



30th July, 2020

To,
BSE Ltd.
Floor 25, P. J. Towers
Dalal Street,
Mumbai - 400 001

Sub: Outcome of 02nd (02/2020-21) Board Meeting of Directors
Ref: Submission of Audited Standalone Financial Results for the Quarter and Year
Ended on 31st March, 2020 pursuant to Regulation 33 of SEBI (Listing Obligations
and Disclosure Requirements) Regulation, 2015
BSE Code: 526905

Dear Sir,

This is to inform you under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 that a meeting of the Board of Directors of the Company was held on **Thursday, 30th July, 2020** and the said meeting commenced at 05.30 PM and concluded at 07.30 PM. The following matters were decided by the Board:-

1. Considered and approved the audited standalone and consolidated financial results along with Auditor's Report on Standalone and Consolidated Financial Results of the Company for the quarter and year ended on 31st March, 2020.

Please take the same on your record.

Yours faithfully,
For, **PADMANABH INDUSTRIES LIMITED**

A. m. shah.

Ashish M. Shah
Managing Director
(DIN: 03129204)

CIN:L17110GJ1994PLC023396

PADMANABH INDUSTRIES LIMITED											
(CIN:L17110GJ1994PLC023396)											
(Regd. Office: 401, ABHISHREE AVENUE, OPP. HANUMAN TEMPLE, NEHRUNAGAR CIRCLE, AMBAWADI, AHMEDABAD-380015)											
E-mail id: padmanabhindustries@gmail.com website: www.padmanabhindustries.com											
Audited Financial Results for the period ended on March 31, 2020											
(Rs. In Lakhs) Except EPS and Face Value of Share											
	Particulars	Standalone					Consolidated				
		Quarter		Year			Year		Quarter		
		ended on	ended on	ended on	ended on	ended on	ended on	ended on	ended on	ended on	ended on
		31-Mar-20	31-Dec-19	31-Mar-19	31-Mar-20	31-Mar-19	31-Mar-20	31-Mar-19	31-Mar-20	31-Dec-19	31-Mar-19
		Audited	Unaudited	Audited	Audited	Audited	Audited	Audited	Audited	Unaudited	Audited
I	Revenue from operations	-	-	-	-	-	160.95	116.24	54.55	3.48	116.24
II	Other Income	0.06	0.03	2.92	0.17	15.65	4.13	15.65	0.87	0.03	2.92
III	Total Revenue (I+II)	0.06	0.03	2.92	0.17	15.65	165.08	131.89	55.42	3.51	119.16
IV	Expenses										
	Cost of material consumed	-	-	-	-	-	-	-	-	-	-
	Purchase of stock in trade	-	-	-	-	-	1.50	1.60	-	-	1.60
	Changes in inventories of Finished Goods, Work-in-Progress and Stock-in-trade	1.55	-	-	1.55	-	1.55	-	1.55	0.01	-
	Employee benefits expenses	3.27	1.89	2.03	8.62	7.55	16.59	17.44	5.17	4.01	11.92
