



# Precision Camshafts Limited

(100% EOU Division)

Works : D-5,D-6,7,7-1, M I D C, Chincholi, Solapur 413 255



Date: 13<sup>th</sup> August, 2019

SEC/AUG/SE/N&B/2019

<b>National Stock Exchange of India Limited,</b> "Exchange Plaza" 5 <sup>th</sup> Floor, Plot No. C-1, G Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400051 NSE Scrip Code - PRECAM	<b>BSE Limited,</b> Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400001  BSE Scrip Code - 539636
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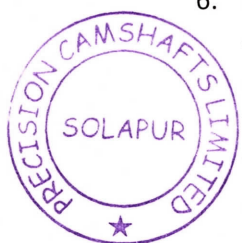
**Subject: Outcome of the Board Meeting held on 13<sup>TH</sup> August 2019.**

**Reference:** Regulation 30 and 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sirs/Madam,

In terms of the provisions of Regulation 30 and 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations"), this is to inform you that, the Board of Directors of the Company at its meeting held today i.e. 13<sup>th</sup> August, 2019 has, inter alia, considered and approved the following:-

1. Unaudited Standalone and Consolidated Financial Results of the Company for the quarter ended 30<sup>th</sup> June, 2019 along with Limited Review Report, issued by the statutory auditors of the Company.
2. Considered appointment of M/S MSKA and Associates, Chartered Accountants (Firm Reg No: 105047W) as Statutory Auditors of the Company. The relevant details with regard to appointment are given under **Annexure 1** to this communication.
3. Recommended dividend @10% (i.e. Rs. 1/- per Equity Share of Rs. 10/- each) for the financial year 2018-19. The said dividend is subject to approval of the shareholders of the Company at the ensuing Annual General Meeting. The said dividend, if approved by the members of the Company, shall be paid within 30 days of the declaration.
4. The Annual General Meeting of the Company will be held on Wednesday, 25<sup>th</sup> September, 2019 at 3.00 P.M. at Hotel Balaji Sarovar Premiere, Aasara Chowk, Hotgi Road, Solapur – 413 224.
5. Mr. Jayavant B. Bhavé for M/S J.B. Bhavé & Co, Company Secretaries have been appointed as the Scrutiniser for the e-voting process for the forthcoming Annual General Meeting under Regulation 44 of the SEBI (Listing obligation and Disclosure Requirements) Regulation, 2015 and Rule 20 of the Companies (Management and Administration) Rules, 2014.
6. Considered Closure of Register of members and Share transfer books pursuant to Regulation 42 of SEBI (Listing obligation and Disclosure Requirements) Regulation, 2015 and provisions of Section 91 of the Companies Act, 2013 and decided that Register of Members and Share Transfer Books of the Company will remain closed from **Thursday, 19<sup>th</sup> September, 2019 to Wednesday, 25<sup>th</sup> September, 2019 (both days inclusive)** for the purpose of payment of final dividend and voting at Annual General Meeting of the Company.



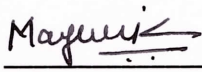
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7. Pursuant to the provisions of Section 108 of the Companies Act, 2013, the Companies (Management and Administration) Rules, 2015, the Board has fixed Wednesday **18th September, 2019** as the **cut-off date** to record entitlement of the members to cast their vote electronically for the business to be transacted at the ensuing Annual General Meeting of the Company.

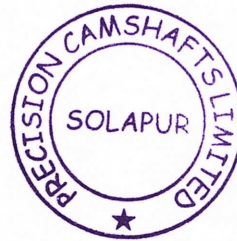
The meeting started at 1.00 PM .and ended at 6.30 PM.

You are requested to take the same on record.

