

Date: 13.06.2022

To,
National Stock Exchange of India Limited
The Manager,
Exchange Plaza, 5th floor,
Plot No. C/1, G Block, Bandra Kurla Complex
Bandra (East), Mumbai-400051

Ref: PENTAGOLD

Sub: Submission of Standalone & Consolidated Audited Financial Results along with Statutory Auditors Report for the Half Year /Year ended March 31st, 2022, under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Dear Sir/Ma'am,

With reference to the captioned subject and Pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are pleased to inform that the Board of Directors of the Company at their meeting held on Monday 30th day of May, 2022 has approved Followings

1. Audited Standalone & consolidated Financial Results of the company and statement of Assets & Liabilities along with the statutory Auditors Report for the half year/year ended 31st March 2022. The scan copy of the same together with the Auditors Report and Modified audited opinion as schedule IV of SEBI LODR (Amendment) Regulation, 2016

You are requested to take the above on record.

Thanking you,

For, Penta Gold limited



Ketan Madhusudan Shroff
Director
(DIN: 00332988)



Independent Auditor's Report on Audit of Annual Standalone Financial Results and Review of Half Yearly Standalone Financial Results for the Six Months and Year Ended 31st March, 2022 pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To the Board of Directors of
Penta Gold Limited

Qualified Opinion

We have audited the accompanying Standalone annual financial results ('the Statement') of Penta Gold Limited ('the Company') for the Half year and year ended 31 March 2022, attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ('Listing Regulations') including relevant circulars issued by the SEBI from time to time.

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 matters described in the Basis for Qualified Opinion section of our report*, the Statement:

- (i) Presents annual standalone financial results in accordance with the requirements of Regulation 33 of the Listing Regulations; and
- (ii) gives a true and fair view in conformity with the accounting principles generally accepted in India, of the State of Affairs of the Company as at 31 March 2022 and Statement of Profit & Loss and its Cash Flow Statement for the half year and year ended on that date.

Basis for Qualified Opinion

As explained in note 10 to the Annual Standalone financial results, amongst the total inventory worth 262.34 crores as on 31st March 2022, majority of Inventories were lying with the third parties for which confirmation was obtained by the management.

Since these stocks were lying with the third parties we were not able to physically verify the Inventories and hence in absence of the physical verification of the Inventories we are unable to comment upon the condition & existence of the Inventories and hence we are unable to comment on the impact, if any, of the same on the accompanying Standalone financial results.

We conducted our audit of the Standalone financial results in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). 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 (ICAI) together with the independence requirements that are relevant to our audit of the Standalone financial results under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Standalone financial results.



Emphasis of Matter

(₹ in 000's except otherwise mentioned specifically)

1. We draw attention to following points as mentioned in note 8 "Secured Loans" to the accompanying Standalone financial results regarding Secured loans

a. Facilities with Axis Bank

All the facilities with Axis Bank (i.e. Foreign Currency Demand Loan, Cash Credit & Funded Interest Term Loan) are classified as NPA W.E.F. 1st December 2020 on account of irregularities w.r.t repayment of overdrawn account and further no interest has been debited by Axis Bank for all the facilities from the month of December 2020, moreover on 09th April 2021 bank has matured FD of ₹ 4,320 which was given as collateral security against the said facilities at ₹ 5,692.95 (including accrued interest of ₹1372.95).

Further Bank has initiated proceeding under Section 13(2) of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act 2002 through notice dated 14th October, 2021 directing to pay the entire outstanding amount within 60 days of receipt of notice.

b. Facilities with State Bank of India ('SBI')

The Facilities with SBI (i.e. Cash credit & Guaranteed Emergency Credit Line) are classified as NPA W.E.F. 29th September 2021 on account of irregularity w.r.t repayment of Installments. Further SBI has initiated proceeding under Section 13(2) of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act 2002 through latest notice dated 08th February 2022 (SBI has cancelled its earlier notice dated 14th October 2021) directing to pay the entire outstanding amounting Rs. 85184.93 within 60 days of receipt of notice.

c. Facilities with Karur Vysya Bank ('KVB')

All the facilities with KVB (i.e. Cash Credit Facility & Funded Interest Term Loan) are classified as NPA W.E.F. 23rd March 2021 on account of irregularities w.r.t repayment of overdrawn account further KVB had initiated proceeding u/s 13(2) of SARFAESI Act through notice dated 09th June 2021. However the said notice has been withdrawn by KVB due to technical reason as per letter dated 24th September. KVB has initiated proceeding u/s 13(2) of SARFAESI Act through latest notice dated 13th January 2022 directing to pay the entire outstanding amount within 60 days of receipt of notice.

d. Facilities with Shriram Housing Finance Limited ('SHFL')

All the facilities with SHFL (i.e. Funded Interest Term Loan) are classified as NPA W.E.F. 7th March 2022 on account of irregularities w.r.t repayment of overdrawn account further SHFL has initiated proceeding u/s 13(2) of SARFAESI Act through notice dated 1st April 2022 directing to pay the entire outstanding amount within 60 days of receipt of notice.



e. Facilities with ICICI Bank ('ICICI')

Export Packing Credit facility from ICICI has been cancelled on 06th March 2020 duly maturing all the FDs lien due to non-compliance with terms & conditions with credit arrangement letter. ICICI had already called for outstanding balance.

2. We draw attention to following points as mentioned in note 9 "Unsecured Loans" to the accompanying Standalone financial results regarding Secured loans

a. Poonawaala Fincorp Limited ('PFL') (Formerly Magma Fincorp Limited)

PFL had initiated arbitration process under Arbitration and Conciliation Act 1966, on account of irregularities w.r.t repayment of unsecured loan, further arbitrator also given its award vide its letter dated 31th December, 2021 that company is liable to pay a sum of Rs. 1690.62 to Poonawaala Fincorp Limited alongwith Rs. 10 as arbitrator cost.

b. Shriram City Union Finance Limited ('SCUFL')

SCUFL has initiated arbitration process vide its letter dated 17th May, 2022 under Arbitration and Conciliation Act 1966 on account of irregularities w.r.t repayment of unsecured loan, further arbitrator posted date of hearing for the matter on 15th June, 2022.

c. Tata Capital Financial Services Limited ('TCFSL')

TCFSL had initiated arbitration process vide its letter dated 28th March, 2022 under Arbitration and Conciliation Act 1966 on account of irregularities w.r.t repayment of unsecured loan (Loan agreement no TCBL0632000010907361) further arbitrator also given its award that company is liable to pay a sum of Rs.351.56 to TCFSL Rs.2.5 as arbitrator cost.

TCFSL has initiated arbitration process vide its letter dated 28th March, 2022 under Arbitration and Conciliation Act 1966 on account of irregularities w.r.t repayment of unsecured loan (Loan agreement no TCBL0632000010758476) further arbitrator also given its award that company is liable to pay a sum of Rs.2007.79 to TCFSL Rs.2.5 as arbitrator cost.

3. We draw attention to note 5 to the accompanying statement regarding the delays in fulfilling the export obligation of 758.377 kg Imported raw gold beyond the timelines stipulated under Advance Authorisation obtained from DGFT. The Company is under proceeding for the said matter with Chief Commissioner of Customs.

4. We draw attention to note 6 to the accompanying statement regarding the delay in payment of foreign currency against Imports worth ₹ 12,91,695.95, which has been outstanding for more than permissible limits, for which the company has made application to authorized dealer to regularize the same.



5. We draw attention to note 7 to the accompanying Statement regarding the delays in receipt of proceeds denominated in foreign currency against export of goods made by the Company to its overseas customers aggregating to ₹ 14,95,613.95 which have been outstanding for more than permissible limits. The Company is in process of filing necessary applications to authorize dealer/ Reserve Bank of India to regularize the same and further company is regularly following up with the customers to realize the export proceeds at earliest.

Our opinion is not modified in respect of the above matter.

Management's Responsibility for the Statement

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these statement that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 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, management is 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 management 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 Responsibility for the Statement

Our objectives are to obtain reasonable assurance about whether the statement as a whole are 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. Misstatement 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 these 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 financial controls 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 system 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 management.
- Conclude on the appropriateness of management's 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 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 represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the statement that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the statement may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the statement.

