



**HOUSE OF PEARL FASHIONS LIMITED**  
 Regd. Office: "Pearl House", A-3, Community Centre, Naraina Industrial Area, Phase-II, New Delhi-110  
**UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 31 DECEMBER 2010**

Sl. No.	Particulars	Consolidated					Quarter Ended 31.12.2010 (Unaudited)	Quarter Ended 31.12.2009 (Unaudited)
		Quarter Ended 31.12.2010 (Unaudited)	Quarter Ended 31.12.2009 (Unaudited)	Nine Months Ended 31.12.2010 (Unaudited)	Nine Months Ended 31.12.2009 (Unaudited)	Financial Year Ended 31.03.2010 (Audited)		
1	a) Net Sales/ Income from Operations	43883.44	38705.53	155180.72	126880.38	183204.86		
	b) Other Operating Income						465.95	605.99
	<b>Total</b>	<b>283.36</b>	<b>201.16</b>	<b>694.74</b>	<b>501.39</b>	<b>953.40</b>		
2	Expenditure	<b>44166.80</b>	<b>38906.69</b>	<b>155875.46</b>	<b>127381.77</b>	<b>184158.26</b>	<b>465.95</b>	<b>605.99</b>
	a) (Increase)/Decrease in stock in trade & work in Progress	(2914.86)	(1201.32)	(1714.09)	(634.77)	(1540.61)		
	b) Consumption of raw materials	6479.76	5916.34	21407.20	15708.09	23273.59		
	c) Purchase of Traded Goods	27067.98	22062.38	89599.76	74240.91	20740.92		
	d) Employees Cost	5918.32	5189.03	16785.95	15462.93	107711.95	408.78	599.25
	e) Depreciation	530.24	567.06	1604.83	1558.65	2135.80	123.32	61.06
	f) Manufacturing Expenses	3474.84	2080.09	12670.14	7858.01	20260.30	93.84	69.53
	g) Other Expenditure	4448.85	5012.23	15848.49	15930.94	11652.49	11.99	1.69
	h) Total	45005.13	39625.81	156202.28	130124.76	20260.30	97.29	332.24
3	Profit from operations before other income, interest & exceptional items (1-2)					184234.44	735.22	1063.77
4	Other Income	(838.33)	(719.12)	(326.82)	(2742.99)	(76.18)	(269.27)	(457.78)
5	Profit before interest & exceptional items (3+4)	1506.98	1140.65	3625.99	4383.68	3579.49	264.57	188.26
6	Interest	668.65	421.53	3299.17	1640.69	3503.31	(4.70)	(269.52)
7	Profit after interest but before exceptional items (5-6)	658.34	295.41	1965.50	980.89	1889.69	13.49	31.07
8	Exceptional Items	10.31	125.12	1333.67	659.80			
9	<b>Profit(+)/Loss (-) from Ordinary Activities before tax (7+8)</b>	<b>10.31</b>	<b>126.12</b>	<b>1333.67</b>	<b>659.80</b>	<b>1613.62</b>	<b>(18.19)</b>	<b>(300.59)</b>
10	Tax Expenses							
	Deferred Tax						(18.19)	(300.59)
	Income Tax	(178.99)	87.81	22.01	425.66	99.91	(7.67)	(21.47)
	MAT Credit	297.00	0.00	273.80		(81.54)	0.13	
11	<b>Net Profit (+)/Loss (-) from Ordinary Activities After tax (9-10)</b>	<b>(188.01)</b>	<b>0.00</b>	<b>(52.80)</b>		<b>181.50</b>		
12	Extraordinary Item (net of tax expense Rs. Nil)	80.31	38.31	1090.66	234.14	1413.75	(10.65)	(279.12)
13	<b>Net Profit(+)/ loss(-) for the Period (11-12)</b>	<b>80.31</b>	<b>38.31</b>	<b>1090.66</b>	<b>234.14</b>	<b>1413.75</b>	<b>(10.65)</b>	<b>(279.12)</b>
13 a	Minority Interest	61.44	(128.79)	(25.40)	(82.03)	(530.48)		
	<b>Net Profit(+)/ loss(-) after Minority Interest for the Period (13+13a)</b>	<b>141.75</b>	<b>(90.48)</b>	<b>1065.26</b>	<b>152.11</b>	<b>883.27</b>	<b>(10.65)</b>	<b>(279.12)</b>
14	Paid-up equity share capital (Face value of Rs. 10/- each)	1950.03	1950.03	1950.03	1950.03	1950.03	1950.03	1950.03
15	Reserves excluding Revaluation Reserves as per balance sheet of previous accounting year.					43248.02		
16	Earning Per Share (EPS)							
	a) Basic and diluted EPS before Extraordinary items.							
	- Basic	0.73	(0.46)	5.46	0.78	4.53	(0.05)	(1.43)
	- Diluted	0.73	(0.46)	5.46	0.78	4.53	(0.05)	(1.43)
	b) Basic and diluted EPS after Extraordinary items.							
	- Basic	0.73	(0.46)	5.46	0.78	4.53	(0.05)	(1.43)
	- Diluted	0.73	(0.46)	5.46	0.78	4.53	(0.05)	(1.43)

