



PearlGlobal

PGIL/SE/2019-20/15

Date: August 13, 2019

THE GENERAL MANAGER,
DEPARTMENT OF CORPORATE SERVICES - CRD
BSE LIMITED
1ST 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: OUTCOME OF BOARD MEETING HELD ON AUGUST 13, 2019

Dear Sir/Madam,

In compliance to the Regulation 30 and 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors of the Company in its meeting held today, August 13, 2019, considered and took on record the un-audited Financial Results (Standalone and Consolidated) for the quarter ended June 30, 2019.

A copy of un-audited Financial Results (Standalone and Consolidated) for the quarter ended June 30, 2019 along with Auditors' Limited Review Report is enclosed herewith.

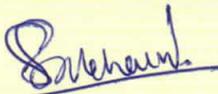
The Board Meeting commenced at 12:30 PM and concluded at 02:20 PM

The above is for your information and record.

Kindly acknowledge receipt.

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



Pearl Global Industries Limited

Regd. Office: "Pearl House", A-3, Community Centre, Naraina Industrial Area, Phase-II, New Delhi-110 028
(CIN: L74899DL1989PLC036849), Tel: 0124-4651000, Website: www.pearlglobal.com, E-mail: investor.pgil@pearlglobal.com

Statement of Standalone & Consolidated Unaudited Financial Results for the quarter ended 30th June, 2019

(₹ in Lakh except earning per share data)

Sl. No.	Particulars	Consolidated				Standalone			
		Quarter Ended 30.06.2019 (Unaudited)	Quarter Ended 31.03.2019 (Audited)	Quarter Ended 30.06.2018 (Unaudited)	Year Ended 31.03.2019 (Audited)	Quarter Ended 30.06.2019 (Unaudited)	Quarter Ended 31.03.2019 (Audited)	Quarter Ended 30.06.2018 (Unaudited)	Year Ended 31.03.2019 (Audited)
	Revenue								
I	Revenue from Operations	38,075.51	50,254.18	40,608.37	1,75,749.78	19,092.08	26,157.20	17,490.38	84,025.72
II	Other Income	1,368.35	1,430.99	931.50	3,392.82	712.36	872.80	969.09	2,630.62
III	Total income from operations (I+II)	39,443.86	51,685.17	41,539.87	1,79,142.60	19,804.44	27,030.00	18,459.47	86,656.34
IV	Expenses								
	a) Cost of material consumed	17,149.53	20,486.04	18,633.27	76,107.80	6,561.90	8,834.21	4,458.56	26,069.98
	b) Purchase of stock in trade	1,565.66	3,265.31	1,400.69	12,954.77	2,406.57	4,330.70	3,459.73	16,506.39
	c) Changes in inventories of finished goods, work in progress and stock in trade.	(908.31)	1,414.45	(564.26)	(1,841.00)	418.28	573.14	145.66	(867.40)
	d) Employee benefits expense	9,611.75	11,970.83	7,437.18	36,000.15	3,581.42	3,691.29	2,853.97	13,190.64
	e) Finance Cost	891.27	810.97	682.97	2,871.95	553.76	483.70	510.34	1,987.45
	f) Depreciation & Amortization Expenses	955.51	590.48	656.29	2,589.48	425.63	336.18	312.98	1,289.07
	g) Other Expenditure	9,040.47	11,156.39	11,839.68	43,887.64	5,321.41	7,742.39	6,867.99	25,575.48
	Total expenses (IV)	38,305.88	49,694.47	40,085.82	1,72,570.79	19,268.97	25,991.61	18,609.23	83,751.61
V	Profit / (Loss) from Operations before exceptional Items (III-IV)	1,137.98	1,990.70	1,454.06	6,571.81	535.47	1,038.39	(149.76)	2,904.73
VI	Exceptional Items	(84.95)	(1,755.01)	10.63	(1,722.12)	(79.39)	(318.87)	13.47	(280.92)
VII	Profit / (Loss) before Tax (V-VI)	1,222.93	3,745.71	1,443.43	8,293.93	614.86	1,357.25	(163.23)	3,185.65
VIII	Tax Expense								
	a. Current Tax	313.44	(77.76)	169.91	1,368.03	244.25	(163.61)	20.79	915.71
	b. Deferred Tax	(105.96)	237.22	(109.13)	214.98	(106.97)	136.69	(108.64)	119.75
	Total Tax Expenses (VIII)	207.48	159.46	60.78	1,583.01	137.28	(26.92)	(87.85)	1,035.46
IX	Net Profit / (Loss) for the period (VII-VIII)	1,015.45	3,586.25	1,382.65	6,710.92	477.58	1,384.18	(75.38)	2,150.19
X	Total other comprehensive income for the period								
	(a) Items that will not be reclassified to profit or loss	58.04	400.94	(57.15)	222.67	52.87	250.39	(15.24)	202.70
	(b) Income Tax (benefit)/expense on items that will not be reclassified to profit and loss	(18.74)	(96.73)	7.70	(71.93)	(18.48)	(87.49)	5.09	(70.83)
	(c) Items that will be reclassified to profit or loss	18.41	(77.19)	1,219.69	1,322.21	129.85	-	-	-
	(d) Income Tax (benefit)/expense on items that will be reclassified to profit and loss	(45.38)	-	-	-	(45.38)	-	-	-
	Total Other Comprehensive Income	12.33	227.02	1,170.24	1,472.95	118.86	162.90	(10.15)	131.87
XI	Total comprehensive income for the period (IX+X) (Comprising profit/(loss) and other Comprehensive Income for the period)	1,027.78	3,813.27	2,552.89	8,183.87	596.44	1,547.08	(85.53)	2,282.06
XII	Net Profit / (Loss) for the period attributable to :								
	-Owners of the Company	945.26	3,585.89	1,359.22	6,728.01	-	-	-	-
	-Non Controlling Interest	70.19	0.36	23.43	(17.10)	-	-	-	-
	Other Comprehensive Income for the period attributable to								
	-Owners of the Company	16.58	334.56	1,172.60	1,372.02	-	-	-	-
	-Non Controlling Interest	(4.25)	(107.54)	(2.36)	100.94	-	-	-	-
	Total Comprehensive Income for the period attributable to								
	-Owners of the Company	961.84	3,920.45	2,531.82	8,100.03	-	-	-	-
	-Non Controlling Interest	65.94	(107.18)	21.08	83.84	-	-	-	-
XIII	Paid-up equity share capital (Face value of Rs.10/-each)	2,166.39	2,166.39	2,166.39	2,166.39	2,166.39	2,166.39	2,166.39	2,166.39
XIV	Reserves (excluding Revaluation Reserve)				44,820.35				29,452.08
XV	Earning Per Share (in Rs.) (of Rs.10 each) (not annualised):								
	(a) Basic	4.36	16.55	6.27	31.06	2.20	6.39	(0.35)	9.93
	(b) Diluted	4.36	16.55	6.27	31.06	2.20	6.39	(0.35)	9.93