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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the statement of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



Other matter

The Statement includes the standalone financial results for the half year ended 31 March 2022, being the balancing figures between the audited figures in respect of the full financial year and the published unaudited year-to-date figures up to the first half of the current financial year, which were subject to limited review by us.

Date : 30th May, 2022

Place: Mumbai

For R A N K & ASSOCIATES

Chartered Accountants

ICAI Firm Registration No. 105589W



Rahul Nahata

Rahul P. Nahata

(Partner)

Membership No. 116511

UDIN : 22116511 AKLIWN 5057

Penta Gold Limited

CIN : L51109GJ2012PLC069352

2224, Manek Chowk Opp Old Share Bazar Ahmedabad Gujarat 380001

Standalone Statement of Asset and Liabilities as on March 31, 2022

Particulars	(₹'000)	
	Year Ended 31/03/2022 (Audited)	Year Ended 31/03/2021 (Audited)
A. Equity & Liabilities		
1. Shareholder's Funds		
a)Share Capital	1,27,250.00	1,27,250.00
b)Reserves and Surplus	1,66,864.46	2,50,864.29
c)Money received against share warrants	-	-
Sub-total- Shareholders' funds	2,94,114.46	378114.29
2. Share application money pending allotment	-	-
3. Non Current Liabilities		
a)Long-term borrowings	17,231.26	18,045.61
b)Deferred tax liabilities (net)	4.69	10.92
c)Other Long-term liabilities	-	-
d)Long-term provisions	-	-
Sub-total- Non-current liabilities	17,235.94	18,056.53
4. Current Liabilities		
a)Short term borrowings	12,04,243	11,94,935.96
b)Trade payables		
Total outstanding dues of micro and small enterprises	5,837.50	5,837.50
Total outstanding dues of creditors other than micro and small	27,05,759.94	26,59,709.33
c)Other current liabilities	69,508.70	33,484.17
d)Short term provisions	5,318.76	2,246.44
Sub-total- Current liabilities	39,90,667.44	38,96,213.40
TOTAL-EQUITY AND LIABILITIES	43,02,017.84	42,92,384.22
B. Assets		
1. Non Current Assets		
a)Property, Plant and Equipments	6,291.05	7,103.74
b)Non-current Investments	1,994.66	1,994.66
c)Long-term loans and advances	201.00	201.00
d)Other non-current assets	-	-
Sub-total- Non-Current Assets	8,486.71	9,299.40
2. Current Assets		
a)Current Investments	221.76	-
b)Inventories	26,23,474.64	26,22,869.05
c)Trade receivables	16,49,144.98	16,15,214.30
d)Cash & cash equivalents	1,543.63	29,724.74
e)Short-term loans and advances	14,330.24	10,844.82
f)Other current assets	4,815.88	4,431.92
Sub-total-Current Assets	42,93,531.13	42,83,084.82
TOTAL-ASSETS	43,02,017.84	42,92,384.22

For and on behalf of Board of directors of Penta Gold Limited



Ketan M. Shroff
(Chairman & Managing Director)
(DIN: 00332988)

Place : Mumbai
Date : 30th May, 2022

Penta Gold Limited

CIN : L51109GJ2012PLC069352

2224, Manek Chowk Opp Old Share Bazar Ahmedabad Gujarat 380001

Audited Standalone Financial Results for the half year and year ended 31st March, 2022

(₹'000)

Particulars	Half Year Ended on			Year Ended on	
	31.03.2022	31.03.2021	30.09.2021	31.03.2022	31.03.2021
	(Audited)	(Audited)	(Unaudited)	(Audited)	(Audited)
1. Revenue from Operations	0.00	49,824.44	1,050.02	1,050.02	15,31,246.18
2. Other Income	3,399.60	3,233.15	456.39	3,856.00	23,227.48
3. Total Income (1 + 2)	3,399.60	53,057.59	1,506.41	4,906.02	15,54,473.66
4. Expenses					
(a) Cost of Materials consumed	-	-	-	-	-
(b) Purchase of stock-in-trade	-	21,068.16	1,566.42	1,566.42	14,20,888.77
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	-	20,928.75	(605.60)	(605.60)	79,075.00
(d) Employee benefits expense	344.40	611.40	279.80	624.20	2,385.82
(e) Depreciation and amortisation expense	406.35	468.18	406.35	812.69	907.53
(f) Finance Cost	26,470.56	20,061.52	29,774.94	56,245.50	43,726.17
(g) Other expenses(Any item exceeding 10% of the total expense relating to continuing operations to be shown separately)	20,756.69	252.20	1,978.94	22,735.64	3,159.81
Total Expenses	47,978.00	63,390.21	33,400.85	81,378.85	15,50,143.09
5. Profit before exceptional and extraordinary items and Tax (3 - 4)	(44,578.39)	(10,332.62)	(31,894.43)	(76,472.83)	4,330.57
6. Exceptional Items	-	-118.67	-	0.00	(82.73)
7. Profit before extraordinary items and tax (5 - 6)	(44,578.39)	(10,451.29)	(31,894.43)	(76,472.83)	4,247.84
8. Extraordinary items	-	-	-	0.00	-
9. Profit before tax (7-8)	(44,578.39)	(10,451.29)	(31,894.43)	(76,472.83)	4,247.84
10. Tax Expense	(102.27)	-678.01	3,865.77	3,763.50	3,056.08
11. Net Profit / (Loss) for the period (9 - 10)	(44,476.12)	(9,773.28)	(35,760.20)	(80,236.33)	1,191.77
12. Paid-up equity share capital (weighted Average)	1,27,250.00	1,27,250.00	1,27,250.00	1,27,250.00	1,27,250.00
Face Value of the Share	10.00	10.00	10.00	10.00	10.00
13. i) Earning per Equity Share of Rs. 10 Each					
a.) Basic	(3.50)	(0.77)	(2.81)	(6.31)	0.09
b.) Diluted	-	-	-	-	-

For and on behalf of Board of directors of Penta Gold Limited



Ketan M. Shroff
(Chairman & Managing Director)
(DIN: 00332988)

Place : Mumbai
Date : 30th May, 2022

Notes:

(₹ in 000's except otherwise mentioned specifically)

1. The Company operates only in one primary segment, namely "Gold Jewellery & Diamond"
2. The Standalone Audited Financial Statements for the Half Year ended and Year ended on 31st March, 2022 have been reviewed and recommended by the Audit Committee at its meeting held on 30th May, 2022 and approved at the Board of Directors at its meeting held on 30th May, 2022. The Statutory auditors have expressed a qualified opinion on the said financial statement.
3. The above Standalone Audited Financial Statements are prepared in accordance with the accounting standards as issued by the Institute of Chartered Accountants of India and as specified in the Section 133 of the Companies act, 2013 and the relevant rules thereof and in accordance with Regulation 33 of SEBI (Listing obligation and Disclosure Requirements) Regulations, 2015.
4. The figures of the six month ended 31st March 2022 and 31st March 2021 are the balancing figures between the audited figures in respect of full financial year and the published year to date figures up to 30th September of relevant year, which were subject to limited review by statutory auditors.
5. **Delay in Export Obligation:**

For Advance Authorization No 0310827863

The company has Imported 493 kg raw gold against Advance Authorization dated 22.03.2019 without payment of custom duty with obligation to process and export the Jewellery to overseas customers. Amongst above the company has utilized 335.413 kg raw gold & exported to the overseas customers within permissible time however for remaining 157.587 kg raw gold the company was unable to fulfill the obligation within permissible time, duties forgone in the form of Basic Custom Duty & IGST for pending obligation of 157.587 kg is ₹ 63,117.99 The company then had applied for relaxation for the extended period. However, it was not granted.