**For Precision Camshafts Limited**



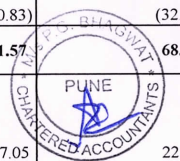
**Mayuri I Kulkarni**  
**Company Secretary and Compliance officer**



**STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2019**

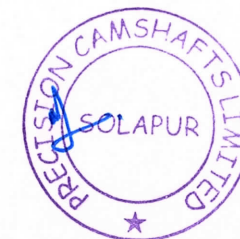
(Rs. In lakhs)

Sr. no	Particulars	Standalone				Consolidated			
		Quarter ended		Year ended		Quarter ended		Year ended	
		June 30, 2019 (Unaudited)	March 31, 2019 (Audited)	June 30, 2018 (UnAudited)	March 31, 2019 (Audited)	June 30, 2019 (UnAudited)	March 31, 2019	June 30, 2018	March 31, 2019 (Audited) Restated
<b>1 Income</b>									
	Revenue from operations	11,517.47	12,287.47	9,478.57	42,369.17	19,710.12	19,983.34	15,442.31	69,520.81
	Other income	460.87	299.12	545.20	1,687.55	440.62	256.96	546.14	1,767.35
	<b>Total Income</b>	<b>11,978.34</b>	<b>12,586.59</b>	<b>10,023.76</b>	<b>44,056.72</b>	<b>20,150.74</b>	<b>20,240.30</b>	<b>15,988.44</b>	<b>71,288.15</b>
<b>2 Expenses</b>									
	Cost of raw materials and components consumed	3,699.02	3,764.83	3,089.60	13,388.71	7,311.71	6,655.19	5,847.91	24,280.31
	(Increase) / decrease in inventories of finished goods, work-in-progress	(219.46)	(731.02)	(107.96)	(908.01)	(307.44)	(915.98)	(384.89)	1,481.13
	Employee benefits expense	1,450.49	1,367.91	1,335.09	5,064.48	3,340.92	3,123.81	2,899.11	12,150.48
	Finance costs	53.26	81.37	76.73	283.46	180.37	134.51	232.99	871.55
	Depreciation and amortisation expense	1,277.40	1,229.45	1,093.69	4,695.41	2,103.51	2,087.00	1,721.99	7,799.95
	Other expenses	4,232.49	4,029.20	3,244.32	14,961.22	6,623.94	5,902.83	4,888.91	21,960.52
	<b>Total expenses</b>	<b>10,493.19</b>	<b>9,741.72</b>	<b>8,731.47</b>	<b>37,485.25</b>	<b>19,253.00</b>	<b>16,987.37</b>	<b>15,206.02</b>	<b>65,581.68</b>
<b>3 Profit before tax</b>		<b>1,485.13</b>	<b>2,844.88</b>	<b>1,292.30</b>	<b>6,571.48</b>	<b>897.74</b>	<b>3,252.93</b>	<b>782.42</b>	<b>5,706.47</b>
<b>4 Share of profit /(loss) of joint ventures</b>		-	-	-	-	-	-	20.89	(34.41)
<b>5 Profit before exceptional items and tax (3+4)</b>		<b>1,485.13</b>	<b>2,844.88</b>	<b>1,292.30</b>	<b>6,571.48</b>	<b>897.74</b>	<b>3,252.93</b>	<b>803.31</b>	<b>5,672.07</b>
<b>6 Exceptional items</b>		-	-	-	-	-	2,734.59	-	2,734.59
<b>7 Profit before tax (5-6)</b>		<b>1,485.13</b>	<b>2,844.88</b>	<b>1,292.30</b>	<b>6,571.48</b>	<b>897.74</b>	<b>518.34</b>	<b>803.31</b>	<b>2,937.47</b>
<b>8 Tax expense</b>									
	Current tax	637.67	637.95	525.43	2,069.32	673.12	636.57	607.42	2,240.93
	Adjustment of tax relating to earlier years	-	(162.71)	-	(162.71)	-	(161.04)	-	(161.04)
	Deferred tax	(179.95)	315.81	16.60	373.55	(282.86)	147.59	(52.97)	37.16
	<b>Total tax expense</b>	<b>457.73</b>	<b>791.06</b>	<b>542.04</b>	<b>2,280.17</b>	<b>390.26</b>	<b>623.12</b>	<b>554.45</b>	<b>2,117.06</b>
<b>9 Profit for the year</b>		<b>1,027.39</b>	<b>2,053.81</b>	<b>750.26</b>	<b>4,291.31</b>	<b>507.48</b>	<b>(104.78)</b>	<b>248.86</b>	<b>820.42</b>
<b>10 Profit From discontinued Operations</b>									
	i) Profit from discontinued operations before tax	-	-	-	-	17.03	34.11	-	103.79
	ii) Tax expenses of discontinued operations	-	-	-	-	9.29	9.25	-	9.25
	-Deferred Tax	-	-	-	-	-	-	-	-
	Profit from discontinued operations ((i)-(ii))	-	-	-	-	26.32	43.35	-	113.03
<b>11 Profit for the year (9-10)</b>		<b>1,027.39</b>	<b>2,053.81</b>	<b>750.26</b>	<b>4,291.31</b>	<b>481.16</b>	<b>148.13</b>	<b>248.86</b>	<b>707.38</b>
<b>12 Other comprehensive income</b>									
	<b>A. Other comprehensive income not to be reclassified to profit or loss in subsequent periods:</b>								
	Re-measurement gains / (losses) on defined benefit plans	30.78	(1.91)	2.40	59.25	30.78	39.19	2.40	100.35
	Income tax effect	(10.76)	0.70	(0.83)	(20.70)	(10.76)	(10.74)	(0.83)	(32.14)
	<b>Total other comprehensive income for the year</b>	<b>20.02</b>	<b>(1.22)</b>	<b>1.57</b>	<b>38.55</b>	<b>20.03</b>	<b>28.45</b>	<b>1.57</b>	<b>68.21</b>
	<b>B. Other comprehensive income to be reclassified to profit or loss in subsequent periods:</b>								
	Exchange differences on translation of foreign operations	-	-	-	-	185.78	16.80	217.05	22.69
	Provisional bargain purchase gain on acquisition	-	-	-	-	-	-	-	-
	<b>Total Other comprehensive income to be reclassified to profit or loss in subsequent periods:</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>185.78</b>	<b>16.80</b>	<b>(217.05)</b>	<b>22.69</b>





