financing Activities (C)</b>	<b>1,455.65</b>	<b>(1,410.79)</b>





**Net Increase (Decrease) In Cash And Cash Equivalents (A+B+C)**

Opening Balance of Cash and Cash Equivalents  
**Total Cash And Cash Equivalent At Year End**

(625.23)

9,434.12

8,808.89

208.29

9,225.83

9,434.13

**Components Of Cash And Cash Equivalents**

Cash on hand  
With banks - on current account  
    - on deposits with banks

606.60

8,062.59

139.70

1,327.66

7,156.93

949.52

**Total Cash and Cash equivalent at year end**

8,808.89

9,434.12





**Pearl Global Industries Limited**  
**Standalone Statement of Cash Flow for the year ended March 31, 2020**

(₹ in Lakh except earning per share data)

Particulars	For the Year ended	For the Year ended
	March 31, 2020 (Audited)	March 31, 2019 (Audited)
<b>Cash flows from operating activities</b>		
Profit before and tax	1090.49	3,185.65
<b>Adjustments for:</b>		
Depreciation and amortization	1761.66	1,289.07
Interest paid and other borrowing cost	2448.45	1,961.06
Sundry balances written back	37.34	(55.16)
Grant amortised during the year	-1.00	(1.00)
On amortisation of investment in preference shares	-	(12.98)
Amortisation of deferred rental income	-32.08	(31.67)
Unwinding of discount on security deposits	157.41	(13.48)
Profit on sale of current investment - mutual Fund	-73.79	(218.20)
Rental income	-980.53	(814.53)
Interest income	-249.62	(211.93)
Fair value loss (gain) on financial assets measured at fair value through profit and loss	-29.41	133.64
Income on corporate guarantee	-138.40	(161.31)
Mark to market (gain) / loss on forward contract	462.80	(247.24)
Amortisation of deferred asset - security deposit paid	-154.26	42.22
Loss Allowance for doubtful debts	47.92	391.92
Bad debts written off	-	1.41
<b>Operating profit before working capital changes</b>	<b>4463.89</b>	<b>5,237.47</b>
<b>Movement in working capital:</b>		
(Increase)/decrease in trade receivables	1346.40	(2,779.71)
(Increase)/decrease in other non-current financial assets	-208.67	(325.54)
(Increase)/decrease in other current financial assets	-289.34	(266.41)
(Increase)/decrease in other non-current assets	-74.80	(88.95)
(Increase)/decrease in other current assets	-1091.78	(46.43)
(Increase)/decrease in inventories	-1279.50	(1,514.18)
Increase/(decrease) in trade payables	-1380.19	3,472.93
Increase/(decrease) in other non-current financial liabilities	-4.35	68.74
Increase/(decrease) in other current financial liabilities	453.58	131.24
Increase/(decrease) in non-current provisions	306.21	53.63
Increase/(decrease) in current provisions	-12.70	15.15
Increase/(decrease) in other non-current liabilities	-46.98	(529.15)
Increase/(decrease) in other current liabilities	-9.46	258.64
<b>Cash generated from operations</b>	<b>2172.34</b>	<b>3,887.44</b>
Tax paid on dividend	-133.59	(89.06)
Direct tax paid (net of refunds)	-738.84	(650.10)
<b>Cash flow before exceptional items</b>	<b>1299.91</b>	<b>2,948</b>
<b>Exceptional items:</b>		
(Profit)/loss on sale of fixed assets	-143.29	(1,719.28)
Impairment of investment in subsidiaries	27.24	1,438.36
<b>Net cash inflow from/(used in) operating activities</b>	<b>1183.87</b>	<b>2,667.36</b>
	(A)	
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment (Including ROU)	-4564.85	(1,908.09)
Sale proceeds of property, plant and equipment	264.19	1,884.63
(Increase)/decrease in capital work in progress	-72.78	(105.55)
Sale/(Purchase) proceeds of investment properties	36.63	(1.29)
Purchase of Intangible assets	-17.57	(27.65)
(Increase)/decrease in capital advances	-38.80	(14.54)
Increase/(decrease) in capital creditor	-819.17	800.73
(Increase)/decrease in Investment in subsidiaries	109.25	
(Increase)/decrease in non-current investment - Others	-7.50	9.54
(Increase)/decrease in current investment - Others	-589.48	717.18
(Increase)/decrease in non-current Loans	-30.58	(22.93)
(Increase)/decrease in current Loans	23.85	(14.64)
(Increase)/decrease in bank deposit	1288.69	(53.43)
Interest received	223.98	184.02
Rent received	980.53	814.53
<b>Net Cash From/ (Used In) Investing Activities</b>	<b>-3213.60</b>	<b>2,262.60</b>
	(B)	