The company on 15th October 2019 made Application with the Policy Relaxation Committee of DGFT seeking extension of time & Due to the above delay in fulfilling Export Obligation Investigation was carried out by Department of Revenue Intelligence on 26th February 2020 & during the Investigation Gold Jewellery weighing 7.77 kg was seized by the authorities vide seizure memo dated 27th February 2020

For Advance Authorisation No 0310829459

The company have also Imported 971 Kg raw gold of under Advance Authorisation dated 06/06/2019 without payment of custom duty with obligation to process and export the Jewellery to overseas customers. Amongst above the company has utilized 531.43 kg & exported to the overseas customers within permissible time, However for remaining 439.57 kg the company has still not been able to fulfill the obligation and the authorization has been expired as on date, duty foregone in the form of Basic Custom Duty & IGST for pending obligation of 439.57 kg is ₹ 2,47,989.84

For Advance Authorisation No 0310834026

The company have also Imported 177 Kg raw gold of under Advance Authorisation dated 09/01/2020 without payment of custom duty with obligation to process and export the Jewellery to overseas customers. Amongst above the company has utilized 15.78 kg & exported to the overseas customers within permissible time, However for remaining 161.22 kg the company has still not been able to fulfill the obligation and the authorization has been expired as on date, duty foregone in the form of Basic Custom Duty & IGST for pending obligation of 161.22 kg is ₹ 97,100.37

Note - For all the above pending obligations company is in proceeding before Chief Commissioner of Customs, Mumbai wherein they are pleading for relaxation to fulfill the said obligation

6. Delay in Payments of Foreign Currency against Imports:

Trade Payables as at 31st March 2022 inter alia, includes outstanding from Import Suppliers aggregating to ₹.12,91,695.95 (USD 17,042.53) which has been outstanding for more than permissible limits for which the company has made application to authorized dealer to regularize the same.

7. Trade receivables as at 31 March 2022, inter alia, include outstanding from export customers aggregating to ₹. 14,95,613.95 (USD 18,166.11) which have been outstanding for more than permissible limits. The Company is in process of filling necessary applications to authorize dealer/ Reserve Bank of India to regularize the same and further company is regularly following up with the customers to realize the export proceeds at earliest.

8. Secured loans:

A. Facilities with Axis Bank

All the facilities with Axis Bank (i.e. Foreign Currency Demand Loan, Cash Credit & Funded Interest Term Loan) are classified as NPA w.e.f. 1st December 2020 on account of irregularities w.r.t repayment of overdrawn account and further no interest has been debited by axis bank

for all the facilities from the month of December 2020, moreover on 09th April 2021 bank has matured FD of ₹ 4,320 which was given as collateral security against the said facilities at ₹ 5,692.95 (including accrued interest of ₹1372.95).

Further Bank has initiated proceeding under Section 13(2) of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act 2002 through notice dated 14th October, 2021 directing to pay the entire outstanding amount within 60 days of receipt of notice.

B. Facilities with State Bank of India ('SBI')

The Facilities with SBI (I.e. Cash credit & Guaranteed Emergency Credit Line) are classified as NPA W.E.F 29th September 2021 on account of irregularity w.r.t repayment of Installments. Further SBI has initiated proceeding under Section 13(2) of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act 2002 through latest notice dated 08th February 2022 (SBI has cancelled its earlier notice dated 14th October 2021) directing to pay the entire outstanding amounting Rs. 85184.93 within 60 days of receipt of notice.

C. Facilities with Karur Vysya Bank ('KVB')

All the facilities with KVB (i.e. Cash Credit Facility & Funded Interest Term Loan) are classified as NPA w.e.f. 23rd March 2021 on account of irregularities w.r.t repayment of overdrawn account further KVB had initiated proceeding u/s 13(2) of SARFAESI Act through notice dated 09th June 2021. However, the said notice has been withdrawn by KVB due to technical reason as per letter dated 24th September 2021. Karur Vysya Bank has initiated proceeding u/s 13(2) of SARFAESI Act through latest notice dated 13th January 2022 directing to pay the entire outstanding amount within 60 days of receipt of notice.

D. Facilities with Shriram Housing Finance Limited ('SHFL')

All the facilities with SHFL (i.e. Funded Interest Term Loan) are classified as NPA w.e.f. 7th March 2022 on account of irregularities w.r.t repayment of overdrawn account further SHFL has initiated proceeding u/s 13(2) of SARFAESI Act through notice dated 1st April 2022 directing to pay the entire outstanding amount within 60 days of receipt of notice.

E. Facilities with ICICI Bank ('ICICI')

Export Packing Credit facility from ICICI has been cancelled on 06th March 2020 duly maturing all the FDs lien due to non-compliance with terms & conditions with credit arrangement letter. ICICI had already called for outstanding balance to which company is in process of complying.

9. Unsecured Loans

A. Poonawaala Fincorp Limited ('PFL') (Formerly Magma Fincorp Limited)

PFL had initiated arbitration process under Arbitration and Conciliation Act 1966, on account of irregularities w.r.t repayment of unsecured loan, further arbitrator also given its award vide its letter dated 31st December, 2021 that company is liable to pay a sum of Rs. 1690.62 to Poonawaala Fincorp Limited alongwith Rs. 10 as arbitrator cost.

B. Shriram City Union Finance Ltd.

Shriram City Union Finance Ltd has initiated arbitration process vide its letter dated 17th May, 2022 under Arbitration and Conciliation Act 1966 on account of irregularities w.r.t repayment of unsecured loan, further arbitrator posted date of hearing for the matter on 15th June, 2022

C. Tata Capital Financial Services Ltd.

- (i) Tata Capital Financial Services Ltd has initiated arbitration process vide its letter dated 28th March, 2022 under Arbitration and Conciliation Act 1966 on account of irregularities w.r.t repayment of unsecured loan (Loan agreement no TCBL0632000010907361) further arbitrator also given its award that company is liable to pay a sum of Rs.351.56 to Tata Capital Financial Services Ltd Rs.2.5 as arbitrator cost.
- (ii) Tata Capital Financial Services Ltd has initiated arbitration process vide its letter dated 28th March, 2022 under Arbitration and Conciliation Act 1966 on account of irregularities w.r.t repayment of unsecured loan (Loan agreement no TCBL0632000010758476) further arbitrator also given its award that company is liable to pay a sum of Rs.2007.79 to Tata Capital Financial Services Ltd Rs.2.5 as arbitrator cost.

10. Inventory:

The inventory comprising of raw material and finished goods is physically verified by the management at regular intervals and as at the end of the year. In respect of stock lying with third parties as at the year-end written confirmations has been obtained by the management. The quantity and valuation of the inventory at the yearend has been certified by the management.

Amongst the entire stock worth 262.34 crores as on 31st March 2022, Majority of inventory were stored with Third party to mitigate safety risk since there was no proper storage facility available ensuring utmost safety.

Amongst the entire stock worth 262.34 crores as on 31st March 2022, Inventories worth ₹2.56 crores was seized by DRI authorities as explained in note 5

11. The Company has incorporated a wholly owned subsidiary in the name of Penta Overseas FZ-LLC in UAE under Ras Al Khaimah Economic Zone Authority. However due to paucity in making the remittance of AED 1,00,000 (in ₹2066.73) towards share capital has led to freezing the banking operations of the subsidiary. Business of the foreign subsidiary continue to remain non-operational during financial year. Management has decided to separately present consolidate financial results as on 31st March 2022 along with standalone financial results.
12. The company owns majority of voting power by virtue of ownership of the shares of Rodinia Energy Pvt Ltd. The said shares are held as 'stock-in-trade' and are acquired and held exclusively with a view to their subsequent disposal in the near future. Consequently, same has been excluded for consolidation
13. As per MCA Notification dated 16th February, 2015 Companies whose Shares are listed on SME exchange as referred to in Chapter XB of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, are exempted from the compulsory requirement of adoption of IND-AS .
14. Previous year/period figures have been regrouped wherever necessary to make them comparable.