Sr. no	Particulars	Standalone				Consolidated			
		Quarter ended		Year ended		Quarter ended		Year ended	
		June 30, 2019 (Unaudited)	March 31, 2019 (Audited)	June 30, 2018 (UnAudited)	March 31, 2019 (Audited)	June 30, 2019 (UnAudited)	March 31, 2019	June 30, 2018	March 31, 2019 (Audited) Restated
	Total other comprehensive income for the year, net of tax (A+B)	20.02	(1.22)	1.57	38.55	205.81	45.26	(215.48)	90.91
13	Total comprehensive income for the year, net of tax (11+12)	1,047.41	2,052.59	751.83	4,329.86	686.97	102.88	33.39	798.29
14	Profit for the year					481.16	(148.13)	248.86	707.38
	Attributable to:								
	Equity holders of the Holding Company	-	-	-	-	601.22	260.75	363.49	1,152.04
	Non Controlling interests	-	-	-	-	120.06	408.89	114.63	444.65
		-	-	-	-	481.16	148.13	248.86	707.39
15	Total other comprehensive income for the year					205.81	45.26	215.48	90.91
	Attributable to:								
	Equity holders of the Holding Company	-	-	-	-	205.81	45.26	215.48	90.91
	Non Controlling interests	-	-	-	-	-	-	-	-
		-	-	-	-	205.81	45.26	215.48	90.91
16	Total Comprehensive Income for the year					686.97	102.88	33.39	798.29
	Attributable to:								
	Equity holders of the Holding Company	-	-	-	-	807.03	306.01	148.01	1,242.95
	Non Controlling interests	-	-	-	-	(120.06)	(408.89)	(114.63)	(444.65)
		-	-	-	-	686.97	102.88	33.39	798.30
17	Earnings per share of Rs.10 each: (not annualised for quarter)								
	From continuing operation	1.08	2.16	0.79	4.52	0.63	0.27	0.38	1.21
	a) Basic	1.08	2.16	0.79	4.52	0.63	0.27	0.38	1.21
	b) Diluted								
	From discontinuing operation								
	a) Basic	-	-	-	-	0.00	0.00	-	0.00
	b) Diluted	0	0	0	0	0.00	0.00	-	0.00
	From continuing and discontinuing operation								
	a) Basic	1.08	2.16	0.79	4.52	0.63	0.27	0.38	1.21
	b) Diluted	1.08	2.16	0.79	4.52	0.63	0.27	0.38	1.21

