



INDEPENDENT AUDITOR'S REVIEW REPORT

To the Members of
Pennar Global Inc

1. We have reviewed the accompanying Ind AS financial statements of Pennar Global Inc ("the Company"), which comprise the Balance Sheet, the Statement of Profit and Loss and the Statement of Cash Flows for the Quarter and Year ended 31st March, 2020 (herein after referred to as "Ind AS financial statements"). These Reviewed Financial Statements is issued only for the limited purpose of incorporating in Consolidated Financial Statements of its Holding Company, Pennar Industries Limited.
2. This Ind AS financial statements which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Ind AS financial statements based on our review.
3. We conducted our review of the Ind AS financial statements 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 Ind AS financial statements are 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.
4. Based on our review conducted and procedures performed as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Ind AS financial statements, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standards specified under section 133 of the companies act, 2013, as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, or that it contains any material misstatement.

For Ramasamy Koteswara Rao and Co LLP,
FRN: 010396S/S200084
Chartered Accountants



C V Koteswara Rao

Partner

M.No. 028353

UDIN: 20028353AAAACF3092

Place: Hyderabad
Date: June 10, 2020

SRI RAMCHANDRA ARCADE, D.No.8-2-293/82/JIII/573/M/ 1st Floor,
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Pennar Global Inc
Balance Sheet as at March 31, 2020

All the Amounts in USD Unless Specified

Particulars	Note	As at	As at
		March 31, 2020	March 31, 2019
ASSETS			
Non-current assets			
Property, plant and equipment	1	82,783	91,983
Total Non-current assets		82,783	91,983
Non Current Asset			
Financial assets			
(a) Investments	2	-	-
Total Current assets		-	-
Current assets			
Inventories	3	2,14,000	3,00,000
Financial assets			
(a) Trade receivables	4	16,74,884	25,30,603
(b) Cash and cash equivalents	5	3,13,148	1,43,583
(C) Other financial assets	6	69,490	64,490
Other current assets	7	8,57,337	66,122
Total Current assets		31,28,859	31,04,798
Total Assets		32,11,642	31,96,781
EQUITY AND LIABILITIES			
Equity			
Equity share capital	8	12,35,000	4,00,000
Other equity	9	3,30,689	3,11,693
Total equity		15,65,689	7,11,693
Current Liabilities			
Financial liabilities			
(a) Borrowings	10	17,427	47,451
(b) Trade payables	11	15,51,673	22,49,438
(c) Other financial liabilities	12	24,750	60,267
Other current Liabilities	13	47,354	50,000
Income tax liabilities (net)	14	4,749	77,932
Total Current liabilities		16,45,953	24,85,088
Total Liabilities		16,45,953	24,85,088
Total Equity and Liabilities		32,11,642	31,96,781

For Ramasamy Koteswara Rao and Co. LLP
Chartered Accountants
Firm Re. 010396S/S200084

CV. KOTESWARA RAO
Partner, M.No. 028353

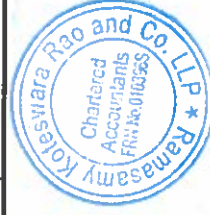


Pennar Global Inc							
Statement Of Unaudited Financial Results For period ended 31st March 2020							
All the Amounts in USD Unless Specified							
Particulars	Note	Year Ended	Quarter Ended		Year Ended		
		March 31 2020 Audited	March 31 2020 Unaudited	December 31 2019 Unaudited	March 31 2019 Unaudited	March 31, 2019 Audited	
INCOME							
Revenue from operations	15	86,95,067	18,52,321	21,74,947	24,01,812	1,10,69,129	
Other income	16	27,893	61	13,900	1,01,213	1,01,273	
Total income		87,22,960	18,52,382	21,88,847	25,03,025	1,11,70,402	
EXPENSES							
Employee benefits expense	17	4,52,643	78,409	1,13,583	2,08,860	5,31,879	
Cost of materials consumed	18	76,09,886	16,04,294	18,46,105	21,73,994	95,32,864	
Depreciation and amortisation expense	1A	9,200	2,300	2,300	-	2,250	
Other expenses	19	6,27,486	1,64,567	2,24,260	89,868	7,14,451	
Total expenses		86,99,215	18,49,569	21,86,248	24,72,722	1,07,81,444	
Profit before tax		23,745	2,813	2,599	30,303	3,88,959	
Tax expense							
Current tax	14	4,749	562.54	519.82	6,060.60	77,792	
Deferred tax		-	-	-		-	
Total tax expense		4,749	563	520	6,061	77,792	
Profit for the year after tax		18,996	2,250	2,079	24,242	3,11,167	
Total comprehensive income for the year		18,996	2,250	2,079	24,242	3,11,167	
Paid-up equity share capital (Face value ` \$0.01 each fully paid)							
Earning per share**		12,35,00,000	12,35,00,000	12,35,00,000	4,00,00,000	4,00,00,000	
Basic & Diluted		0.00	0.00	0.00	0.00	0.01	