Sl. No.	Particulars	Consolidated					Financial Year Ended 31.03.2010 (Audited)	Quarter Ended 31.12.2010 (Unaudited)	Quarter Ended 31.12.2009 (Unaudited)
		Quarter Ended 31.12.2010 (Unaudited)	Quarter Ended 31.12.2009 (Unaudited)	Nine Months Ended 31.12.2010 (Unaudited)	Nine Months Ended 31.12.2009 (Unaudited)				
17	Public shareholding								
	No. of Shares	6,585,255	6,585,255	6,585,255	6,585,255	6,585,255	6,585,255	6,585,255	
	Percentage of Shareholding	33.77	33.77	33.77	33.77	33.77	33.77	33.77	
18	Promoters and Promoter Group Shareholding								
	a) Pledged/Encumbered								
	- Number of shares	-	-	-	-	-	-	-	
	- Percentage of shares (as a % of the total shareholding of promoter and Promoter Group)	-	-	-	-	-	-	-	
	- Percentage of shares (as a % of the total share capital of the Company)	-	-	-	-	-	-	-	
	b) Non-encumbered								
	- Number of Shares	12915088	12915088	12915088	12915088	12915088	12915088	12915088	
	- Percentage of shares (as a % of the total shareholding of Promoter and Promoter Group)	100.00	100.00	100.00	100.00	100.00	100.00	100.00	
	- Percentage of shares (as a % of the total share capital of the Company)	66.23	66.23	66.23	66.23	66.23	66.23	66.23	

**NOTES TO FINANCIAL RESULTS:**

- 1) Un-audited Financial Results of the company for the quarter ended 31st December 2010 have been reviewed by the Audit Committee and taken on record by the Board of Directors.
- 2) During the quarter ended 31st December 2010, Two (2) investor complaints were received & resolved. There were no complaints pending at the beginning and end of the quarter.
- 3) Statement of Utilization of issue proceeds as on 31st December 2010.

	Projected Utilisation
Investment in Subsidiary Companies to increase the Group's production capacity	2990.00
Investment in Subsidiary Companies for establishment of a Design Centre and corporate office in Gurgaon.	380.00
Setting up an integrated Information Technology System.	1,430.00
Pre-payment of Certain Term Loans availed by the company and its subsidiaries.	4,923.50
Investment in its subsidiary company M/s. Multinational Textiles Group Ltd for payment of purchase in consideration to SACB Holding Limited and Pallas Holding Limited as part of the group restructuring.	4917.00
Setting up a Domestic Branded apparel retail business.	2,520.00
Acquisition or existing companies of setting up joint venture companies for marketing and distribution or wholesale / brands and supply business in the apparel, accessories or related segments within or outside India.	8,579.70
General Corporate Purpose ##	877.00
Extended working capital & temporary loans to its subsidiaries as an interim use of funds.	1,920.00
Share issue Expenses	28,537.20
<b>Total</b>	

Unutilised funds have been invested in Bank Fixed Deposits & inter corporate deposits and Rs.2,000 Lacs has been given to Pearl Global Ltd. a subsidiary for repayment of its high interest bearing working capital loan as interim use of proceeds, the company has also extended working capital support of Rs. 422.01 lacs to its WOS; House of Pearl Fashions (US) Ltd., Rs.1367.02 lacs to Nor Pearl Knitwear Ltd., Rs.982.70 lacs to Pearl Global Ltd. and Rs.1012.08 Lacs to other subsidiaries as an interim use of funds.  
## Being expenses on integrated technology system, in excess of projected utilisation.