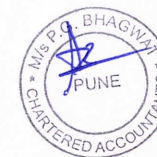
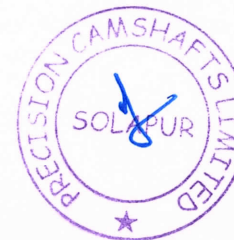




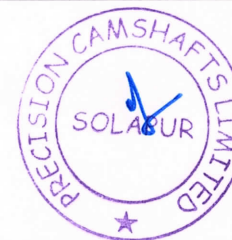
**NOTES**

- 1 The aforesaid financials results for the Quarter ended June 30, 2019 have been subjected to limited review by the auditors of the Company and reviewed by the Audit Committee and approved by the Board of Directors of the Company at their respective meetings held on August 13, 2019.
- 2 The figures for the quarter ended March 31, 2019 as reported in the standalone financial results are the balancing figures between the audited figures in respect of the full financial year and published figures of 9 months ended December 31, 2018. The figures of nine months ended have been subjected to Limited Review by the statutory auditors.
- 3 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 relevant rules issued there under and in terms of Regulation 33 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 read with SEBI circular no. CIR/CFD/FAC/62/2016 dated 5th July, 2016.
- 4 The Company is engaged in manufacturing of auto components (camshafts and others). Based on similarity of activities/products, risk and reward structure, organization structure and internal reporting systems, the Company has structured its operations into one operating segment; however based on the geographic distribution of activities, the chief operating decision maker has identified India and outside India as two reportable geographical segments. The details in relation to the identified geographical segments are as follows:

Sr. No.	Particulars	Standalone			
		Quarter Ended June 30, 2019 (Unaudited)	Quarter Ended March 31, 2019 (Unaudited)	Quarter Ended June 30, 2018 (Unaudited)	Year ended March 31, 2019 (Audited)
<b>I</b>	<b>Details of segment revenue</b>				
	a Within India	4,739.80	5,514.13	4,534.67	19,533.03
	b Outside India				
	Asia (Other than China )	2,820.48	3,561.32	2,235.11	11,654.99
	China	(3.76)	-	207.09	334.12
	Europe	3,366.86	2,961.71	2,455.71	10,430.45
	Others	594.10	250.32	45.99	416.56
	<b>Total</b>	<b>11,517.48</b>	<b>12,287.48</b>	<b>9,478.57</b>	<b>42,369.15</b>
<b>II</b>	<b>Details of carrying amount of non current assets*</b>				
	a Within India	33,264.91	34,013.71	31,313.98	34,013.71
	b Outside India				
	Asia (Other than China )	-	-	-	-
	China	-	-	1,303.35	-
	Europe	7,096.75	6,189.98	4,058.27	6,189.98
	Others	-	-	-	-
	<b>Total</b>	<b>40,361.66</b>	<b>40,203.70</b>	<b>36,675.60</b>	<b>40,203.70</b>