For and on behalf of Board of directors of Penta Gold Limited



Ketan M. Shroff
(Managing Director)
(DIN : 00332988)
Place : **Mumbai**
Date : 30th May, 2022

Penta Gold Limited

CIN : L51109GJ2012PLC069352

2224, Manek Chowk Opp Old Share Bazar Ahmedabad Gujarat 380001

Standalone Statement of Audited Cash Flow for the year ended 31st March, 2022

Particulars	(₹'000)	(₹'000)
	Year Ended 31/03/2022 (Audited)	Year Ended 31/03/2021 (Audited)
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Net Profit / (Loss) after Tax as per Statement of P & L		
Adjustments for :	(83,999.83)	1,191.77
Current Taxation		
Deferred Taxation	0.00	3,065.33
Net Profit / (Loss) before Tax and Extraordinary items	(6.23)	(9.25)
Adjustments for :	(84,006.06)	4,247.84
Depreciation	812.69	907.53
Interest Expenses	25432.30	43,099.11
Unrealized Foreign exchange loss / (Gain)	0.00	(19,278.94)
Interest Income	(403.24)	(1,831.79)
Operating Profit before working capital changes	(58,164.30)	27,143.76
Adjustments for :		
(Increase) / Decrease in Current Investments	0.00	
(Increase) / Decrease in Inventories	(605.60)	79,075.00
(Increase) / Decrease in Trade Receivables	(33,930.68)	(95,652.40)
(Increase) / Decrease in Short Term Loans and Advances	(3,707.18)	557.47
(Increase) / Decrease in Other Current Assets	(383.96)	3,543.13
(Increase) / Decrease in Long Term Loans and Advances	-	-
(Increase) / Decrease in Non-current investments	-	(1,994.66)
Increase / (Decrease) in Trade Payables	46,050.61	(26,575.75)
Increase / (Decrease) in Other Current Liabilities	36,024.53	12,520.93
Increase / (Decrease) in Short term Provisions	3,072.32	(15,073.57)
Increase / (Decrease) in Short term Borrowings	9,306.57	(58,921.78)
Increase / (Decrease) in Long term Borrowings	(814.35)	2,099.27
Cash generated from / (used in) operating activities	(3,152.05)	(73,278.61)
Direct Taxes (paid) / refund	-	(161.79)
Cash flow before Extraordinary items	(3,152.05)	(73,440.39)
Extra Ordinary Item	0.00	82.73
Net Cash generated from / (used in) operating activities	(3,152.05)	(73,357.67)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets / Capital WIP	0.00	(130.17)
Proceeds from sale of Fixed Asset	0.00	-
Interest received & Other Income	403.24	1,749.06
Net cash used in investing activities	403.24	1,618.90
C. CASH FLOW FROM FINANCING ACTIVITIES		
Interest paid	(25,432.30)	(43,099.11)
Net cash generated from financing activities	(25,432.30)	(43,099.11)
Net increase in cash and cash equivalents (A+B+C)	(28,181.12)	(1,14,837.88)
Cash and cash equivalents at the beginning of the period	29724.74	1,44,562.62
Cash and cash equivalents at the end of the period	1543.63	29,724.74

Note : Above Cash Flow Statement is prepared as per Indirect Method prescribed in Accounting Standard - 3

For and on behalf of Board of directors of Penta Gold Limited



Ketan M. Shroff
(Chairman & Managing Director)
(DIN: 00332988)

Place : Mumbai
Date : 30th May, 2022



Independent Auditor's Report on Audit of Annual Consolidated Financial Results and Review of Half Yearly Consolidated Financial Results for the Six Months and Year Ended 31st March, 2022 pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To the Board of Directors of
Penta Gold Limited

Qualified Opinion

We have audited accompanying Consolidated Annual Financial results ("the Statement") of Penta Gold Limited ("the Parent") and Penta Overseas FZ-LLC ("the subsidiary") for the half year and the year ended 31st March 2022, attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ('Listing Regulations') including relevant circulars issued by the SEBI from time to time.

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 matters described in the Basis for Qualified Opinion section of our report*, the Statement:

- (i) Presents annual Consolidated financial results in accordance with the requirements of Regulation 33 of the Listing Regulations; and
- (ii) gives a true and fair view in conformity with the accounting principles generally accepted in India, of the State of Affairs of the Company as at 31 March 2022 and Statement of Profit & Loss and its Cash Flow Statement for the half year and year ended on that date.

Basis for Qualified Opinion

As explained in note 10 to the Annual Consolidated financial results, amongst the total inventory worth 262.34 crores as on 31st March 2022, majority of Inventories were lying with the third parties for which confirmation was obtained by the management.

Since these stocks were lying with the third parties we were not able to physically verify the Inventories and hence in absence of the physical verification of the Inventories we are unable to comment upon the condition & existence of the Inventories and hence we are unable to comment on the impact, if any, of the same on the accompanying Consolidated financial results.

We conducted our audit of the Consolidated financial results in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards 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 Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the Consolidated financial results under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated financial results.



Emphasis of Matter

(₹ in 000's except otherwise mentioned specifically)

1. We draw attention to following points as mentioned in note 8 "Secured Loans" to the accompanying Consolidated financial results regarding Secured loans

a. Facilities with Axis Bank

All the facilities with Axis Bank (i.e. Foreign Currency Demand Loan, Cash Credit & Funded Interest Term Loan) are classified as NPA W.E.F. 1st December 2020 on account of irregularities w.r.t repayment of overdrawn account and further no interest has been debited by Axis Bank for all the facilities from the month of December 2020, moreover on 09th April 2021 bank has matured FD of ₹ 4,320 which was given as collateral security against the said facilities at ₹ 5,692.95 (including accrued interest of ₹1372.95).

Further Bank has initiated proceeding under Section 13(2) of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act 2002 through notice dated 14th October, 2021 directing to pay the entire outstanding amount within 60 days of receipt of notice.

b. Facilities with State Bank of India ('SBI')

The Facilities with SBI (I.e. Cash credit & Guaranteed Emergency Credit Line) are classified as NPA W.E.F 29th September 2021 on account of irregularity w.r.t repayment of Installments. Further SBI has initiated proceeding under Section 13(2) of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act 2002 through latest notice dated 08th February 2022 (SBI has cancelled its earlier notice dated 14th October 2021) directing to pay the entire outstanding amounting Rs. 85184.93 within 60 days of receipt of notice.

c. Facilities with Karur Vysya Bank ('KVB')

All the facilities with KVB (i.e. Cash Credit Facility & Funded Interest Term Loan) are classified as NPA W.E.F. 23rd March 2021 on account of irregularities w.r.t repayment of overdrawn account further KVB had initiated proceeding u/s 13(2) of SARFAESI Act through notice dated 09th June 2021. However, the said notice has been withdrawn by KVB due to technical reason as per letter dated 24th September. KVB has initiated proceeding u/s 13(2) of SARFAESI Act through latest notice dated 13th January 2022 directing to pay the entire outstanding amount within 60 days of receipt of notice.

d. Facilities with Shriram Housing Finance Limited ('SHFL')

All the facilities with SHFL (i.e. Funded Interest Term Loan) are classified as NPA W.E.F. 7th March 2022 on account of irregularities w.r.t repayment of overdrawn account further SHFL has initiated proceeding u/s 13(2) of SARFAESI Act through notice dated 1st April 2022 directing to pay the entire outstanding amount within 60 days of receipt of notice.

e. Facilities with ICICI Bank ('ICICI')

Export Packing Credit facility from ICICI has been cancelled on 06th March 2020 duly maturing all the FDs lien due to non-compliance with terms & conditions with credit arrangement letter. ICICI had already called for outstanding balance.



2. We draw attention to following points as mentioned in note 9 "Unsecured Loans" to the accompanying Consolidated financial results regarding Secured loans

a. Poonawaala Fincorp Limited ('PFL') (Formerly Magma Fincorp Limited)

PFL had initiated arbitration process under Arbitration and Conciliation Act 1966, on account of irregularities w.r.t repayment of unsecured loan, further arbitrator also given its award vide its letter dated 31st December, 2021 that company is liable to pay a sum of Rs. 1690.62 to Poonawaala Fincorp Limited alongwith Rs. 10 as arbitrator cost.

b. Shriram City Union Finance Limited ('SCUFL')

SCUFL has initiated arbitration process vide its letter dated 17th May, 2022 under Arbitration and Conciliation Act 1966 on account of irregularities w.r.t repayment of unsecured loan, further arbitrator posted date of hearing for the matter on 15th June, 2022.

c. Tata Capital Financial Services Limited ('TCFSL')

TCFSL had initiated arbitration process vide its letter dated 28th March, 2022 under Arbitration and Conciliation Act 1966 on account of irregularities w.r.t repayment of unsecured loan (Loan agreement no TCBL0632000010907361) further arbitrator also given its award that company is liable to pay a sum of Rs.351.56 to TCFSL Rs.2.5 as arbitrator cost.

TCFSL has initiated arbitration process vide its letter dated 28th March, 2022 under Arbitration and Conciliation Act 1966 on account of irregularities w.r.t repayment of unsecured loan (Loan agreement no TCBL0632000010758476) further arbitrator also given its award that company is liable to pay a sum of Rs.2007.79 to TCFSL Rs.2.5 as arbitrator cost.