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 its meeting held on August 13, 2019. These results have been subjected to limited review by the Statutory Auditor.
- 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	7,802.68	3,201.46
right-of-use assets	7,936.16	2,908.47
Retained earnings (net of tax)	438.30	(190.61)

In the Statement of Profit and Loss for the current period, the nature of expenses in respect of operating leases are recognised as amortisation of right-of-use of assets and finance cost, as compared to lease rent in previous periods, and to this extent results for the current period are not comparable.

The Impact of adopting Ind AS-116 on the financial results for the quarter ended 30 June 2019 is as follows:

Particulars	Consolidated			Standalone		
	Quarter ended 30.06.2019 (Erstwhile basis)	Quarter ended 30.06.2019 (As per Ind AS - 116)	Increase/ (Decrease) in Profit	Quarter ended 30.06.2019 (Erstwhile basis)	Quarter ended 30.06.2019 (As per Ind AS - 116)	Increase/ (Decrease) in Profit
	Other expenses	9,386.73	9,040.47	346.26	5,448.80	5,321.41
Finance costs	694.08	891.27	(197.19)	474.95	553.76	(78.81)
Depreciation and amortisation	721.59	955.51	(233.92)	339.31	425.63	(86.32)
Profit / (Loss) before Tax	1,307.78	1,222.93	(84.85)	652.60	614.86	(37.74)