Sr. No.	Particulars	Consolidated			
		Quarter Ended June 30, 2019  (Unaudited)	Quarter Ended March 31, 2019	Quarter Ended June 30, 2018	Year ended March 31, 2019 (Audited) Restated
<b>I</b>	<b>Details of segment revenue</b>				
	a Within India	5,757.24	6,537.39	5,768.41	24,254.95
	b Outside India				
	Asia (Other than China )	2,820.48	3,561.32	2,235.11	11,654.99
	China	(3.76)	-	254.79	334.13
	Europe	10,542.06	9,634.31	7,138.01	32,860.18
	Others	594.10	250.32	45.99	416.56
	<b>Total</b>	<b>19,710.12</b>	<b>19,983.34</b>	<b>15,442.31</b>	<b>69,520.81</b>
<b>II</b>	<b>Details of carrying amount of non current assets*</b>				
	a Within India	33,261.58	34,293.05	34,813.89	34,293.05
	b Outside India				
	Asia (Other than China )	-	-	-	-
	China	-	-	1,303.35	-
	Europe	19,721.85	19,114.05	12,993.89	19,114.05
	Others	-	-	-	-
	<b>Total</b>	<b>52,983.43</b>	<b>53,407.10</b>	<b>49,111.13</b>	<b>53,407.10</b>
<p>* As defined in paragraph 33 (b) of Ind AS 108 "Operating segments" non current assets excludes financial instruments, deferred tax assets and post-employment benefit assets.</p> <p>5 The company, through it's 100% subsidiary PCL (International) Holding B.V. , Netherlands acquired 51% shares in Emoss Mobile Systems B.V., Netherland on 17th May, 2018 making it a step-down subsidiary company and consolidated the same in the financial statements of Precision Camshafts Limited, India. Further, the management as per para 45 of Ind AS 103 "Business Combinations" had consolidated Emoss Mobile Systems B.V. with provisional amounts for year ended 31 March 2019. The management has completed the Purchase Price Allocation (PPA) within twelve months from the date of acquisition in the current quarter and consequently has restated the assets and liabilities including intangibles and resultant Goodwill.</p> <p>6 The Company, through it's 100% subsidiary PCL (International) Holding B.V. , Netherlands had acquired 76% shares in MFT Motoren und Fahrzeutechnik GmbH, Germany (MFT) in March, 2018. The management completed the Purchase Price Allocation (PPA) in previous year and restated the assets and liabilities including intangibles and resultant Capital Reserve in financial statement of March 2019. The deferred tax liability on assets revalued is recognized in current period and accordingly capital reserve recognized in March 2019 is restated to Rs.1,350.76 Lakhs. The profit after tax for the year ended 31 March 2019, quarter ended 31 March 2019 and 30 June 2018 is restated by Rs 14.73 Lakhs , Rs 3.68 Lakhs and Rs 3.64 Lakhs respectively.</p> <p>7 During the current quarter, the Company recognized deferred tax liability on assets revalued on acquisition of Memco Engineering Private Limited. Accordingly, the goodwill recognized on acquisition of Memco is restated to Rs 1,390.02 Lakhs. Accordingly, the profit after tax for the year ended 31 March 2019, quarter ended 31 March 2019 and quarter ended 30 June 2019 is restated by Rs. 101.72 Lakhs, Rs. 25.43 Lakhs and Rs. 25.43 Lakhs. Also opening retained earnings restated for effect prior to 1 April 2018 by Rs. 48.98 Lakhs.</p> <p>8 During the period ended 31 March 2019, the directors of the company confirmed their intention to sell the shares of investment in its joint ventures, Ningbo Shenglong PCL Camshafts Co. Ltd. &amp; PCL Shenglong (Huzhou) Specialized Casting Co. Ltd. collectively referred to as the "Disposal Group". As a result the company had classified the disposal group as held for sale in accordance with Ind AS 105. Consequently, the investment in JVs were accounted for as per equity method (As per Ind AS 28) up to September 2018 resulting to loss of Rs.34.41 lakhs. Subsequently the disposal group is accounted for at fair value less cost to sale as per Ind AS 105. Management estimated fair value of disposal group is Rs.1,003.35 Lakhs resulting into net loss on fair value measurement of Rs.300 Lakhs in standalone and Rs. 3,485.39 Lakhs in consolidated financial statements as at 31 March 2019. There is no change in fair value estimates as compared to previous quarter.</p> <p>9 Exceptional item represents effects of disposal group held for sale</p>					



Particulars	Rs. In Lakhs
Accumulated balance of Foreign currency translation reserve reclassified to profit and loss	(137.47)
Deferred tax liability reversed	(596.96)
Loss due to fair value measurement	3,485.39
ESOS reserve reversed	(16.37)
<b>Net Exceptional item as on 31 March 2019</b>	<b>2,734.59</b>

- 10 Effective April 01, 2019, the Group has adopted Ind AS 116 Leases under the modified retrospective approach without adjustment of comparatives. The Standard is applied to contracts that remain in force as at April 01, 2019. The application of the Standard did not have any significant impact on the retained earnings as at April 01, 2019 and financial results for the current quarter.
- 11 During the previous quarter, the directors of the company decided to shut down its wholly owned subsidiary in China i.e. PCL (Shanghai) Co. Ltd. Consequently it has been reported as discontinued operation in the consolidated Ind AS financial statements in accordance with Ind AS 105. In standalone Ind AS financial statements of the company, this investment had been fully impaired in FY 2016-17.