	Finance Costs	(0.00)	-	0.40	0.02	0.56	0.06	3.82	0.02	0.02	3.66
	Depreciation and amortization expense	3.39	0.78	3.04	8.31	8.29	9.08	11.75	1.56	1.64	6.50
	Other Expenses	5.60	2.04	2.97	24.64	12.21	41.00	189.05	12.47	4.63	179.81
	Total Expenses	13.81	4.71	8.44	43.14	28.61	69.78	223.66	20.77	10.31	203.49
V	Profit before exceptional and extraordinary items and tax (III-IV)	(13.75)	(4.68)	(5.52)	(42.97)	(12.96)	95.30	(91.77)	34.65	(6.80)	(84.33)
VI	Exceptional Items	(421.33)	-	-	(421.33)	-	(421.33)	-	(421.33)	-	-
VII	Profit before extraordinary items and tax (V-VI)	(435.08)	(4.68)	(5.52)	(464.30)	(12.96)	(326.03)	(91.77)	(386.68)	(6.80)	(84.33)
VIII	Extraordinary items	-	-	-	-	-	-	-	-	-	-
IX	Profit before tax (VII-VIII)	(435.08)	(4.68)	(5.52)	(464.30)	(12.96)	(326.03)	(91.77)	(386.68)	(6.80)	(84.33)
X	Tax Expenses										
	1) Current tax	-	-	-	-	-	-	-	-	-	-
	2) Deferred tax	-	-	(0.33)	-	(0.33)	-	(0.33)	-	-	(0.33)
	3) Short / (Excess) Provision	-	-	-	-	-	-	-	-	-	-
	Total Tax Expenses	-	-	(0.33)	-	(0.33)	-	(0.33)	-	-	(0.33)
XI	Profit (Loss) for the period from continuing operations (IX-X)	(435.08)	(4.68)	(5.19)	(464.30)	(12.63)	(326.03)	(91.44)	(386.68)	(6.80)	(84.00)
XII	Profit / (Loss) from discontinuing operations	-	-	-	-	-	-	-	-	-	-
XIII	Tax expenses of discontinuing operations	-	-	-	-	-	-	-	-	-	-
XIV	Profit / (Loss) from discontinuing operations (after tax) (XII-XIII)	-	-	-	-	-	-	-	-	-	-
XV	Profit / (Loss) for the period (XI+XIV)	(435.08)	(4.68)	(5.19)	(464.30)	(12.63)	(326.03)	(91.44)	(386.68)	(6.80)	(84.00)
XVI	Other Comprehensive income										
	A) (i) Items that will not be reclassified to profit or loss	-	-	-	-	-	-	-	-	-	-
	(ii) Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-	-	-	-	-	-	-
	B) (i) Items that will be reclassified to profit or loss	-	-	-	-	-	-	-	-	-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-	-	-	-	-	-
XVII	Total Comprehensive Income	(435.08)	(4.68)	(5.19)	(464.30)	(12.63)	(326.03)	(91.44)	(386.68)	(6.80)	(84.00)
XVIII	Paid up Equity Share Capital (Face Value Rs. 10/- each)	607.75	607.75	607.75	607.75	607.75	607.75	607.75	607.75	607.75	607.75
XIX	Other Equity excluding Revaluation Reserve				475.67	753.63	(151.16)	(11.47)			
XX	Earning per share										
	1) Basic	(7.16)	(0.08)	(0.09)	(7.64)	(0.21)	(5.36)	(1.50)	(6.36)	(0.11)	(1.38)
	2) Diluted	(7.16)	(0.08)	(0.09)	(7.64)	(0.21)	(5.36)	(1.50)	(6.36)	(0.11)	(1.38)