3. We draw attention to note 5 to the accompanying statement regarding the delays in fulfilling the export obligation of 758.377 kg Imported raw gold beyond the timelines stipulated under Advance Authorisation obtained from DGFT. The Company is under proceeding for the said matter with Chief Commissioner of Customs.
4. We draw attention to note 6 to the accompanying statement regarding the delay in payment of foreign currency against Imports worth ₹ 12,91,695.95, which has been outstanding for more than permissible limits, for which the company has made application to authorized dealer to regularize the same.
5. We draw attention to note 7 to the accompanying Statement regarding the delays in receipt of proceeds denominated in foreign currency against export of goods made by the Company to its overseas customers aggregating to ₹14,95,613.95 which have been outstanding for more than permissible limits. The Company is in process of filling necessary applications to authorize dealer/ Reserve Bank of India to regularize the same and further company is regularly following up with the customers to realize the export proceeds at earliest.

Our opinion is not modified in respect of the above matter.

Management's Responsibility for the Statement

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these statement that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 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, management is 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 management 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 Responsibility for the Statement

Our objectives are to obtain reasonable assurance about whether the statement as a whole are 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. Misstatement 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 these 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 financial controls 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 system 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 management.
- Conclude on the appropriateness of management's 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 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 represent the underlying transactions and events in a manner that achieves fair presentation.



Materiality is the magnitude of misstatements in the statement that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the statement may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the statement.

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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the statement of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other matter

We did not audit the financial statements of the subsidiary whose financial statements reflect total assets of AED 108.889 as at 31st March, 2022, total revenue of AED - Nil & net loss AED 49.039 as per statement of profit & loss account as at 31st March 2022 and net cash outflow of Nil as per Cash Flow as at 31st March, 2022, as considered in the consolidated financial statements. These financial statements are unaudited and have been furnished to us by the Management, and our opinion on the consolidated financial statements in so far as it relates to the amounts and disclosures included in respect of these subsidiary and our report in terms of sub-sections (3) and (11) of Section 143 of the Act in so far as it relates to the aforesaid subsidiary, is based solely on such unaudited financial statements. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of subsidiary to the aforesaid subsidiary is solely based on the unaudited financial statements furnished to us by management.

The Statement includes the Consolidated financial results for the half year ended 31 March 2022, being the balancing figures between the audited figures in respect of the full financial year and the published unaudited year-to-date figures up to the first half of the current financial year, which were subject.

Date: 30th May, 2022

Place: Mumbai

For R A N K & ASSOCIATES

Chartered Accountants

ICAI Firm Registration No. 105589W



Rahul Nahata

Rahul P. Nahata

(Partner)

Membership No. 116511

UDIN: 22116511AKLJAN5362

Penta Gold Limited
CIN - L51109GJ2012PLC069352
2224, Manek Chowk Opp Old Share Bazar Ahmedabad Gujarat 380001
Consolidated Statement of Asset and Liabilities as on March 31, 2022

Particulars	(₹'000)	(₹'000)
	Year Ended 31/03/2022 (Audited)	Year Ended 31/03/2021 (Audited)
A. Equity & Liabilities		-
1. Shareholder's Funds		
a)Share Capital	1,27,250.00	1,27,250.00
b)Reserves and Surplus	1,65,363.73	2,50,420.21
c)Money received against share warrants		
Sub-total- Shareholders' funds	2,92,613.73	3,77,670.21
2. Share application money pending allotment	-	-
3. Non Current Liabilities		
a)Long-term borrowings	17,231.26	18,045.61
b)Deferred tax liabilities (net)	4.69	10.92
c)Other Long-term liabilities	-	-
d)Long-term provisions	-	-
Sub-total- Non-current liabilities	17,235.95	18,056.53
4. Current Liabilities		
a)Short term borrowings	12,04,242.53	11,94,935.96
b)Trade payables		
Total outstanding dues of micro and small enterprises	5,837.50	5,837.50
Total outstanding dues of creditors other than micro and small enterprises	27,05,759.94	26,59,709.33
c)Other current liabilities	67,906.41	31,870.20
d)Short term provisions	5,907.78	2,351.16
Sub-total- Current liabilities	39,89,654.16	38,94,704.15
TOTAL-EQUITY AND LIABILITIES	42,99,503.84	42,90,430.88
B. Assets		
1. Non Current Assets		
a)Property Plant & Equipments	6,291.05	7,103.74
b)Non-current Investments	-	-
c)Long-term loans and advances	214.08	213.63
d)Other non-current assets	-	-
Sub-total- Non-Current Assets	6,505.13	7,317.37
2. Current Assets		
a)Current Investments	221.76	-
b)Inventories	26,23,474.64	26,22,869.05
c)Trade receivables	16,49,144.98	16,15,214.30
d)Cash & cash equivalents	1,326.62	29,615.83
e)Short-term loans and advances	13,627.19	10,143.76
f)Other current assets	5,203.52	5,270.57
Sub-total-Current Assets	42,92,998.71	42,83,113.51
TOTAL-ASSETS	42,99,503.84	42,90,430.88

For and on behalf of Board of directors of Penta Gold Limited



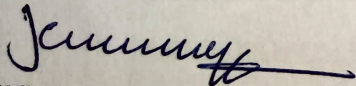
Ketan M. Shroff
(Chairman & Managing Director)
(DIN: 00332988)

Place : Mumbai
Date : 30th May, 2022

Penta Gold Limited
CIN : L51109GJ2012PLC069352
2224, Manek Chowk Opp Old Share Bazar Ahmedabad Gujarat 380001
Consolidated Financial Results for the half year and year ended 31st March, 2022

Particulars	(₹000)				
	Half Year Ended on			Year Ended on	
	31.03.2022 (Audited)	30.09.2021 (Unaudited)	31.03.2021 (Audited)	31.03.2022 (Audited)	31.03.2021 (Audited)
1. Revenue from Operations	-	1,050.02	49,824.44	1,050.02	15,31,246.18
2. Other Income	3,399.60	456.39	3,953.60	3,856.00	23,947.94
3. Total Income (1 + 2)	3,399.60	1,506.41	53,778.04	4,906.02	15,55,194.12
4. Expenses					
(a) Cost of Materials consumed	0.00	-	-	0.00	-
(b) Purchase of stock-in-trade	0.00	1,566.42	21,068.15	1,566.42	14,20,888.77
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(0.00)	(605.60)	20,928.75	(605.60)	79,075.00
(d) Employee benefits expense	344.40	279.80	611.40	624.20	2,385.82
(e) Depreciation and amortisation expense	26,470.56	29,774.94	468.18	56,245.50	907.51
(f) Finance Cost	406.35	406.35	20,061.52	812.69	43,726.17
(g) Other expenses (Any item exceeding 10% of the total expense relating to continuing operations to be shown separately)	21,519.36	2,264.23	1,422.47	23,783.59	4,330.07
Total Expenses	48,740.67	33,686.14	64,560.47	82,426.80	15,51,313.36
5. Profit before exceptional and extraordinary items and Tax (3 - 4)	(45,341.06)	(32,179.72)	(10,782.43)	(77,520.79)	3,880.76
6. Exceptional Items	-	-	(118.67)	0.00	(82.73)
7. Profit before extraordinary items and tax (5 - 6)	(45,341.06)	(32,179.72)	(10,901.10)	(77,520.79)	3,798.04
8. Extraordinary items	-	-	-	-	-
9. Profit before tax (7-8)	(45,341.06)	(32,179.72)	(10,901.10)	(77,520.79)	3,798.04
10. Tax Expense	(102.27)	3,865.77	(678.01)	3,763.50	3,056.08
11. Net Profit / (Loss) for the period (9 - 10)	(45,238.79)	(36,045.49)	(10,223.09)	(81,284.29)	741.96
12. Paid-up equity share capital (weighted Average)	1,27,250.00	1,27,250.00	1,27,250.00	1,27,250.00	1,27,250.00
Face Value of the Share	10.00	10.00	10.00	10.00	10.00
13. i) Earning per Equity Share of Rs. 10 Each					
a.) Basic	(3.56)	(2.83)	(0.80)	(6.39)	0.06
b.) Diluted	-	-	-	-	-

For and on behalf of Board of directors of Penta Gold Limited



Ketan M. Skroff
 (Chairman & Managing Director)
 (DIN: 00332988)

Place : Mumbai
 Date : 30th May, 2022

Notes:

(₹ in 000's except otherwise mentioned specifically)

1. The Company operates only in one primary segment, namely "Gold Jewellery & Diamond"
2. The Consolidated Audited Financial Statements (Comprising of Penta Gold Ltd, the holding company and its subsidiary in the name of Penta Overseas FZ-LLC incorporated in UAE under Ras Al Khaimah Economic Zone Authority) for the half year ended and Year ended on 31st March, 2022 have been reviewed and recommended by the Audit Committee at its meeting held on 30th May, 2022 and approved at the Board of Directors at its meeting held on 30th May, 2022. The Statutory auditors of parent company have expressed a qualified opinion on the standalone financial results.