<b>Cash flows from financing activities</b>		
Increase/ (decrease) in long term borrowings	2763.29	(730.10)
Government grant received	.00	144.61
Increase/ (decrease) in short term borrowings	-801.55	(2,104.14)
Increase in lease liabilities	2948.34	
Increase/ (decrease) in non current borrowings - Non Cash		(17.49)
Ind AS impact	-	
Dividend paid (Net of Tax)	-649.88	(430.98)
Other borrowing cost	-256.88	350.72
Interest paid	-2140.44	(1,966.57)
<b>Net cash inflow from/(used in) financing activities</b>	<b>1854.87</b>	<b>(4,753.95)</b>
<b>Net increase (decrease) in cash and cash equivalents (A+B+C)</b>		
	<b>-174.86</b>	<b>175.89</b>
Opening balance of cash and cash equivalents	2234.63	2,058.74
<b>Total cash and cash equivalent at year end</b>	<b>2059.77</b>	<b>2,234.64</b>
<b>Components of cash and cash equivalents</b>		
Cash, Cheque/drafts on hand	148.92	247.51
With banks - Current account	1806.61	1,987.13
With banks - Deposit account	104.23	-
<b>Total cash and cash equivalent at year end</b>	<b>2059.77</b>	<b>2,234.64</b>





**Independent Auditor's Report on Consolidated Financial Results of the Company pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

**To The Board of Directors of Pearl Global Industries Limited**

**Qualified Opinion**

We have audited the accompanying consolidated financial results of Pearl Global Industries Limited (hereinafter referred to as "Holding Company") and its subsidiaries (the holding company and its subsidiaries collectively referred as the Group) for the year ended March 31, 2020, 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 effects of the matters described in the Basis for Qualified Opinion paragraph below and based on the consideration of reports of other auditors on separate audited financial statements of the subsidiaries, the aforesaid consolidated financial results:

- a. include the annual financial information of the entities listed in **Annexure A**
- b. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- c. gives a true and fair view in conformity with recognition and measurement principles laid down in the Indian Accounting Standards under Section 133 of the Companies Act, 2013 (the "Act") and other accounting principles generally accepted in India, of the net profit (including other comprehensive income) and other financial information for the year ended March 31, 2020.

**Basis for Qualified Opinion**

The inventories are carried in the consolidated balance sheet at ₹ 26,387.33 Lakh (As at March 31, 2019: ₹ 23,632.17 Lakh). In one of the subsidiary of the Holding Company, the component auditor of its subsidiary has reported that no physical counting against inventories as at March 31, 2020 was conducted by them due to the lockdown in Jakarta during the outbreak of COVID-19 and no other alternative procedures were performed. In consequence they were unable to carry out auditing procedures necessary to obtain adequate assurance regarding the quantities and condition of inventories of ₹ 2,542.30 lakh (Equivalent US\$ 3,372,199), appearing in the consolidated balance sheet. There were no other satisfactory auditing procedures that they could adopt to obtain sufficient evidence regarding the existence and valuation of such inventories.

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated 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 ("ICAI") together with the ethical requirements that are relevant to our audit of the consolidated 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 and other auditors in terms of their reports referred to in "Other Matter" paragraph below, is sufficient and appropriate to provide a basis for our opinion on the consolidated annual financial results.

**Management's Responsibility for the Consolidated Financial Results**

These consolidated financial results have been prepared on the basis of the consolidated annual financial statements. The Holding Company's Board of Directors are responsible the preparation and presentation of these consolidated financial results that give a true and fair view of the net profit (including 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, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The respective Board of Directors of the Holding Company and its subsidiaries are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 consolidated financial results that give a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial results, the respective Board of Directors of the Holding Company and its subsidiaries are responsible for assessing the ability of the "Group", 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 "Group" or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the "Group" are also responsible for overseeing the financial reporting process of the "Group".

#### **Auditor's Responsibilities for the Audit of the Consolidated Financial Results**

Our objectives are to obtain reasonable assurance about whether the consolidated 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 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 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 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 Board of Director's 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 "Group" 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 consolidated 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 financial results, including the disclosures, and whether the consolidated financial results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial results of the entities or business activities within the "Group" to express an opinion on the consolidated financial results. We are responsible for the direction, supervision and performance of the audit of the financial results of such entities included in the consolidated financial results of which we are the independent auditors. For the other entities included in the consolidated financial results, which have been audited by other auditors, such other auditors are responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities are further described in para (a) of the section titled "other matter" in this audit report.





We communicate with those charged with governance of the Parent and such other entities included in the consolidated 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.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the Listing Regulations, as amended, to the extent applicable.