Date: 30/07/2020
Place: Ahmedabad

For PADMANABH INDUSTRIES LIMITED

A-m-shah
ASHISH M. SHAH
Managing Director
(DIN: -03129204)

Audited Statement of Assets & Liabilities

Particulars				Standalone		Consolidated	
				AMOUNT IN	AMOUNT IN	AMOUNT IN	AMOUNT IN
				Rs.	Rs.	Rs.	Rs.
				31-Mar-2020	31-Mar-2019	31-Mar-2020	31-Mar-2019
I.	ASSETS						
1	Non Current Assets						
	(a)	Property, Plant & Equipment		760,539	1,066,092	1,257,645	1627066
	(b)	Capital Work in progress			-		
	(c)	Investment Properties			-		
	(d)	Goodwill					
	(e)	Other Intangible Assets		4,799,232	5,232,960	4,799,232	5232960
	(f)	Intangible assets under development			-		
	(g)	Biological assets other than bearer plants			-		
	(h)	Financial assets					
	(i)	Non Current Investments		15,840,000	15,840,000	15,740,000	15740000
	(ii)	Trade receivables					
	(iii)	Loans		76,970,429	107,072,170	13,821,515	28232262.9
	(iv)	Others		230,000	230,000	230,000	230000
	(i)	Deferred tax assets (net)					
	(j)	Income Tax Assets (Net)		370	277,750	370	277750
	(k)	Other Non-current assets		1,257,000	7,619,000	1,260,535	7626069.89
		Total Non Current Assets		99,857,570	137,337,972	37,109,297	58,966,109
2	Current assets						
	(a)	Inventories			154,621		154621
	(b)	Financial assets					
	(i)	Investments					
	(ii)	Trade receivables		6,536,160	7,948,659	12,827,149	21598647.57
	(iii)	Cash and cash equivalents		2,292,478	724,444	4,306,110	1323549
	(iv)	Bank balance other than (iii) above			-		
	(v)	Loans					
	(vi)	Others		24,624	11,433,096	24,624	11433096
	(c)	Current tax assets (net)					
	(d)	Other current assets		34,486	39,989	892,272	10117861
		Total Current Assets		8,887,747	20,300,809	18,050,154	44,627,775
		Total Assets		108,745,317	157,638,780	55,159,451	103,593,883
II.	EQUITY AND LIABILITIES						
1	Equity						
	(a)	Equity share capital		60,775,000	60,775,000	60,775,000	60775000
	(b)	Other equity		28,719,002	75,363,102	(33,964,867)	-1147635
		Total Equity		89,494,002	136,138,102	26,810,133	59,627,365
2	Liabilities						
	Non-current liabilities						
	(a)	Financial liabilities					
	(i)	Borrowings		3,950,966	5,763,485	3,950,966	14778140
	(ii)	Trade payables					
	(iii)	Other financial liabilities (other than those specified in (b))			-		
	(b)	Provisions			-		
	(c)	Deferred tax liabilities (net)			-		
	(d)	Other non-current liabilities					
		Total Non-Current Liabilities		3,950,966	5,763,485	3,950,966	14,778,140
3	Current liabilities						
	(a)	Financial liabilities					
	(i)	Borrowings					
	(ii)	Trade payables					
		i. total outstanding dues of micro enterprises and small enterprises					

A.m-shah

		ii. total outstanding dues of creditors other than micro enterprises and small enterprises	7,313,362	7,313,362	8,616,632	10752185
		(iii) Other financial liabilities (other than those specified in (c))	7,776,351	8,213,590	9,808,564	11622071
	(b)	Other current liabilities	110,636	210,241	5,810,265	5970822
	(c)	Provisions	100,000		162,890	843300
	(d)	Current tax liabilities (net)				
		Total Current Liabilities	15,300,349	15,737,193	24,398,351	29,188,378
		Total Liabilities	19,251,315	21,500,678	28,349,317	43,966,518
		Total Equities and Liabilities	108,745,317	157,638,780	55,159,450	103,593,883

Date: 30/07/2020
Place: Ahmedabad

For PADMANABH INDUSTRIES LIMITED

A-m-shah
ASHISH M. SHAH
Managing Director
(DIN: -03129204)