The Company has incorporated a wholly owned subsidiary in the name of Penta Overseas FZ-LLC in UAE under Ras Al Khaimah Economic Zone Authority. However due to paucity in making the remittance of AED 1,00,000 (in ₹2066.73) towards share capital has led to freezing the banking operations of the subsidiary. Business of the foreign subsidiary continue to remain non-operational during financial year. Management has decided to separately present consolidated financial results as on 31st March 2022 along with standalone financial results.
3. The above Consolidated Audited Financial Statements are prepared in accordance with the accounting standards as issued by the Institute of Chartered Accountants of India and as specified in the Section 133 of the Companies act, 2013 and the relevant rules thereof and in accordance with Regulation 33 of SEBI (Listing obligation and Disclosure Requirements) Regulations, 2015.
4. The figures of the six-month ended 31st March 2022 and 31st March 2021 are the balancing figures between the audited figures in respect of full financial year and the published year to date figures up to 30th September of relevant year, which were subject to limited review by statutory auditors.
5. **Delay in Export Obligation:**

For Advance Authorization No 0310827863

The company has Imported 493 kg raw gold against Advance Authorization dated 22.03.2019 without payment of custom duty with obligation to process and export the Jewellery to overseas customers. Amongst above the company has utilized 335.413 kg raw gold & exported to the overseas customers within permissible time however for remaining 157.587 kg raw gold the company was unable to fulfill the obligation within permissible time, duties forgone in the form of Basic Custom Duty & IGST for pending obligation of 157.587 kg is ₹ 63,117.99 The company then had applied for relaxation for the extended period. However, it was not granted.

The company on 15th October 2019 made Application with the Policy Relaxation Committee of DGFT seeking extension of time & Due to the above delay in fulfilling Export Obligation Investigation was carried out by Department of Revenue Intelligence on 26th February 2020 & during the Investigation Gold Jewellery weighing 7.77 kg was seized by the authorities vide seizure memo dated 27th February 2020

For Advance Authorisation No 0310829459

The company have also Imported 971 Kg raw gold of under Advance Authorisation dated 06/06/2019 without payment of custom duty with obligation to process and export the Jewellery to overseas customers. Amongst above the company has utilized 531.43 kg & exported to the overseas customers within permissible time, however for remaining 439.57 kg the company has still not been able to fulfill the obligation and the authorization has been expired as on date, duty foregone in the form of Basic Custom Duty & IGST for pending obligation of 439.57 kg is ₹ 2,47,989.84

For Advance Authorisation No 0310834026

The company have also Imported 177 Kg raw gold of under Advance Authorisation dated 09/01/2020 without payment of custom duty with obligation to process and export the Jewellery to overseas customers. Amongst above the company has utilized 15.78 kg & exported to the overseas customers within permissible time, however for remaining 161.22 kg the company has still not been able to fulfill the obligation and the authorization has been expired as on date, duty foregone in the form of Basic Custom Duty & IGST for pending obligation of 161.22 kg is ₹ 97,100.37

Note - For all the above pending obligations company is in proceeding before Chief Commissioner of Customs, Mumbai wherein they are pleading for relaxation to fulfill the said obligation.

Delay in Payments of Foreign Currency against Imports:

Trade Payables as at 31st March 2022 inter alia, includes outstanding from Import Suppliers aggregating to ₹.12,91,695.95 (USD 17,042.53) which has been outstanding for more than permissible limits for which the company has made application to authorized dealer to regularize the same.

Trade receivables as at 31 March 2022, inter alia, include outstanding from export customers aggregating to ₹ 14,95,613.95 (USD 18,166.11) which have been outstanding for more than permissible limits. The Company is in process of filling necessary applications to authorize dealer/ Reserve Bank of India to regularize the same and further company is regularly following up with the customers to realize the export proceeds at earliest.

Secured loans:

A. Facilities with Axis Bank

All the facilities with Axis Bank (i.e. Foreign Currency Demand Loan, Cash Credit & Funded Interest Term Loan) are classified as NPA w.e.f. 1st December 2020 on account of irregularities w.r.t repayment of overdrawn account and further no interest has been debited by axis bank for all the facilities from the month of December 2020, moreover on 09th April 2021 bank has matured FD of ₹ 4,320 which was given as collateral security against the said facilities at ₹ 5,692.95 (including accrued interest of ₹1372.95).

Further Bank has initiated proceeding under Section 13(2) of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act 2002 through notice dated 14th October, 2021 directing to pay the entire outstanding amount within 60 days of receipt of notice.

B. Facilities with State Bank of India ('SBI')

The Facilities with SBI (I.e. Cash credit & Guaranteed Emergency Credit Line) are classified as NPA W.E.F 29th September 2021 on account of irregularity w.r.t repayment of Installments. Further SBI has initiated proceeding under Section 13(2) of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act 2002 through latest notice dated 08th February 2022 (SBI has cancelled its earlier notice dated 14th October 2021) directing to pay the entire outstanding amounting Rs. 85184.93 within 60 days of receipt of notice.

C. Facilities with Karur Vysya Bank ('KVB')

All the facilities with KVB (i.e. Cash Credit Facility & Funded Interest Term Loan) are classified as NPA w.e.f. 23rd March 2021 on account of irregularities w.r.t repayment of overdrawn account further KVB had initiated proceeding u/s 13(2) of SARFAESI Act through notice dated 09th June 2021. However, the said notice has been withdrawn by KVB due to technical reason as per letter dated 24th September 2021. Karur Vysya Bank has initiated proceeding u/s 13(2) of SARFAESI Act through latest notice dated 13th January 2022 directing to pay the entire outstanding amount within 60 days of receipt of notice.

D. Facilities with Shriram Housing Finance Limited ('SHFL')

All the facilities with SHFL (i.e. Funded Interest Term Loan) are classified as NPA w.e.f. 7th March 2022 on account of irregularities w.r.t repayment of overdrawn account further SHFL has initiated proceeding u/s 13(2) of SARFAESI Act through notice dated 1st April 2022 directing to pay the entire outstanding amount within 60 days of receipt of notice.

E. Facilities with ICICI Bank ('ICICI')

Export Packing Credit facility from ICICI has been cancelled on 06th March 2020 duly maturing all the FDs lien due to non-compliance with terms & conditions with credit arrangement letter. ICICI had already called for outstanding balance to which company is in process of complying.

9. **Unsecured Loans**

A. Poonawaala Fincorp Limited ('PFL') (Formerly Magma Fincorp Limited)

PFL had initiated arbitration process under Arbitration and Conciliation Act 1966, on account of irregularities w.r.t repayment of unsecured loan, further arbitrator also given its award vide its letter dated 31st December, 2021 that company is liable to pay a sum of Rs. 1690.62 to Poonawaala Fincorp Limited alongwith Rs. 10 as arbitrator cost.

B. Shriram City Union Finance Ltd.

Shriram City Union Finance Ltd has initiated arbitration process vide its letter dated 17th May, 2022 under Arbitration and Conciliation Act 1966 on account of irregularities w.r.t repayment of unsecured loan, further arbitrator posted date of hearing for the matter on 15th June, 2022

C. Tata Capital Financial Services Ltd.

(i) Tata Capital Financial Services Ltd has initiated arbitration process vide its letter dated 28th March, 2022 under Arbitration and Conciliation Act 1966 on account of irregularities w.r.t repayment of unsecured loan (Loan agreement no TCBL0632000010907361) further arbitrator also given its award that company is liable to pay a sum of Rs.351.56 to Tata Capital Financial Services Ltd Rs.2.5 as arbitrator cost.