For Ramasamy Koteswara Rao and Co. LLP

Chartered Accountants
Firm Re. 010396S/S200084

CV. KOTESWARA RAO
Partner, M.No. 028353



Pennar Global Inc**Statement of changes in equity for the half year ended March 31 2020**

All the Amounts in USD Unless Specified

A. Equity share capital

Particulars	Note
Balance at April 01, 2019	
Issue of equity shares under Company's	10
Balance at March 31 2020	

B. Other equity

Particulars	Note	Retained earnings	Total
Balance at April 01, 2019		3,11,693	3,11,693
Profit for the period		18,996	18,996
Balance at March 31, 2020		3,30,689	3,30,689



Pennar Global Inc**Cash Flow Statement for the year ended 31-03-2020**

Amounts in USD

	Particulars	March 31, 2020	March 31, 2019
A	CASH FLOWS FROM OPERATING ACTIVITIES:		
	Net profit before tax	23,745	3,88,958
	Adjusted for :		
	Depreciation	9,200	2,250
	Interest & other income received	-	-
	Prov for diminution in value of investment	-	-
	Provision for doubtful debts	-	-
	Operating profits before working capital charges	32,945	3,91,208
	Changes in current assets and liabilities		
	(Increase)/Decrease in Trade Receivables	8,55,719	(16,59,574)
	(Increase)/Decrease in Inventories	86,000	(34,925)
	(Increase)/Decrease in financial and non-financial assets	(7,96,215)	(1,25,540)
	Increase/(Decrease) in financial and non-financial liabilities	(38,163)	24,780
	Increase/(Decrease) in Trade payables	(6,97,765)	14,35,512
	Cash generated from operations	(5,57,479)	31,462
	Income taxes paid	77,932	-
	Net cash generated from operating activities	(6,35,411)	31,462
B	CASH FLOWS FROM INVESTING ACTIVITIES:		
	Purchase of fixed assets	-	(94,233)
	Investment in subsidiary	-	-
	Interest & other income received	-	-
	Net cash used in investing activities	-	(94,233)
C	CASH FLOWS FROM FINANCING ACTIVITIES:		
	Proceeds from issue of share	8,35,000	-
	Increase in borrowings	(30,024)	27,645
	Dividends and dividend tax paid during the year	-	-
	Net Cash generated from financing activities	8,04,976	27,645
D	Net increase / (decrease) in cash and cash equivalents	1,69,565	(35,127)
E	Cash and cash equivalents at the beginning of the year	1,43,583	1,78,709
F	Cash and cash equivalents at the end of the year	3,13,148	1,43,583



Pennar Global Inc
Notes forming part of the financial statements

All the Amounts in USD Unless Specified

1. Property, plant and equipment

Particulars	As at	
	March 31 2020	March 31, 2019
Carrying amount of:		
Furniture and Fixtures	82,783	91,983
Total	82,783	85,083

Movement in the carrying amount of property, plant and equipment is as below:

Description of assets	Furniture and Fixtures	Total
I. Cost		
Balance as at April 01, 2019	94,233	94,233
Additions	-	-
Disposals	-	-
Balance as at March 31 2020	94,233	94,233
II. Accumulated depreciation		
Balance as at April 01, 2019	2,250	2,250
Depreciation for the year	9,200	6,900
Balance as at March 31, 2020	11,450	9,150
III. Carrying Amounts (I-II)		
Balance as at April 01, 2019	91,983	91,983
Balance as at March 31, 2020	82,783	85,083