Cash Flow Statement					
PARTICULARS	Standalone		Consolidated		
	AMOUNT IN	AMOUNT IN	AMOUNT IN	AMOUNT IN	
	Rs.	Rs.	Rs.	Rs.	
	31-Mar-2020	31-Mar-2019	31-Mar-2020	31-Mar-2019	
Cash flow from operating activities					
Net profit/(loss) before tax	(46,429,972)	(1,296,538)	(32,603,104)	(9,177,292)	
Adjustment for					
Depreciation / Amortisation	839,281	829,025	812,641	1,175,138	
Profit/Loss on discard of Assets					
Interest expense	1,989				
Interest income	17,446	301,772	(408,475)	(301,772)	
Operating cash flow before working capital changes	(45,571,256)	(165,741)	(32,198,938)	(8,303,926)	
(Increase) / Decrease in other current/non-current assets	18,053,355	1,112,361			
			27,276,976	2,289,109	
(Increase) / Decrease in trade receivable	1,412,499	(682,500)	8,771,499	(6,195,497)	
(Increase) / Decrease in inventories	154,621		154,621		
Increase / (Decrease) in trade payable	-	(730,000)	(2,135,553)	(730,000)	
Increase / (Decrease) in MAT Credit Entitlement	(214,128)		(214,128)		
Increase / (Decrease) in other current/non current liabilities	(536,844)	7,085,008			
			(2,654,474)	7,746,994	
Cash generated from operations	(26,701,753)	6,619,128	(999,997)	(5,193,320)	
Income taxes paid (net)					
Net cash generated by operating activities	(26,701,753)	6,619,128	(999,997)	(5,193,320)	
Cash flow from investing activities					
Purchase of fixed assets	-	(116,830)	(9,492)	(116,830)	
Assets held for sale	-	-			
Investment in Subsidiaries	-	-			
Long Term loans & advances	30,101,741	(3,758,401)	14,410,748	(3,354,507)	
Non current Investment		(15,740,000)		(15,740,000)	
Interest received	(17,446)	(301,772)	408,475	301,772	
Net cash used in investing activities	30,084,295	(19,917,003)	14,809,731	(18,909,565)	
Cash flow from financing activities					
Proceeds from equity	-	-			
Proceeds from long-term borrowing	(1,812,519)	4,997,646	(10,827,174)	13,747,646	
Proceeds from short-term borrowing	-				
Change in General Reserves	-				
Interest paid	(1,989)				
Net cash generated from / used in financing activities	(1,814,508)	4,997,646	(10,827,174)	13,747,646	
Net (decrease)/increase in cash & cash equivalents (A+B+C)	1,568,034	(8,300,229)	2,982,560	(10,355,239)	
Cash and cash equivalents at beginning of the period	724,444	9,024,673	1,323,549	11,678,788	
Cash and cash equivalents at end of period	2,292,478	724,444	4,306,109	1,323,549	

Date: 30/07/2020
Place: Ahmedabad

For PADMANABH INDUSTRIES LIMITED

A.m-shah
ASHISH M. SHAH
Managing Director
(DIN: -03129204)



Notes on Standalone Financial Results:

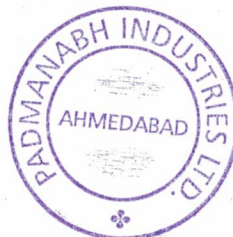
- I. The above standalone financial results have been prepared in accordance with the Indian Accounting Standards ("Ind As") as prescribed under Section 133 of the Companies Act, 2013 read with relevant rules framed thereunder except as stated elsewhere in our limited review report.
- II. The Company's has only one reportable primary business segment, the disclosure requirements of Ind AS 108 "Operating segment" prescribed under Section 133 of the Companies Act, 2013 read with relevant rules framed thereunder are not applicable.
- III. The above standalone financial results have been reviewed and recommended by the Audit Committee and approved by the Board of Directors at their meeting held on 30th July, 2020. The Statutory Auditors have expressed a modified audit opinion on the above standalone financial results for the quarter and year ended 31st March, 2020.
 - I. The figures for quarter ended 31st March, 2020 are the balancing figures between the audited financial results for the year ended 31st March, 2020 and the published financial results for nine months ended 31st December, 2019.
 - II. Previous period's figures have been regrouped/rearranged wherever necessary to confirm to the current period's classification.
 - III. The Company has elected to exercise the option permitted under Section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Accordingly, the Company has recognized provision for taxation and re-measured its deferred tax liabilities basis the rate prescribed in the said Section. The impact of such change has been recognized over the year ended March 31, 2020 since the Company has used effective tax rate for full financial year.
- IV. World Health Organization (WHO) declared outbreak of Coronavirus Disease (COVID-19) a global pandemic on March 11, 2020. Consequent to this, Government of India declared lockdown on March 23, 2020 and the Company temporarily suspended the operations in compliance with the lockdown instructions issued by the Central and State Governments. COVID-19 has impacted the normal business operations of the Company by way of interruption in unavailability of personnel, closure/lock down of facilities etc. during the lock-down period which has been extended till May 31st, 2020. The Company has made assessment of its liquidity position for the next year and the recoverability and carrying value of its assets comprising property, plant and equipment, intangible assets, right of use assets, investments and trade receivables. Based on current indicators of future economic conditions, the Company expects to recover the carrying amount of these assets. 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 on balance sheet date.