- 4) Except for Bangladesh entities, which are located in Export promotion zone and are in the Tax holidays period, Pearl Global Fareast Ltd. the Deferred tax has been reckoned for a
- 5) The standalone results for the quarter ended 31st December 2010 are available at the website of the company, www.houseofpearl.com, besides the websites of Bombay Stock Ex
- 6) Financial performance on stand alone basis for the Quarter are (Rs. In Lacs): a) Turnover 465.95, b) Loss Before Tax Rs18.19 and c) Loss after Tax Rs10.65
- 7) Figures of the previous period/ year have been regrouped and rearranged to make them comparable with those of the current period.

Place : Gurgaon.  
Date : 14th February, 2011.

8) Segment Reporting

<u>Geographical Segment</u>	Qtr Ended 31.12.2010	%	Qtr Ended 31.12.2009	%	Nine Months 31.12.2010	%	Nine 31
<u>Particulars</u>							
<u>Segment Revenue</u>							
UK	2477.58	5.21236	4829.32	11.46	8480.41	5.14	
Hong Kong	27855.93	58.6036	18561.95	44.03	87505.98	53.00	
India	10929.58	22.9937	12500.40	29.65	48995.94	29.68	
Others	6269.74	13.1903	6263.83	14.86	20108.38	12.18	
Total	47532.83	100.00	42155.50	100.00	165090.71	100.00	1
Less: Inter Segment Revenue	3649.39		3424.34		9909.99		
Net Segment Revenue	43883.44		38731.16		155180.72		12
<u>Segment Results</u>							
<u>Profit /(Loss) before Tax and Interest</u>							
UK	(29.09)	3.50	(450.63)	39.99	(53.19)	1.48	
Hong Kong	312.44	37.56	511.63	45.40	2408.74	67.07	
India	280.58	33.73	615.31	54.60	811.18	22.59	
Others	238.79	28.71	(16.00)	1.42	371.64	10.35	
Total	802.72	103.50	660.31	141.41	3538.37	101.48	
Less : (i) Interest	658.34		378.81		1965.50		
(ii) Other Un-allocable Expen net off.	134.09		94.60		239.20		
Total Profit before Tax	10.29		186.90		1333.67		
<u>Capital Employed per Segment</u>							
UK	9,732.08	11.2107	6574.25	9.82	9732.08	11.21	
Hong Kong	23,458.80	27.023	12426.93	18.57	23458.80	27.02	1
India	41,090.61	47.3337	38913.72	58.15	41090.61	47.33	3
Others	12,529.03	14.4326	8999.43	13.45	12529.03	14.43	8
Total	86810.52	100.00	66914.33	100.00	86810.52	100.00	6

<b>Business Segment</b>	<b>Qtr Ended</b>	<b>%</b>	<b>Qtr Ended</b>	<b>%</b>	<b>Nine Months</b>	<b>%</b>	<b>N</b>
<b>Particulars</b>	<b>31.12.2010</b>		<b>31.12.2009</b>		<b>31.12.2010</b>		
<b><u>Segment Revenue</u></b>							
Manufacturing	14576.14	30.66	15604.10	37.02	59392.18	35.98	
Marketing, Distribution	32966.38	69.34	26126.81	61.98	105542.34	63.93	
Branding & Retailing	(9.69)	0.02	424.59	1.01	156.19	0.09	
- Total	47532.83	100.02	42155.50	100.00	165090.71	100.00	
Less inter Segment Revenue	3649.39		3424.34		9909.99		
- Net Segment Revenue	43,883.44		38,731.16		155180.72		
<b><u>Segment Results</u></b>							
<b><u>Profit/(Loss) before Tax and Interest</u></b>							
Manufacturing	574.53	64.40	1022.32	100.00	1975.15	45.03	
Marketing, Distribution	317.66	35.60	(155.78)	15.24	2410.79	54.97	
Branding & Retailing	(89.47)	10.03	(206.23)	20.17	(847.57)	19.32	
Total	802.72	110.03	660.31	135.41	3538.37	119.32	
Less : (i) Interest	658.34		378.81		1965.50		
(ii) Other Un-allocable Expen net off.	134.09		94.60		239.20		
- Total Profit before Tax	10.29		186.90		1333.67		
<b><u>Capital employed per segment</u></b>							
Manufacturing	47205.56	54.3777	43556.68	65.09	47205.56	54.38	
Marketing, Distribution	38779.12	44.671	22086.55	33.01	38779.12	44.67	
Branding & Retailing	825.84	0.95131	1271.10	1.90	825.84	0.95	
- Total	86810.52	100.00	66914.33	100.00	86810.52	100.00	

For current period & previous year, the geographical segments of the Company based on the location of assets Hong Kong, India, & Others.