Pennar Global Inc
Notes forming part of the financial statements

All the Amounts in USD Unless Specified

2. Investments

Particulars	As at	
	March 31, 2020	March 31, 2019
A. Investments - Non-current		
Unquoted:		
Total	-	-

3. Inventories

Particulars	As at	
	March 31, 2020	March 31, 2019
Inventories (Lower of Cost or NRV)		
Raw Matetial	-	-
Work in Progress	2,14,000	3,00,000
Finished Goods	-	-
Total	2,14,000	3,00,000

4. Trade Receivables

Particulars	As at	
	March 31, 2020	March 31, 2019
Trade receivables		
Unsecured, considered good	16,74,884	25,30,603
Doubtful	-	-
Less: Allowance for doubtful debts (expected credit loss allowance)	-	-
Total	16,74,884	25,30,603

5. Cash and Cash Equivalents

Particulars	As at	
	March 31, 2020	March 31, 2019
Cash on hand		
Balances with banks		
in current accounts	3,13,148	1,43,583
Total	3,13,148	1,43,583

6. Other Financial assets

Particulars	As at	
	March 31, 2020	March 31, 2019
Current :		
Surety Bond collateral	50,000	50,000
Security Deposit	19,490	14,490
Total	69,490	64,490

7. Other assets

Particulars	As at	
	March 31, 2020	March 31, 2019
Current (unsecured):		
Prepaid Expenses	8,803	10,289
Other Advances	8,48,534	55,833
Total other current assets	8,57,337	66,122
Total other assets	8,57,337	66,122



Pennar Global Inc
Notes forming part of the financial statements

All the Amounts in USD Unless Specified

8. Equity share capital

Particulars	As at	
	March 31, 2020	March 31, 2019
Authorised share capital: 13,00,00,000 fully paid up equity shares of \$ 0.01 each (March 31, 2019 : 4,00,00,000)	13,00,000	4,00,000
Issued and subscribed capital: 12,35,00,000 fully paid up equity shares of \$ 0.01 each (March 31, 2019 : 4,00,00,000)	12,35,000	4,00,000
Total	12,35,000	4,00,000

Notes:

a. Reconciliation of the number of shares outstanding:

Particulars	As at	
	March 31, 2020	March 31, 2019
Opening balance	4,00,000	4,00,000
Add: Movement during the year	8,35,000	-
Balance	12,35,000	4,00,000

b. Details of shares held by each shareholder holding more than 5% shares:

The details of share holders holding more than 5% shares :	As at March 31, 2020		As at March 31, 2019	
Name of the share holder	No of shares held	% holding of equity shares	No of shares held	% holding of equity shares
Pennar Industries Limited	12,35,000	100%	4,00,000	100%

9. Other equity

Particulars	As at	
	March 31, 2020	March 31, 2019
(f). Retained earnings		
(i) Opening balance	3,11,693	526
(iii) Profit for the year	18,996	3,11,167
Total	3,30,689	3,11,693



Pennar Global Inc
Notes forming part of the financial statements

All the Amounts in USD Unless Specified

10. Current borrowings

Particulars	As at	
	March 31, 2020	March 31, 2019
Unsecured from banks (Credit Card)	17,427	47,451
Total	17,427	47,451

11. Trade Payables

Particulars	As at	
	March 31, 2020	March 31, 2019
Dues to micro enterprises and small enterprises		
Dues to others	15,51,673	22,49,438
Total	15,51,673	22,49,438

12. Other financial liabilities

Particulars	As at	
	March 31, 2020	March 31, 2019
Statutory Dues		
Payroll Tax Liability	1,213	1,740
Sales tax Liability	22,537	14,227
Others	1,000	44,300
Total	24,750	60,267

13. Other Current Liabilities

Particulars	As at	
	March 31, 2020	March 31, 2019
Advance from customers	47,354	50,000
Total	47,354	50,000



Pennar Global Inc
Notes forming part of the financial statements

All the Amounts in USD Unless Specified

14. Income taxes

14 - Tax Expense

A. Income tax expense/(benefit) recognised in the statement of profit and loss

Particulars	March 31, 2020	March 31, 2019
Current tax		
In respect of the current year	4,749	77,792
Total	4,749	77,792

14. Income tax assets and liabilities

Particulars	As at	
	March 31, 2020	March 31, 2019
Income tax Liabilities, net.		
Income tax Liabilities, net.	4,749	77,932
Total	4,749	77,932