**For and on behalf of the Board
Padmanabh Industries Limited**

A. M. Shah

**Ashish M. Shah
Managing Director
(DIN: 03129204)**

**Place: Ahmedabad
Date: 30th July, 2020**

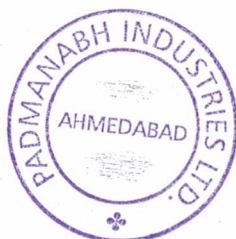


CIN:L17110GJ1994PLC023396

**Notes on Consolidated Financial Results:**

- I. The above consolidated financial results have been prepared in accordance with the Indian Accounting Standards ("Ind As") as prescribed under Section 133 of the Companies Act, 2013 read with relevant rules framed thereunder except as stated elsewhere in our limited review report.
- II. The Company's has only one reportable primary business segment, the disclosure requirements of Ind AS 108 "Operating segment" prescribed under Section 133 of the Companies Act, 2013 read with relevant rules framed thereunder are not applicable.
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- VII. The company has two subsidiaries as on 31st March, 2020. The consolidated results include figure of one wholly owned subsidiary company i.e. Padmanabh Sports Private Limited and does include its another subsidiary company i.e. Guardian Finance Private Limited.
- VIII. World Health Organization (WHO) declared outbreak of Coronavirus Disease (COVID-19) a global pandemic on March 11, 2020. Consequent to this, Government of India declared lockdown on March 23, 2020 and the Company temporarily suspended the operations in compliance with the lockdown instructions issued by the Central and State Governments. COVID-19 has impacted the normal business operations of the Company by way of interruption in unavailability of personnel, closure/lock down of facilities etc. during the lock-down period which has been extended till May 31st, 2020. The Company has made assessment of its liquidity position for the next year and the recoverability and carrying value of its assets comprising property, plant and equipment, intangible assets, right of use assets, investments and trade receivables. Based on current indicators of future economic conditions, the Company expects to recover the carrying amount of these assets. 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 on balance sheet date.

Place: Ahmedabad
Date: 30th July, 2020



CIN:L17110GJ1994PLC023396

**For and on behalf of the Board
Padmanabh Industries Limited**

A-m-shah
Ashish M. Shah
Managing Director
(DIN: 03129204)



Independent Auditor's Report on the Quarterly and year to date Audited Standalone Financial Results of the Company pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To
The Board of Directors of
Padmanabh Industries Limited

Report on the audit of the Standalone Financial Results

Opinion

We have audited the accompanying Statement of quarterly and year to date Standalone Financial Results of Padmanabh Industries Limited (the 'Company') for the quarter ended 31st March, 2020 and for the year ended 31st March, 2020 (the 'Statement'), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended (the 'Listing Regulations').

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report the statement:

- I. is presented in accordance with the requirements of the listing Regulations in this regard; and
- II. gives a true and fair view in conformity with the applicable accounting standards and other accounting principles generally accepted in India, of the net profit and other comprehensive loss and other financial information of the Company for the quarter ended 31st March, 2020 and for the year ended 31st March, 2020.

Basis for Qualified Opinion

- Refer to Note 3 in the standalone financial statements, the Company has made investment in one of its wholly owned Subsidiary namely Padmanabh Sport Private Limited and the said investment is carried at cost Rs. 100000 on the balance sheet as at March 31, 2020. Net worth of Investee Company has fully eroded as on balance sheet date and there is permanent diminution in the value of investment, The Management has stated the said investment at cost amount, which constitutes a departure from the Ind AS Accounting Standards prescribed under section 133 of the companies act 2013.
- Refer to standalone financial statements, all the value with regards to financial assets and financial liabilities in the financial statements has been stated at historical cost only irrespective of the fair value of the same which is departure from requirement of an Ind AS 113 (Fair value measurement) and Ind AS 109 (Financial Instruments).