**Financial Performance and net cash flow of discontinued operation**

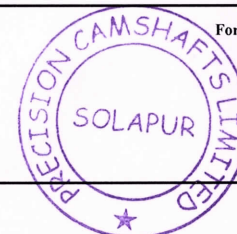
Particulars	Quarter ended 30 June 2019 (Rs. in Lakhs)
Revenue	-
Expense	17.03
<b>Profit before income Tax</b>	<b>(17.03)</b>
Income Tax Expense	9.29
<b>Profit after income Tax</b>	<b>(26.32)</b>
<b>Net decrease in cash flow from discontinued operation</b>	<b>38.46</b>

**Carrying Amount of Asset and Liabilities as on 30.6.2019**

Particulars	31st March 2019 (Rs. in Lakhs)
Cash and cash equivalents	15.38
Other Current assets	-
<b>Total Assets</b>	<b>15.38</b>
Trade and other payables	-
<b>Total Liabilities</b>	<b>-</b>
<b>Net Asset</b>	<b>15.38</b>

- 12 The current quarter financial figures include results of Emoss Mobile Systems B.V., Netherland (of current 3 months, previous quarter 1.5 months) and therefore to the extent these are not comparable with that of the previous financial figures.
- 13 For the year ended 31 March 2019, the consolidated financial statements of PCL (International) Holding B.V. , Netherlands for the purpose of consolidation in the Company were considered as management certified and the audit report was qualified for the same matter. During the current period, the management has appointed a firm of chartered accountants who has reviewed the consolidated financial results of PCL (International) Holding B.V., Netherlands and submitted the report as per the group audit instructions.
- 14 From current year 2019-20 the company as per SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, w.e.f. 1st April 2019 has started consolidating on quarterly basis its subsidiary companies and associate companies. Consequently the respective comparative periods have also been consolidated, approved by the Board but not reviewed by the Auditor.
- 15 Previous period figures have been regrouped/ rearranged wherever considered necessary.

Place: Pune  
Date:13/08/2019



For and on behalf of the Board of Directors of  
Precision Camshafts Limited

*Ravindra R. Joshi*  
Ravindra R. Joshi  
Director & CFO



**M/S P. G. BHAGWAT**  
CHARTERED ACCOUNTANTS

**HEAD OFFICE**  
Suites 101-102, 'Orchard'  
Dr. Pai Marg, Baner, Pune – 45  
Tel (O): 020 – 27290771/1772/1773  
Email: pgb@pgbhagwatca.com  
Web: www.pgbhagwatca.com

## **Independent Auditors' Review Report**

**on standalone unaudited quarterly and year to date 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  
Precision Camshafts Limited  
E102/103, M.I.D.C.,  
Akkalkot Road, Solapur- 413 006  
Maharashtra, India

We have reviewed the accompanying Statement of Unaudited Standalone Financial Results of Precision Camshafts Limited for the period ended June 30, 2019 ("the Statement"). This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on this Statement based on our review.

