

Permanent Magnets Limited

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CIN - L27100DN1960PLC000371, Email: investors@pmlindia.com, Phone : +91 22 68285454 Website: www.pmlindia.com
Statement of Audited Financial Results for the Quarter and Year ended 31st March,2020

(Rs. In lakh)

Sr.	Particulars	Quarter Ended on			Year Ended	Year Ended
		31.03.2020 (Audited)	31.03.2019 (Audited)	31.12.2019 (Unaudited)	31.03.2020 (Audited)	31.03.2019 (Audited)
1	(a) Gross Sales/Income from Operations	2,299.17	3,510.32	2,705.92	10,656.05	12,084.10
	(b) Other Income	132.25	30.36	54.38	270.24	99.21
	Total Income	2,431.42	3,540.68	2,760.29	10,926.29	12,183.31
2	Expenditure					
	(a) Consumption of Raw Material	1,101.98	1,660.20	1,200.23	5,166.77	6,461.05
	(b) Purchase of stock-in-trade	-	-	-	-	-
	(c) Changes in inventories of Finished Goods, work-in- progress and stock-in-trade	(52.03)	79.39	(2.89)	(104.85)	(81.89)
	(d) Employee cost	174.27	176.03	207.67	762.82	712.44
	(e) Finance Cost	81.33	35.28	10.80	132.88	130.80
	(f) Depreciation & Amortisation Expenses	175.32	36.77	55.02	298.71	156.18
	(g) Other Expenditure	457.06	769.17	773.92	2,776.50	2,724.75
	Total Expenditures	1,937.94	2,756.84	2,244.74	9,032.83	10,103.33
3	Profit / (Loss) from Operations before Exceptional and Tax (1-2)	493.48	783.84	515.55	1,893.46	2,079.98
4	Exceptional Items					
5	Profit before tax (3+4)	493.48	783.84	515.55	1,893.46	2,079.98
6	Tax expenses					
	Current Tax	128.55	251.58	133.80	485.31	613.76
	Deferred Tax	(28.77)	(1.55)	(2.02)	(23.81)	(14.25)
7	Profit/(Loss) for the period from Continuing Operations (after tax) (5-6)	393.72	533.80	383.77	1,431.97	1,480.46
8	Profit/(Loss) from Discontinuing Operation	-	-	-	-	-
9	Tax Expenses of Discontinuing Operation	-	-	-	-	-
10	Profit/(Loss) from Discontinuing Operations (after tax) (8-9)	-	-	-	-	-
11	Profit/(Loss) for the period (7+10)	393.72	533.80	383.77	1,431.97	1,480.46
12	Other Comprehensive Income (OCI)	(3.51)	4.98	-	(3.51)	4.98
13	Net Profit/(Loss) (Including Comprehensive Income)(11+12)	390.21	538.78	383.77	1,428.46	1,485.44
14	Paid-up Equity Share Capital (Face Value of Rs. 10/- each)	859.85	859.85	859.85	859.85	859.85
	Total Reserves (excluding revaluation reserve)					2,465.20
15	(i) Earning Per Share (before and after Extra Ordinary Items)					
	- Basic	4.54	6.27	4.46	16.61	17.28
	- Diluted	4.54	6.27	4.46	16.61	17.28



Standalone Statement of Assets and Liabilities

Particulars	As at 31.03.2020	As at 31.03.2019
ASSET		
(1) Non Current Assets		
(a) Property, Plant and Equipment	503.03	508.89
(b) Other Intangible assets	10.40	6.72
(c) Right-of-use Assets	416.22	-
(d) Financial Assets	-	-
(i) Loans	66.28	62.16
(ii) Others	-	-
(e) Deferred Tax Assets (Net)	150.13	106.00
(f) Other Non-Current Assets	57.03	54.60
	1,203.08	738.37
(2) Current Assets		
(a) Inventories	1,924.77	1,754.75
(b) Financial Assets		
(i) Trade Receivables	2,729.69	3,183.30
(ii) Cash and Cash Equivalents	198.23	80.58
(iii) Bank Balances	615.75	195.30
(iv) Loans	56.78	64.92
(c) Other Current Assets	582.64	673.59
	6,107.86	5,952.44
Total Assets	7,310.94	6,690.80
EQUITY AND LIABILITIES		
(1) Equity		
(a) Equity Share Capital	859.85	859.85
(b) Other Equity	3,927.47	2,465.20
	4,787.32	3,325.05
Liabilities		
(2) Non Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	185.24	224.14
(ii) Other Financial Liabilities	304.02	-
(b) Provisions	83.94	70.70
(c) Deferred Tax Liabilities (Net)	-	-
(c) Other Non Current Liabilities	-	-
	573.20	294.84
(3) Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	10.74	583.55
(ii) Trade Payables	1,498.31	1,962.28
(iii) Other Financial Liabilities	317.85	158.79
(b) Other Current Liabilities	84.82	44.69
(c) Provisions	1.78	5.18
(d) Current Tax Liabilities	36.94	316.44
	1,950.42	3,070.92
Total Equity and Liabilities	7,310.94	6,690.80