We conducted our audit in accordance with the standards on auditing specified under section 143 (10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the auditor's responsibilities for the audit of the standalone Ind AS financial statements 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the code of ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Emphasis of Matter

- We draw attention to Other disclosures forming part of the standalone Ind AS results, which describes the uncertainties and the impact of Covid-19 pandemic on the Company's operations and results as assessed by the management. Our opinion is not modified in respect of this matter.
- We draw attention to exceptional items stated in the statement of profit & loss account amounting Rs. 4.21 crores. The company has written off its financial and non-financial assets during year including the advance for capital assets.
- The Company have granted interest free Unsecured loans and advances to its wholly owned subsidiary, outstanding amount of Rs 7.14 crores as on balance sheet. The Net worth of the said subsidiary has fully eroded and having negative net worth of Rs 6.26 crores. Such loans and receivables are tested for impairment annually. If impairment exists, the recoverable amounts of the loans and receivables are estimated in order to determine the extent of the impairment loss, if any. Determination of whether there exists any impairment in the value of loans is subject to a significant level of judgment. There is therefore a risk that the value of loans may be misstated.

Management's Responsibility for the Standalone financial results

The statement has been prepared on the basis of the standalone annual financial statements. The Company's Board of Directors is responsible for the preparation and presentation of the statement that give a true and fair view of net profit and other comprehensive loss of the company and other financial information in accordance with the applicable accounting standards prescribed under section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the listing regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of



adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Statement, 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.

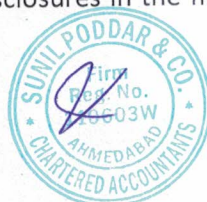
The board of directors are responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Results

Our objectives are to obtain reasonable assurance about whether the Statement as a whole is 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 the Statement.

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 Statement, 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 the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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 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 Statement, including the disclosures, and whether the Statement represents 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

The Statement includes the results for the quarter ended 31st March, 2020 being the balancing figure between the audited figures in respect of the full financial year ended 31st March, 2020 and the published unaudited year-to-date figures up to the third quarter of the current financial year, which were subjected to a limited review by us, as required under the Listing Regulations.

Place: Ahmedabad
Date: 30th July, 2020

FOR, SUNIL PODDAR & CO.
Chartered Accountants
Reg. no. 110603W



[CA. Pankaj Agarwal]
Partner

M. No. 443450

UDIN: 20443450 AAAALLS852



Independent Auditor's Report on the Quarterly and year to date Audited Consolidated Financial Results of the Company pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To
The Board of Directors of
Padmanabh Industries Limited

Report on the audit of the Consolidated Financial Results

Opinion

We have audited the accompanying Statement of quarterly and year to date Consolidated Financial Results of Texel Industries Limited ('Holding Company') and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group") for the quarter ended 31st March 2020 and for the year ended 31st March, 2020 (the 'Statement'), attached herewith, being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended (the 'Listing Regulations').

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the financial statements/financial information of the wholly owned subsidiary, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report the statement:

- I. includes the results of Padmanabh Sports Private Limited
- II. is presented in accordance with the requirements of the listing Regulations in this regard; and
- III. gives a true and fair view in conformity with the applicable accounting standards and other accounting principles generally accepted in India, of the consolidated net profit and other comprehensive loss and other financial information of the Group for the quarter ended 31st March 2020 and for the year ended 31st March, 2020.

Basis for Qualified Opinion

- Refer to consolidated financial statements, all the value with regards to financial assets and financial liabilities in the financial statements has been stated at historical cost only irrespective of the fair value of the same which is departure from requirement of an Ind AS 113 (Fair value measurement) and Ind AS 109 (Financial Instruments).

Emphasis of Matter

- We draw attention to Other disclosures forming part of the consolidated Ind AS Financial Statements, which describes the uncertainties and the impact of Covid-19 pandemic on the Company's operations and results as assessed by the management. Our opinion is not modified in respect of this matter.