We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with applicable accounting standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

For **M/s P.G.Bhagwat**  
Chartered Accountants  
Firm's Registration Number: 101118W



Abhijeet Bhagwat

Partner

Membership Number: 136835

Pune

August 13, 2019

UDIN: 19136835AAAADU8570



**Branches:** Mumbai | Kolhapur | Belgaum | Hubli | Dharwad

**M/S P. G. BHAGWAT**  
CHARTERED ACCOUNTANTS

**HEAD OFFICE**  
Suites 101-102, 'Orchard'  
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## **Independent Auditor's Review Report**

**on consolidated unaudited quarterly and year to date 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  
Precision Camshafts Limited  
E102/103, M.I.D.C.,  
Akkalkot Road, Solapur- 413 006  
Maharashtra, India

1. We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results of Precision Camshafts Limited ("the Parent/PCL") and its subsidiaries (the Parent and its subsidiaries together referred to as the "Group") for the quarter ended June 30, 2019 ("the Statement"), being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

Attention is drawn to the fact that the consolidated figures for the corresponding quarter ended June 30, 2018 and previous quarter ended March 31, 2019, as reported in the Statement have been approved by the Parent's Board of Directors, but have not been subjected to review.

2. This Statement, which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

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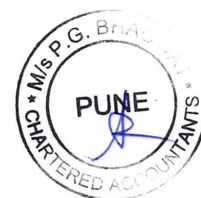
## **Independent Auditor's Review Report - continued**

**on consolidated unaudited quarterly and year to date financial results of PCL Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

4. The Statement includes the results of the following entities: PCL (International) Holding BV, Netherlands its step-down subsidiary companies MFT Motoren und Fahrzeugtechnik GmbH, Germany, EMOSS Mobile Systems BV, Netherlands & PCL Brasil Automotive LTDA, direct subsidiary companies Memco Engineering Private Limited, India & PCL (Shanghai) Company Limited, China.
5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of the other auditors referred to in paragraph 6 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. We did not review the interim financial results of five subsidiaries included in the Statement whose results reflect total revenues of Rs. 8,205.53lakhs and total net profit after tax of Rs. 470.45 lakhs and total comprehensive income of Rs. 316.03 lakhs for the quarter ended June 30, 2019. These interim financial results have been reviewed by other auditors whose reports have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the reports of the other auditors and the procedures performed by us as stated in paragraph 3 above.

The Annual Consolidated Financial Statements of PCL (International) Holding BV, Netherlands for previous year ended March 31, 2019 which includes three step-down subsidiary companies were Management drawn and have not been subjected to audit. The opening balances of these financial statements form part for the determination of the consolidated results of quarter ended June 30, 2019 and we have relied on the audit procedures conducted by the component auditors as part of their review for the quarter ended June 30, 2019 for the same.

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



**Branches:** Mumbai | Kolhapur | Belgaum | Hubli | Dharwad



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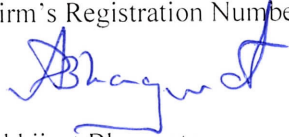
## **Independent Auditor's Review Report - continued**

**on consolidated unaudited quarterly and year to date financial results of PCL Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

7. The Statement includes the interim financial results of one subsidiary which have not been reviewed/audited by their auditors, whose interim results reflect total revenue of Nil, total net loss after tax of Rs. 26.32 lakhs and total comprehensive loss of Rs. 26.32 lakhs for the quarter ended June 30, 2019. According to the information and explanations given to us by the Management, these financial results are not material to the Group.

Our conclusion on the Statement is not modified in respect of the above matter.

For **M/s P.G.Bhagwat**  
Chartered Accountants  
Firm's Registration Number: 101118W



Abhijeet Bhagwat

Partner

Membership Number: 136835

Pune

August 13, 2019

UDIN: 19136835AAAADU8570



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## **Annexure 1**

### **Brief Profile of Statutory Auditor**

M/S MSKA & Associates, (FRN: 105047W), Chartered Accountants ("the Firm") established in 1978, is an Indian partnership firm registered with the Institute of Chartered Accountants of India (ICAI) and the PCAOB (US Public Company Accountancy Oversight Board). M/S MSKA & Associates is a member firm of BDO International and offers a range of Assurance services, led by industry experts with deep knowledge pockets and driven by a commitment, to deliver high quality services to all the clients. The firm provides services under Assurance, Audit Services, Advisory, Business Services & outsourcing and Taxation.

The firm has 24 partners and more than 600 employees. It has presence in 9 key cities in India namely Mumbai ,Pune , New Delhi ,Gurugram Ahmadabad, Bangalore, Chennai, Goa, Hyderabad, and Kolkata.