Standalone Statement of Cashflow

Particulars	31.03.2020 INR	31.03.2019 INR
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax and extraordinary items	1,889.95	2,084.96
Adjustment for :		
Depreciation & Amortization	298.71	156.18
Impairment	2.55	-
Loss/(Profit) on Sale of Assets	(1.38)	(4.13)
Finance Charges	132.88	151.07
Misc balance w/off	1.60	5.62
(Profit)/loss on lease modification & Others	13.49	-
Short /Excess provision of earlier years	(0.52)	-
Unrealised Foreign Exchange Gain	(103.38)	(30.83)
Operating Profit before working Capital Changes	2,233.92	2,362.87
Adjustment for:		
Inventories	(170.02)	(415.89)
Trade Receivables	553.59	(289.50)
Other Assets	(887.84)	110.92
Trade Payables	(462.17)	(427.24)
Other Liabilities	367.04	264.44
	1,634.51	1,605.60
Direct Taxes Paid	484.79	613.76
Net cash flow from Operating Activities	1,149.72	991.84
CASH FLOW FROM INVESTMENT ACTIVITIES		
Sale of/ (Additions to) Fixed Assets	(153.99)	(198.94)
Sale of/ (Additions to) investments (net)	-	-
Net cash used in investing activities	(153.99)	(198.94)
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Long Term Borrowings (Net)	(38.89)	(27.41)
Proceeds from Short Term Borrowings (Net)	(572.81)	(539.07)
Finance Charges paid (Net)	(132.88)	(151.07)
Repayment of Lease liabilities	(133.50)	-
Net cash from Financing Activities	(878.08)	(717.55)
NET INCREASE IN CASH AND CASH EQUIVALENTS	117.65	75.35
Opening Cash and Cash Equivalents	80.58	5.23
Closing Cash and Cash Equivalents	198.23	80.58



Notes:

- 1 The above results for the quarter and year ended 31st March, 2020, have been reviewed and recommended by the Audit Committee, approved by the Board of Directors at their Meeting held on 26/06/2020 and have been subjected to Limited Review by the Statutory Auditors.
- 2 This statement has been prepared in accordance with the Companies (Indian Accounting Standards) Rule ,2015 (Ind AS) prescribed under Section 133 of Companies Act ,2013, read with rule 3 of the Companies (Indian Accounting Standards) Rules,2015 and Companies (Indian Accounting Standards) Rule ,2016.
- 3 The Company has been operating in single business Segment i.e. Magnetics and its applications. Segment reporting as per IND AS 108 is not applicable.
- 4 The figures for the quarter ended March 31, 2020 and March 31,2019 are the balancing figures between audited figures in respect of full financial year ended March 31,2020 and March 31,2019 respectively and the unaudited published year to date figures upto December 31, 2019 and December 31,2018 respectively , being the end of the third quarter of the respective financial year, which were subjected to Limited Review.
- 5 Honourable Bombay High Court has given interim stay order against the winding up order passed against the Company dated 15/04/2015. Next hearing in this matter shall come up as per listing of the court. Company has deposited Rs. 19,05,179/- Lac with interest as per direction of honourable Bombay High Court.
- 6 Effective April 1,2019 , the Company has applied IND AS 116" Lease " to all applicable lease contracts existing on April 1,2019 using the modified retrospective method .Accordingly , the cumulative adjustment on application of the standards has been adjusted to retained earning on the date of initial application and comparative numbers have not been retrospectively adjusted. The applicable IND AS 116 did not have significant impact on the profit and earnings per share for the quarter ended and year ended March 31,2020

Particulars	Amount in Lakh
Right to Use Assets	559.94
Lease Liabilities recognised	304.02
Impact on Retained Earning (net of taxes)	(60.42)

- 7 India and other global markets have experienced significant disruption due to the Covid-19 pandemic. Considering the area of operation of the company, currently management believes that it will not have a significant impact on the company and its going concern in the long run. However, the Company does estimate some impact on its performance in the short to medium term. In order to mitigate the said risk, company is focusing on controlling costs, pushing new geographies and re-aligning its product portfolio to suit the requirements in the current scenario. Company is closely monitoring Covid-19 related developments, its operations, liquidity and capital resources to mitigate the overall impact of this unprecedented situation
- 8 Tho Company has decided to opt new taxation scheme of Section 115BAA of the Income Tax Act 1961, Introduced by the Taxation Laws (Amendment) Ordinance 2019, effective from financial year 2019-20
- 9 The figures for the previous period / year have been regrouped wherever necessary to confirm to the current year's classification.

Place : Mumbai
Date: 26.06.2020

For Permanent Magnets Limited


Sharad Taparia
(Managing Director)





RAMANAND & ASSOCIATES

— CHARTERED ACCOUNTANTS —

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Independent Auditor's Report on the Quarterly and Year to Date Audited Standalone 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 Permanent Magnets 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 Permanent Magnets Limited (the "Company") for the quarter and year ended March 31, 2020 ("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, the Financial Results:

- i. are 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 income and other financial information of the Company for the quarter and year ended March 31, 2020.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013, as amended ("the Act"). Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Standalone Financial Results" 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 obtained by us is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

1. We draw attention to Note no. 5 of Financial Result which states that Honourable Bombay High Court had given interim stay order against winding up order and hearing in this matter shall come up as per listing of the court.
2. We draw your attention to Note no.7 of the Financial Results, which states the impact of Coronavirus disease 2019 (COVID-19) on the operations of the Company.

Our opinion is not modified in respect of this matter.

Management's Responsibilities for the Standalone Financial Results

The Financial Results has been prepared on the basis of the standalone annual financial statements. The Board of Directors of the Company are responsible for the preparation and presentation of these Financial Results that gives a true and fair view of the 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 Financial Results, 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 also 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 Financial Results 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 Financial Results.

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.

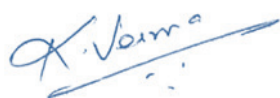
Other Matter

The Financial Results includes the results for the quarter ended March 31, 2020 being the balancing figure between the audited figures in respect of the full financial year ended March 31, 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.

For Ramanand & Associates

Chartered Accountants

ICAI Firm Reg. No. 117776W



CA Karan Verma

Partner

M. No. 161335

Place: Mumbai

Date: 26/06/2020