15. Revenue from operations

Particulars	For the Year ended March 31, 2019	Three Months period ended March 2020	Three Months period ended December 31 2019	Three Months ended March 31, 2019	For the Year ended March 31, 2019
Sale of services				2,60,000	2,60,000
Sale of products	86,95,067	18,52,321	21,74,947	21,41,812	1,08,09,129
Total	86,95,067	18,52,321	21,74,947	24,01,812	1,10,69,129

16. Other income

Particulars	For the Year ended March 31, 2019	Three Months period ended March 2020	Three Months period ended December 31 2019	Three Months period ended December 31 2018	For the Year ended March 31, 2019
Other non-operating income					
Legal/ Finance Charge	-	-	-	1,00,000	1,00,000
Interest Income	27,894	61	13,900	1,012	1,011
Miscellaneous income (net)	-	-	-	201	262
Total	27,894	61	13,900	1,01,213	1,01,273

17. Employee benefits expense

Particulars	For the Year ended March 31, 2020	Three Months period ended March 31 2020	Three Months period ended December 31 2019	Three Months period ended March 31 2019	For the Year ended March 31, 2019
Salaries and wages, including bonus	4,52,643	78,409	1,13,583	1,65,023	4,88,042
Medicare	-	-	-	43,837	43,837
Staff Welfare	-	-	-	-	-
Total	4,52,643	78,409	1,13,583	2,08,860	5,31,879

18. Cost of materials consumed

Particulars	For the Year ended March 31, 2020	Three Months period ended March 31 2020	Three Months period ended December 31 2019	Three Months period ended March 31 2019	For the Year ended March 31, 2019
Opening stock	3,00,000	2,24,000	2,64,000	4,66,736	2,65,075
Add: Purchases	75,23,886	16,04,294	18,06,105	20,07,258	95,67,789
Less: Closing stock	(2,14,000)	(2,14,000)	(2,24,000)	(3,00,000)	(3,00,000)
	76,09,886	16,04,294	18,46,105	21,73,994	95,32,864

1A. Depreciation and amortisation expense

Particulars	For the Year ended March 31, 2020	Three Months period ended March 31 2020	Three Months period ended December 31 2019	Three Months period ended March 31 2019	For the Year ended March 31, 2019
Depreciation of property, plant and equipment	9,200	2,300	2,300	-	2,250
Total	9,200	2,300	2,300	-	2,250



Pennar Global Inc
Notes forming part of the financial statements

19. Other expenses

All the Amounts in USD Unless Specified

Particulars	For the Year ended March 31, 2019	Three Months period ended March 31 2020	Three Months period ended December 31 2019	Three Months period ended March 31 2019	For the Year ended March 31, 2019
Rent including lease rentals	33,584	9,346	9,029	8,205	32,114
Taxes	35,389	7,660	9,915	11,228	41,341
Bank Charges	732	7	89	356	2,477
Computer expenses	1,319	87	-	-	835
Freight outwards	20,668	408	8,824	2,333	22,266
Accommodation	46,016	7,793	20,783	3,653	16,133
Travelling and conveyance	75,293	12,873	32,915	12,631	52,514
Car Hire, Parking & Toll	10,044	1,621	3,687	74	6,923
Communication	3,444	760	1,081	836	3,219
Meals & Entertainment	8,235	1,787	2,689	1,854	5,790
Advertising & Marketing expenses	1,211	291	509	144	19,671
Printing and stationery	-	-	-	-	995
Commision & fees	108	27	27	-	-
Customs Fee	1,894	-	-	13,361	2,48,359
Donations / Charity	5,000	-	-	-	5,055
Insurance	4,890	643	2,917	-	-
Legal & professional charges & Consultancy	3,66,712	1,19,358	1,30,629	31,958	2,01,758
Dues & Subscription	1,070	-	-	-	-
Fees -For audit	-	-	-	-	-
Fees -For other services	1,000	1,000	-	-	4,300
Penalties	-	-	-	-	836
Recruitment expenses	-	-	-	-	31,899
Office Supplies	1,652	689	273	341	5,677
Software charges	9,225	218	893	2,850	12,124
Miscellaneous expenses	-	-	-	44	164
Total	6,27,486	1,64,567	2,24,260	89,868	7,14,451