- The above net profit before tax for the quarter ended June 30, 2019 includes loss of ₹ 32.84 lakh (June 30, 2018 : ₹ 1,065.02 lakh) on account of mark to market valuation of forward contracts which were executed before April 01, 2019.
- 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 designed and qualify as cash flow hedges is recognized in the other comprehensive income. As a result of above, profit after tax for quarter is lower by ₹ 84.47 lakh (net of taxes of ₹ 45.38 lakh).
- The exceptional item in the above results include enhanced compensation of ₹ 78.09 lakh received from HUDA on account of compulsory acquisition of land in the financial year 2008-09 and profit on sale of other tangible assets of ₹ 1.30 lakh.
- 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 on consolidated basis.
- The figures of the quarter ended March 31, 2019 are the balancing figures between audited figures in respect of the full financial year ended March 31, 2019 and the unaudited published year-to-date figures upto December 31, 2018 which were subjected to limited review.
- The Standalone un-audited results of the Company for the quarter ended June 30, 2019 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



Vinod Vaish
(Vinod Vaish)
Whole-Time Director
DIN 01945795

Segment wise Revenue, Results, Assets and Liabilities (Consolidated)								
	(₹ in lakh)							
Geographical Segment	Quarter Ended		Quarter Ended		Quarter Ended		Year Ended	
	30.06.2019	%	31.03.2019	%	30.06.2018	%	31.03.2019	%
	(Unaudited)		(Audited)		(Unaudited)		(Audited)	
Segment Revenue								
Hong Kong	18,824.14	34.49	24,130.23	32.07	21,493.72	38.04	88,206.10	35.60
India	19,092.08	34.98	26,208.94	34.83	17,490.38	30.96	84,077.46	33.93
Bangladesh	12,559.04	23.01	19,330.74	25.69	14,127.47	25.00	59,751.02	24.11
Others	4,099.90	7.51	5,570.57	7.40	3,387.10	6.00	15,762.27	6.36
Total	54,575.16	100.00	75,240.47	100.00	56,498.68	100.00	2,47,796.85	100.00
Less: Inter Segment Revenue	16,499.65		24,986.30		15,890.31		72,047.07	
Net Segment Revenue	38,075.51		50,254.18		40,608.37		1,75,749.78	
Segment Results								
Profit /(Loss) before Tax and Interest								
Hong Kong	352.91	16.69	482.79	10.60	687.09	32.31	1,172.27	10.50
India	1,177.40	55.69	3,276.39	71.90	355.67	16.73	6,615.59	59.25
Bangladesh	396.22	18.74	489.56	10.74	881.83	41.47	2,628.11	23.54
Others	187.67	8.88	307.94	6.76	201.81	9.49	749.91	6.71
Total	2,114.20	100.00	4,556.68	100.00	2,126.40	100.00	11,165.88	100.00
Less : (i) Interest	891.27		810.97		682.97		2,871.95	
(ii) Other Un-allocable Expenditure net off.								
Total Profit before Tax**	1,222.93		3,745.71		1,443.43		8,293.93	
Segment Assets								
Hong Kong	26,610.26	22.33	23,791.26	21.62	26,916.05	25.46	23,791.26	21.62
India	52,248.33	43.84	54,032.11	49.10	46,242.51	43.73	54,032.11	49.10
Bangladesh	24,535.14	20.59	17,903.18	16.27	21,624.31	20.45	17,903.18	16.27
Others	8,711.47	7.31	8,933.31	8.12	5,779.83	5.47	8,933.31	8.11
Un-allocable Assets	7,077.19	5.94	5,389.48	4.90	5,171.71	4.89	5,389.48	4.90
Total	1,19,182.39	100.00	1,10,049.34	100.00	1,05,734.41	100.00	1,10,049.34	100.00
Segment Liabilities								
Hong Kong	3,761.59	5.41	1,707.93	2.76	1,325.20	2.12	1,707.93	2.76
India	15,363.81	22.08	13,762.46	22.23	13,239.15	21.13	13,762.46	22.23
Bangladesh	13,681.21	19.66	11,120.43	17.96	15,211.72	24.28	11,120.43	17.96
Others	1,403.68	2.02	1,584.21	2.56	1,300.75	2.08	1,584.21	2.56
Un-allocable Liabilities	35,366.02	50.83	33,734.31	54.49	31,564.20	50.39	33,734.31	54.49
Total	69,576.31	100.00	61,909.34	100.00	62,641.02	100.00	61,909.34	100.00