(ii) Tata Capital Financial Services Ltd has initiated arbitration process vide its letter dated 28th March, 2022 under Arbitration and Conciliation Act 1966 on account of irregularities w.r.t repayment of unsecured loan (Loan agreement no TCBL0632000010758476) further arbitrator also given its award that company is liable to pay a sum of Rs.2007.79 to Tata Capital Financial Services Ltd Rs.2.5 as arbitrator cost.

10. **Inventory:**

The inventory comprising of raw material and finished goods is physically verified by the management at regular intervals and as at the end of the year. In respect of stock lying with third parties as at the year-end written confirmations has been obtained by the management. The quantity and valuation of the inventory at the yearend has been certified by the management.

Amongst the entire stock worth 262.34 crores as on 31st March 2022, Majority of inventory were stored with Third party to mitigate safety risk since there was no proper storage facility available ensuring utmost safety.

Amongst the entire stock worth 262.34 crores as on 31st March 2022, Inventories worth ₹ 2.56 crores was seized by DRI authorities as explained in note 5

11. The company owns majority of voting power by virtue of ownership of the shares of Rodinia Energy Pvt Ltd. The said shares are held as 'stock-in-trade' and are acquired and held exclusively with a view to their subsequent disposal in the near future. Consequently, same has been excluded for consolidation

12. As per MCA Notification dated 16th February, 2015 Companies whose Shares are listed on SME exchange as referred to in Chapter XB of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, are exempted from the compulsory requirement of adoption of IND-AS.

13. Previous year/period figures have been regrouped wherever necessary to make them comparable.

For and on behalf of Board of directors of Penta Gold Limited



Ketan M. Shroff

(Managing Director)

(DIN: 00332988)

Place: **Mumbai**

Date: 30th May, 2022

Penta Gold Limited
CIN : L51109GJ2012PLC069352
2224, Manek Chowk Opp Old Share Bazar Ahmedabad Gujarat 380001
Consolidated Statement of Audited Cash Flow for the year ended 31st March, 2022

Particulars	(₹'000)	(₹'000)
	Year Ended 31/03/2022 (Audited)	Year Ended 31/03/2021 (Audited)
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Net Profit/ (Loss) after Tax as per Statement of P & L	(81,284.29)	741.96
Adjustments for :		
Current Taxation	0.00	3,065.33
Deferred Taxation	(6.23)	(9.25)
Net Profit/ (Loss) before Tax and Extraordinary items	(81,290.52)	3,798.04
Adjustments for :		
Depreciation	812.69	907.53
Interest Expenses	25,432.30	43,099.11
Unrealized Foreign exchange loss / (Gain)	(8.68)	(19,273.21)
Interest Income	(403.24)	(1,831.79)
Operating Profit before working capital changes	(55,457.44)	26,699.67
Adjustments for :		
(Increase) / Decrease in Current Investment	(221.76)	0.00
(Increase) / Decrease in Inventories	(605.60)	79,075.00
(Increase) / Decrease in Trade Receivables	(33,930.68)	(95,652.40)
(Increase) / Decrease in Short Term Loans and Advances	(3,483.43)	1,258.52
(Increase) / Decrease in Other Current Assets	67.06	2,704.47
(Increase) / Decrease in Long Term Loans and Advances	(0.46)	(12.63)
(Increase) / Decrease in Non-current investments	-	-
Increase / (Decrease) in Trade Payables	46,050.61	(26,575.75)
Increase / (Decrease) in Other Current Liabilities	36,036.22	10,906.96
Increase / (Decrease) in Short term Provisions	(206.88)	(14,968.85)
Increase / (Decrease) in Short term Borrowings	9,306.57	(58,921.78)
Increase / (Decrease) in Long term Borrowings	(814.35)	2,099.27
Cash generated from / (used in) operating activities	(3,260.15)	(73,387.52)
Direct Taxes (paid) / refund	0.00	(161.79)
Cash flow before Extraordinary items	(3,260.15)	(73,549.30)
Extra Ordinary Item	0.00	82.73
Net Cash generated from / (used in) operating activities	(3,260.15)	(73,466.58)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets / Capital WIP	0.00	(130.17)
Proceeds from sale of Fixed Asset	-	-
Interest received & Other Income	403.24	1,749.06
Net cash used in investing activities	403.24	1,618.90
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issue of share capital	-	-
Proceeds / (Repayment) of Short term borrowings	-	-
Interest paid	(25,432.30)	(43,099.11)
Net cash generated from financing activities	(25,432.30)	(43,099.11)
Net increase in cash and cash equivalents (A+B+C)	(28,289.21)	(1,14,946.79)
Cash and cash equivalents at the beginning of the period	29,615.83	1,44,562.62
Cash and cash equivalents at the end of the period	1,326.62	29,615.83

Note : Above Cash Flow Statement is prepared as per Indirect Method prescribed in Accounting Standard - 3

For and on behalf of Board of directors of Penta Gold Limited



Ketan M. Shroff
(Chairman & Managing Director)
(DIN: 00332988)

Place : Mumbai
Date : 30th May, 2022

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

**Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2022
[See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]**

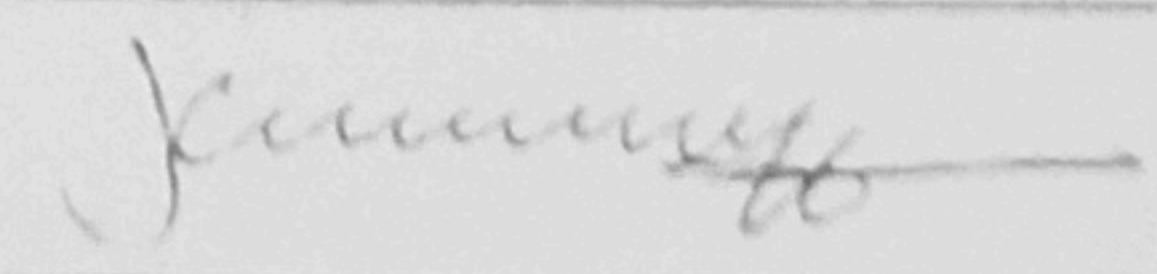
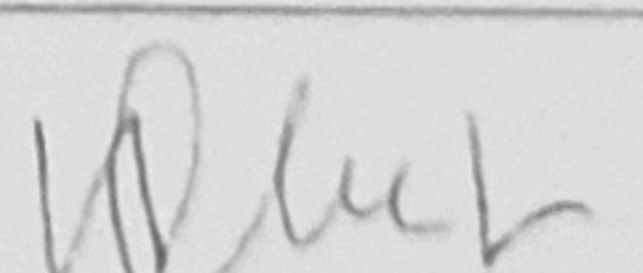
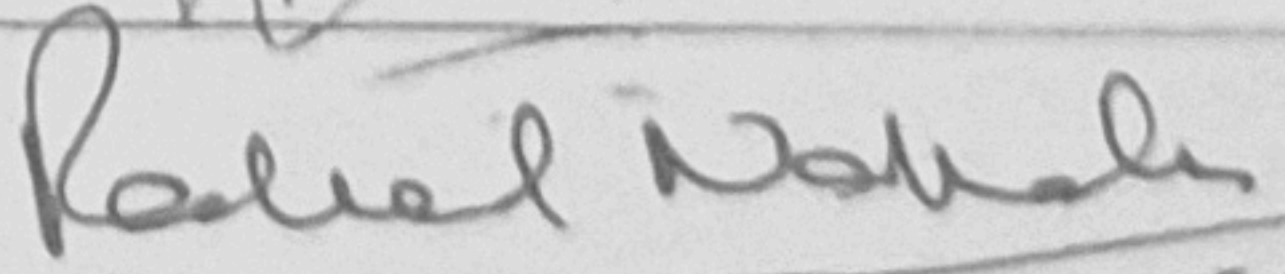
i.	Sl. No	Particulars	Audited Figures (As reported before adjusting for qualifications Rs in 000')	Adjusted Figures (Audited figures after adjusting for qualifications Rs in 000')
	1.	Turnover / Total income	4,906.02	Not Ascertainable
	2.	Total Expenditure	82,426.80	Not Ascertainable
	3.	Net Profit/(Loss)	(81,284.29)	Not Ascertainable
	4.	Earnings Per Share	(6.39)	Not Ascertainable
	5.	Total Assets	42,99,503.84	Not Ascertainable
	6.	Total Liabilities	42,99,503.84	Not Ascertainable
	7.	Net Worth	2,92,613.73	Not Ascertainable
	8.	Any other financial item(s) (as felt appropriate by the management)	-	-

II. Audit Qualification (each audit qualification separately):

As explained in note 10 to the accompanying statement, Amongst total Inventories worth Rs. 262.34 crores as on 31st March, 2022 stock majority of inventories were lying with the third parties for which confirmation was obtained by the management. Since these stocks were lying with the third parties we were not able to physically verify the Inventories and Hence In absence of the physical verification of the Inventories we are unable to comment upon the condition & existence of the Inventory based on third party confirmations and hence we are unable to comment on the impact, if any, of the same on the accompanying statement.