- We draw attention to exceptional items stated in the statement of profit & loss account amounting Rs. 4.21 crores. The company has written off its financial and non-financial assets during year including the advance for capital assets.
- The Holding Company have granted interest free Unsecured loans and advances to its wholly owned subsidiary, outstanding amount of Rs 7.14 crores as on balance sheet. The Net worth of the said subsidiary has fully eroded and having negative net worth of Rs 6.26 crores. Such loans and receivables are tested for impairment annually. If impairment exists, the recoverable amounts of the loans and receivables are estimated in order to determine the extent of the impairment loss, if any. Determination of whether there exists any impairment in the value of loans is subject to a significant level of judgment. There is therefore a risk that the value of loans may be misstated.
- We draw attention to the fact that wholly owned subsidiary company has accumulated losses and its net worth has been fully eroded. The Company has incurred net cash losses during the previous year & as well as immediately preceding financial year. The Company's current liabilities exceed its current assets as at the balance sheet date. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. However, the financial statements of the said company have been prepared on a going concern basis.
- Referring to note 20 in the financial statements, other current liabilities includes statutory liability amounting Rs. 50,95,981 in regarding Tax Deducted at Sources, which has not been paid for the year.

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Companies Act, 2013. Our responsibilities under those SAs 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 together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the 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 Consolidated financial results

The statement has been prepared on the basis of the consolidated annual financial statements. The Holding Company's Board of Directors are responsible for the preparation and presentation of the statement that give a true and fair view of net profit and other comprehensive loss of the company and other financial information in accordance with the applicable accounting standards prescribed under section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the listing regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the 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 Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error which have been used for the preparation of the Statement by the Directors of the Holding Company, as aforesaid.

In preparing the Statement, the respective Board of Directors of the companies included in the Group are responsible for assessing the Group'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 Group or to cease operations, or has no realistic alternative but to do so.

The respective board of directors of the companies included in the group 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 Statement as a whole is 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 the Statement.

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 Statement, 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 Holding company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists



related to events or conditions that may cast significant doubt on the Group'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 statement 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 Statement, including the disclosures, and whether the Statement represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial results/financial information of the entities within the Group of which we are the independent auditors to express an opinion on the Statement. We are responsible for the direction, supervision and performance of the audit of the financial information of such entities included in the Statement of which we are the independent auditors. For the other entities included in the Statement, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding company 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 No. CIR/CFD/CMD 1/44/2019 dated 29th March, 2019 issued by the Securities Exchange Board of India under Regulation 33 (8) of the Listing Regulations, to the extent applicable.

Other Matter

The accompanying statement includes the audited financial results in respect of Padmanabh Sports Private Limited, a wholly owned subsidiary whose financial statements includes total assets of Rs. 178.95 lacs as at 31st March, 2020, total revenues of Rs. 164.90 lacs, total net profit after tax of Rs. 138.26 lacs for the year ended on that date respectively.

We draw your attention to the fact that:

- In accordance with the Indian Accounting Standards ("Ind AS") as prescribed under Section 133 of the Companies Act, 2013 read with relevant rules framed thereunder, subsidiary of listed entity is also required to prepare its financial statements as per requirement of Ind AS.



However financial statements of Guardian Finance Private Limited (subsidiary company), were not according to the said requirement.

In absence of the compatibility of the financial statement of said subsidiary with the other entities of the group, the said financial statements has not been considered by us while auditing the consolidated financial statements and our opinion does not include the same.

- Non-availability of Audited Consolidated Financial Results of Padmanabh Industries Limited for the quarter ended 31st March, 2019.

As the financial results of the said subsidiary namely Guardian Finance Private Limited were not in accordance with IndAS requirement we could not assess its impact on consolidated statements as to asset/liability or profit/loss. As a result of this matter, we have not been able to obtain sufficient and appropriate evidence in the said matter to state whether any adjustments would be required to the information included in the financial statements and impact thereof.

Our opinion on the Audited Consolidated Financial Results is not modified in respect of above matter stated above.

The Statement includes the results for the quarter ended 31st March, 2020 being the balancing figure between the audited figures in respect of the full financial year ended 31st March, 2020 and the published unaudited year-to-date figures up to the third quarter of the current financial year, which were subjected to a limited review by us, as required under the Listing Regulations.