Independent Auditor's Review Report on Quarterly Standalone unaudited Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

To

The Board of Directors of Pearl Global Industries Limited

1. We have reviewed the accompanying statement of standalone unaudited financial results ("the Statement") of **Pearl Global Industries Limited** ("the Company") for the quarter ended **June 30, 2019**, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 as amended ("the Regulation"), read with SEBI Circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2019 ("the Circular").
2. This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors of the Company. The Statement has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 (Ind AS 34), "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India read with the Circular. Our responsibility is to issue a report 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. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that cause us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the applicable Indian Accounting Standards ("Ind AS") specified under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other recognized accounting practices and policies, has not disclosed the information required to be disclosed in terms of the Regulation, read with the Circular, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For B.R. Gupta & Co.

Chartered Accountants,
Firm Registration Number 008352N



(Deepak Agarwal)

Partner

Membership No. 073696
UDIN: 19073696AAAAAR8396



Place of Signature: Gurugram

Date: August 13, 2019

Independent Auditor's Review Report on Consolidated Unaudited Quarterly Financial results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

To
The Board of Directors of Pearl Global Industries Limited

1. We have reviewed the accompanying statement of unaudited consolidated financial results ("the Statement") of **Pearl Global Industries Limited** ("the Parent") and its subsidiaries (the Parent and its Subsidiaries together referred to as "the Group") for the quarter ended June 30, 2019, attached herewith, being submitted by the Parent pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Regulation"), read with SEBI Circular CIR/CFD/CMD1/44/2019 dated March 29, 2019 ("the Circular").
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 (Ind AS 34) "Interim Financial Reporting", prescribed under Section 133 of the Companies Act, 2013, as amended read with relevant rules issued thereunder, and other accounting principles generally accepted in India read with Circular. 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 Regulation, to the extent applicable.

4. The Statement includes the results of the entities listed in Annexure A.
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 (Ind AS) prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Regulation, 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 statements / financial information of four subsidiaries included in the consolidated unaudited financial results, whose interim financial statements reflect total revenues (before eliminating of inter-company transaction of ₹ 14,545.91 lakh) of ₹ 36,238.12 lakh, total net profit after tax (before eliminating of inter-company transaction of ₹ 3.36 lakh) of ₹ 532.18 lakh and total comprehensive income (before eliminating of inter-company transaction of ₹ 3.36 lakh) of ₹ 425.64 lakh for the quarter ended June 30, 2019, as considered in the consolidated unaudited financial results. These interim financial statements 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, and our report in terms of Regulation read with SEBI 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 3 above.



Further, of these subsidiaries, three subsidiaries are located outside India whose financial statements have been prepared in accordance with accounting principles generally accepted in their respective countries and those have been reviewed by other auditors under International Standard on Review Engagement (ISRE) applicable in their respective countries. The Parent'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. We have reviewed these conversion adjustments made by the Parent's Management. Our conclusion, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based on the review reports of other auditors and the conversion adjustments prepared by the Parent's Management and reviewed by us.

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

For B.R. Gupta & Co.

Chartered Accountants,

Firm Registration Number 008352N



(Deepak Agarwal)

Partner

Membership Number 073696

UDIN: 19073696AAAAAS4523



Place of Signature: Gurugram

Date: August 13, 2019

Annexure A

List of entities consolidated

S. No.	Name of the Entity
Subsidiaries held directly	
1.	Pearl Apparel Fashions Limited
2.	Pearl Global Kaushal Vikas Limited (w.e.f July 4, 2018 previously known as Pixel Industries Limited)
3.	Norp Knit Industries Limited
4.	Pearl Global Fareast Limited
5.	Pearl Global (HK) Limited
Subsidiaries held indirectly	
1.	DSSP Global Limited
2.	PT Pinnacle Apparels
3.	Pearl Grass Creations Limited
4.	Prudent Fashions Limited
5.	Vin Pearl Global Vietnam Limited
6.	Pearl Global F.Z.E.
7.	PGIC Investment Limited
8.	Pearl Global (Chang Zhou) Textile Technology Company Limited
9.	Pearl Global Vietnam Company Limited
10.	A & B Investment Limited