- a. **Type of Audit Qualification:** Qualified opinion
- b. **Frequency of qualification:** Has been appearing since year ended 31st March, 2020
- c. **For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:** Not applicable
- d. **For Audit Qualification(s) where the impact is not quantified by the auditor:**
 - I. **Management's estimation on the impact of audit qualification:** Not applicable
 - II. **If management is unable to estimate the impact, reasons for the same:**
Majority of inventories were lying with Third party to mitigate safety risk since there was no proper storage facility available ensuring utmost safety.
 - III. **Auditors' Comments on (i) or (ii) above:** Refer our qualification above, in the absence of such approval and material evidence related to the transaction, we are unable to comment upon the impact, if any, of the same on the accompanying Standalone financial results.

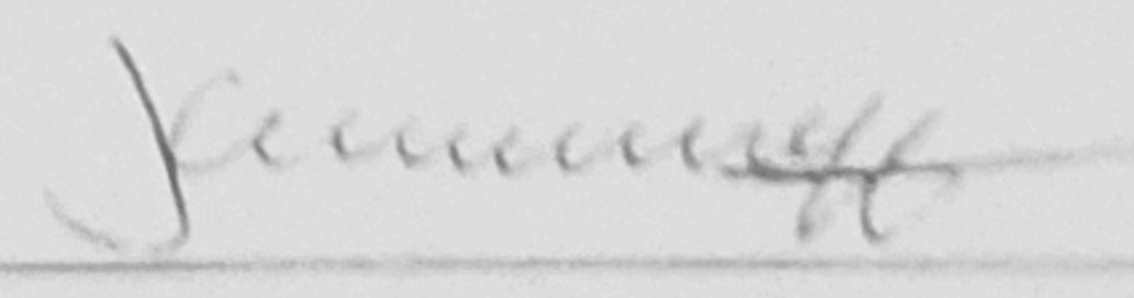
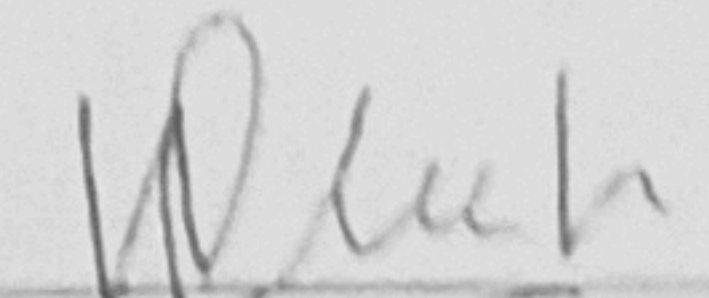
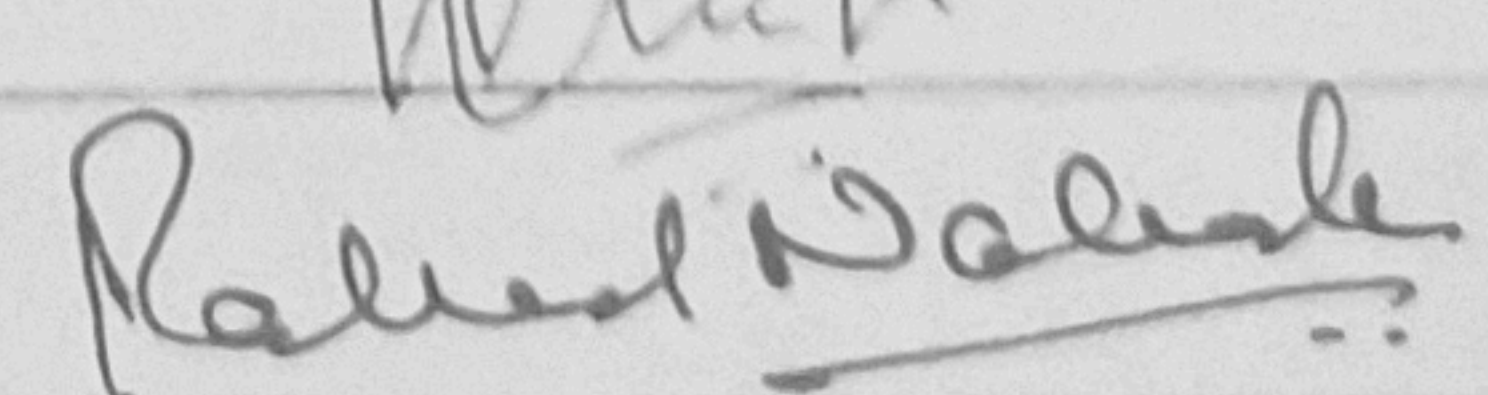
Signatories:

III	Sl. No	Name and Designation	Signature
	1	Mr. Ketan Madhusudan Shroff Chairman and Managing Director	
	2	Mr. Anand Bhagwanji Chaturvedi Audit Committee Chairman	
	3	Mr. Rahul Parasmal Nahata Partner, R A N K & Associates	

Place: Mumbai
Date: 30th May 2022



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

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2022 [See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]				
I.	Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications Rs in 000')	Adjusted Figures (audited figures after adjusting for qualifications Rs in 000')
	1.	Turnover / Total income	4,906.02	Not Ascertainable
	2.	Total Expenditure	81,378.85	Not Ascertainable
	3.	Net Profit/(Loss)	(80,236.33)	Not Ascertainable
	4.	Earnings Per Share	(6.31)	Not Ascertainable
	5.	Total Assets	43,02,017.84	Not Ascertainable
	6.	Total Liabilities	43,02,017.84	Not Ascertainable
	7.	Net Worth	2,97,877.96	Not Ascertainable
	8.	Any other financial item(s) (as felt appropriate by the management)	-	-
II.	Audit Qualification (each audit qualification separately):			
	<p>a. Details of Audit Qualification: As explained in note 10 to the accompanying statement, Amongst total Inventories worth Rs. 262.34 crores as on 31st March, 2022 stock majority of inventories were lying with the third parties for which confirmation was obtained by the management. Since these stocks were lying with the third parties we were not able to physically verify the inventories and hence in absence of the physical verification of the inventories we are unable to comment upon the condition & existence of the Inventory based on third party confirmations and hence we are unable to comment on the impact, if any, of the same on the accompanying statement.</p> <p>b. Type of Audit Qualification: Qualified opinion</p> <p>c. Frequency of qualification: Has been appearing since year ended 31st March, 2020</p> <p>d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views : Not applicable</p> <p>e. For Audit Qualification(s) where the impact is not quantified by the auditor:</p> <p>I. Management's estimation on the impact of audit qualification: Not applicable</p> <p>II. If management is unable to estimate the impact, reasons for the same: Majority of inventories were lying with Third party to mitigate safety risk since there was no proper storage facility available ensuring utmost safety.</p> <p>III. Auditors' Comments on (i) or (ii) above: Refer our qualification above, in the absence of such approval and material evidence related to the transaction, we are unable to comment upon the impact, if any, of the same on the accompanying Standalone financial results.</p>			
	Signatories:			
III.	1	Mr. Ketan Madhusudan Shroff Chairman and Managing Director		
	2	Mr. Anand Bhagwanji Chaturvedi Audit Committee Chairman		
	3	Mr. Rahul Parasmal Nahata Partner: RANK & Associates		
	Place : Mumbai Date : 30 th May 2022			