#### **Other Matters**

- (a) We did not audit the financial statements / financial information of four subsidiaries included in the consolidated financial results, whose financial statements reflect total assets (before eliminating of inter-company transaction of ₹ 19,993.02 lakh) of ₹ 87,815.02 lakh, total revenues (before eliminating of inter-company transaction of ₹ 22,860.55 lakh & ₹ 65,834.69 lakh) of ₹ 55,922 lakh & ₹ 1,65,923.68 lakh, total net profit after tax (before eliminating of inter-company transaction of ₹ (1.82) lakh & ₹ 1.26 lakh) of ₹ 277.28 lakh & ₹ 1,895.07 lakh and total comprehensive income (before eliminating of inter-company transaction of ₹ (1.82) lakh & ₹ 1.26 lakh ) of ₹ 2,074.43 lakh & ₹ 4,626.27 lakh for the quarter & year ended March 31, 2020 respectively, as considered in the consolidated financial results. These financial statements and other information have been audited by other auditors whose reports have been furnished to us by the Management and our conclusion on the consolidated financial results, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of Regulation read with the Circulars, in so far as it relates to the aforesaid subsidiaries, are based on the reports of the other auditors and the procedures performed by us as stated in paragraph below.
- (b) Further, of these subsidiaries, three subsidiaries are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standard applicable in their respective countries. The Holding Company's Management has converted the financial statements of such subsidiaries from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. Independent firm of Chartered Accountant have audited these conversion adjustments made by the Holding Company's management in India. Our opinion in so far as it relates to the balances and affairs of such subsidiary companies located outside India are based on the report of other auditor in their respective countries and conversion adjustments prepared by the Management and audited by Independent firm of Chartered Accountants of India.

Our opinion on the consolidated financial results is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditors.

- (c) Due to the outbreak of COVID-19 pandemic, the consequent nationwide lockdown commencing from March 23, 2020 onwards, we could not visit and carry out the audit processes physically at the Company's premises. Further, the advisory on "Specific Considerations while conducting Distance Audit/ Remote Audit under current Covid-19 situation" issued by the Auditing and Assurance Standards Board of ICAI, give guidelines for the statutory audit via making arrangements to provide requisite documents/information through electronic medium and minimal physical movement. The entire audit has been carried considering these guidelines and alternative audit procedures as per SAs prescribed by the ICAI. Our opinion is not modified in respect of this matter.



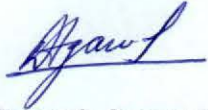


- (d) The consolidated financial results include the results for the quarter ended March 31, 2020 being the balancing figures between audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

**For B.R. Gupta & Co.**

*Chartered Accountants,*

Firm's Registration Number 008352N



**(Deepak Agarwal)**

*Partner*

Membership Number 073696

**UDIN: 20073696AAAABO6816**



Place of Signature: New Delhi

Date: 28<sup>th</sup> July 2020



**Annexure A**

**List of entities consolidated**

<b>S. No.</b>	<b>Name of the Entity</b>
<b>Subsidiaries held directly-Foreign</b>	
1.	Norp Knit Industries Limited
2.	Pearl Global Fareast Limited
3.	Pearl Global (HK) Limited
<b>Subsidiaries held directly-Domestic</b>	
4.	Pearl Apparel Fashions Limited
5.	Pearl Global Kaushal Vikas Limited (previously known as Pixel Industries Limited)
6.	SBUYS E-Commerce Limited





**Independent Auditor's Report on Standalone Financial Results of the Company pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

**To The Board of Directors of Pearl Global Industries Limited.**

**Opinion**

We have audited the accompanying standalone financial results of Pearl Global Industries Limited (hereinafter referred to as "the Company") for the year ended March 31, 2020 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, the aforesaid standalone financial results:

- a. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- b. gives a true and fair view in conformity with recognition and measurement principles laid down in the Indian Accounting Standards under Section 133 of the Companies Act, 2013 (the "Act") and other accounting principles generally accepted in India, of the net loss (including other comprehensive income and other financial information for the year ended March 31, 2020.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Standalone 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 standalone 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 we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Management's Responsibility for the Standalone Financial Results**

These standalone financial results have been prepared on the basis of the standalone annual financial statements. The Company's Board of Directors are responsible the preparation and presentation of these standalone financial results that give a true and fair view of the net loss (including other comprehensive income) and other financial information of the Company 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 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 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 standalone financial results that give a true and fair view and is 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 Company's financial reporting process.