Place: Ahmedabad
Date: 30th July, 2020

FOR, SUNIL PODDAR & CO.
Chartered Accountants
Reg. no. 110603W



[CA. Pankaj Agarwal]
Partner

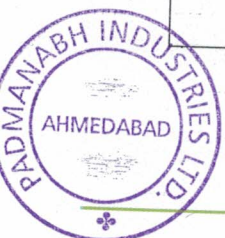
M. No. 443450

UDIN: 20443450 AAAAL M1943



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

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2020 [Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]				
I.	Sl. No.	Particulars	Audited Figures(as reported before adjusting for qualifications) (Rs. In Lacs)	Adjusted Figures (audited figures after adjusting for qualifications) (Rs. In Lacs)
	1.	Turnover / Total income	0.17	0.17
	2.	Total Expenditure	464.47	464.47
	3.	Net Profit/(Loss)	(464.30)	(464.30)
	4.	Earnings Per Share	(7.64)	(7.64)
	5.	Total Assets	1087.45	1087.45
	6.	Total Liabilities	192.51	192.51
	7.	Net Worth	894.94	894.94
	8.	Any other financial item(s) (as felt appropriate by the management)	-	-
II.	Audit Qualification (each audit qualification separately):			
	a.	Details of Audit Qualification: <ul style="list-style-type: none"> The Company has made investment in one of its Wholly Owned Subsidiary namely Padmanabh Sports Private Limited and the said investment is carried at cost Rs. 100000 on the balance sheet as at March 31, 2020. Net worth of Investee Company has fully eroded as on balance sheet date and there is permanent diminution in the value of investment, The Management has stated the said investment at cost amount, which constitutes a departure from the Ind AS Accounting Standards prescribed under section 133 of the companies act 2013. Refer to standalone financial statements, all the value with regards to financial assets and financial liabilities in the financial statements has been stated at historical cost only irrespective of the fair value of the same which is departure from requirement of an Ind AS 113 (Fair value measurement) and Ind AS 109 (Financial Instruments). 		
	b.	Type of Audit Qualification: Qualified Opinion		
	c.	Frequency of qualification: First Time		
	d.	For Audit Qualification(s) where the impact is quantified by the auditor,		



CIN:L17110GJ1994PLC023396

	Management's Views: N.A.	
	e. For Audit Qualification(s) where the impact is not quantified by the auditor, Management's Views: N.A.	
	(i) Management's estimation on the impact of audit qualification: N.A.	
	(ii) If Management is unable to estimate the impact, reasons for the same:	
	<ul style="list-style-type: none"> The Management wants to clarify that the Company had incorporated a wholly owned subsidiary under name and style of M/S. Padmanabh Sports Private Limited on 23/12/2016. Further the said subsidiary has a turnover of Rs. 1,60,94,702 in the F.Y. 19-20, and Rs. 1,16,23,788 in the F.Y. 18-19. The said investment of the Company in its wholly owned subsidiary company is long term in nature, and considering nature of investment the decrease in value of investment made is temporary fluctuation, therefore, the Board has decided to state the said Investment at cost amount. The Management wants to clarify that there is no material variation in the Historical Cost of financial assets and financial liabilities in the financial statements and value with regards to financial assets and financial liabilities in the financial statements as per Ind AS 113 (Fair value measurement), therefore, amount stated in the financial is as Fair Value. 	
	(iii) Auditors' Comments on (i) or (ii) above:	
	There are no further comments except as disclosed under basis for qualified opinion.	
III.	Signatories:	
	Ashish M. Shah Managing Director DIN:03129204	A.M.Shah
	Rameshbhai Shah CFO	Rameshbhai Shah
	Hemal S. Shah Audit Committee Chairman	Hemal S. Shah
	Sunil Poddar & Co. FRN: 110603W CA Pankaj Agarwal (Partner) M.No. 443450 Statutory Auditor	TBA
	Place: Ahmedabad Date: 30-07-2020	