### **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 skepticism 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 also responsible for expressing our opinion 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 Board of Director's 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 Company's ability 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 standalone 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 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 standalone 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 Matter**

- a. The standalone financial results include the results for the quarter ended March 31, 2020 being the balancing figures between 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.
- b. Due to the outbreak of COVID-19 pandemic, the consequent nationwide lockdown commencing from March 23, 2020 onwards, we could not visit and carry out the audit processes physically at the Company's premises. Further, the advisory on "Specific Considerations while conducting Distance Audit/ Remote Audit under current Covid-19 situation" issued by the Auditing and Assurance Standards Board of ICAI, give guidelines for the statutory audit via making arrangements to provide requisite documents/information through electronic medium and minimal physical movement. The entire audit has been carried considering these guidelines and alternative audit procedures as per SAs prescribed by the ICAI. Our opinion is not modified in respect of this matter.





- c. The standalone financial results dealt with by this report has been prepared for the express purpose of filing with stock exchanges on which the Company's shares are listed. These results are based on and should be read with the audited standalone financial statements of the Company for the year ended March 31, 2020 on which we issued an unmodified audit opinion vide our report dated July 28, 2020.

**For B.R. Gupta & Co.**

*Chartered Accountants,*

Firm's Registration Number 008352N



**(Deepak Agarwal)**

*Partner*

Membership Number 073696

**UDIN: 20073696AAAABM8138**



Place of Signature: New Delhi

Date: 28<sup>th</sup> July 2020



## ANNEXURE I

### Statement on Impact of Audit Qualifications on Consolidated Annual Financial Results for the FY ended 31<sup>st</sup> March, 2020

(Rs/Lakh except Earnings Per Share)

<b>Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2020</b> [See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]				
I.	Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
	1.	Turnover / Total income	1,73,418.07	1,73,418.07
	2.	Total Expenditure	1,71,245.24	1,71,245.24
	3.	Net Profit/(Loss)	2,172.83	2,172.83
	4.	Earnings Per Share	9.95	9.95
	5.	Total Assets	1,25,230.70	1,25,230.70
	6.	Total Liabilities	73,876.86	73,876.86
	7.	Net Worth	51,353.84	51,353.84
	8.	Any other financial item(s) (as felt appropriate by the management)	-	-
II.	<p><b>Audit Qualification (each audit qualification separately):</b></p> <p>a. <b>Details of Audit Qualification:</b> The inventories are carried in the consolidated balance sheet at Rs.26,387.33 Lakh (As at March 31, 2019: Rs. 23,632.17 Lakh). In one of the subsidiary of the Holding Company, the component auditor of its subsidiary has reported that no physical counting against inventories as at March 31, 2020 was conducted by them due to the lockdown in Jakarta during the outbreak of COVID-19 and no other alternative procedures were performed. In consequence they were unable to carry out auditing procedures necessary to obtain adequate assurance regarding the quantities and condition of inventories of Rs. 2,542.30 Lakh (Equivalent US\$ 3,372,199), appearing in the consolidated balance sheet. There were no other satisfactory auditing procedures that they could adopt to obtain sufficient evidence regarding the existence and valuation of such inventories.</p> <p>b. <b>Type of Audit Qualification : Qualified Opinion / Disclaimer of Opinion / Adverse Opinion</b></p> <p>c. <b>Frequency of qualification: Appeared first time / repetitive / since how long continuing</b></p> <p>d. <b>For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:</b> Impact quantified by the Auditor; NIL</p> <p>e. <b>For Audit Qualification(s) where the impact is not quantified by the auditor:</b></p> <p>(i) <b>Management's estimation on the impact of audit qualification:</b> Management estimates that impact of Audit qualification is NIL, as management has performed complete inventory verification and sufficient checks and controls were performed while valuing the inventory at 31<sup>st</sup> March, 2020. Further, post re-opening of lockdown, Component Auditor have performed limited review and also performed all necessary checks as on 30<sup>th</sup> June, 2020. Component Auditor after satisfying themselves, have shared interim financial statements as on 30<sup>th</sup> June, 2020 without making any adjustment on account of above qualification. Also Component Auditor has given a clean review report stating that "nothing has come to our attention that causes us to believe that the interim financial statements do not fairly presents in all material respects, the interim financial position as at 30.6.20". In view of above management believe no adjustment is required on account of above qualification.</p>			





(ii) If management is unable to estimate the impact, reasons for the same: NA, Replied in Para (i) above

(iii) Auditors' Comments on (i) or (ii) above:

Based on the Management Representation given above and the Limited Review report of the subsequent period ended June 30, 2020 by the Component Auditor, it appears that there may not be any material adjustment in the carrying value of Inventory in the consolidated financial statements as at March 31, 2020.

III. **Signatories:**

(Pulkit Seth)  
Managing Director

(Kashmir Singh Rathour)  
CFO

For B.R. Gupta & Co.

(Anil Nayar)  
Audit Committee Chairman

(Deepak Agarwal)  
Statutory Auditor

Place: Gurugram  
Date: 28.07.2020

