



CIN: L45200MH1992PLC069044

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Date: 31st July, 2020

To,  
Dept. of Corporate Services  
Bombay Stock Exchange Ltd.  
P.J.Tower,  
Dalal Street,  
Mumbai – 400 001.

**Ref.: Garnet Construction Ltd (Script Code: 526727)**

**Reg.: Statement of Standalone Audited Financial Results of the  
Company for the Quarter and year – ended 31st March, 2020.**

Dear Sir,

This is with reference to captioned matter, please find enclosed herewith Statement of Standalone Audited Financial Results of the Company for the quarter and year ended 31st March, 2020 duly approved and taken on record by the Board of Directors of the Company at their meeting held today, i.e. 31<sup>st</sup> July 2020, along with Audit Reports.

Declaration by Kishan Kumar Kedia, Chairman & Managing Director pursuant to Regulation 33(3) (d) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is also enclosed along with the results.

Please find the above submission in order.

This is for your information and record purpose.

Thanking You  
Yours faithfully

**For Garnet Construction Ltd.**

A handwritten signature in blue ink, appearing to read 'Kishan Kumar Kedia', is written over a faint blue line.

**Kishan Kumar Kedia**  
**Chairman & Managing Director**  
**Din: 00205146**  
Encl.: a/a

**Garnet Construction Limited**

Registered & Corporate Office:

501/531, Laxmi Mall, Laxmi Industrial Estate, New Link Road, Andheri (W), Mumbai - 400 053.

Tel: 91-22-42578500 | Fax: 91-22-42578522 | E-mail: garnet@garnetconstructions.com | www.garnetconstructions.com



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Date: 31st July, 2020

To,  
Dept. of Corporate Services  
Bombay Stock Exchange Ltd.  
P.J.Tower,  
Dalal Street,  
Mumbai – 400 001.

Dear Sir,

**Subject : Declaration pursuant to Regulation 33(3)(d) of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015.**

I Kishan Kumar Kedia, Chairman & Managing Director of Garnet Construction Limited hereby declare that the Statutory Auditors of the Company, Poddar A. & Associates, Chartered Accountants (Firm Registration No. 131521W) have expressed an unmodified audit opinion on the Standalone Financial Results of the company for the quarter and year ended 31st March, 2020.

This declaration is given in compliance to Regulation 33(3) (d) of the SEBI (LODR) Regulations, 2015 as amended by the SEBI (LODR) (Amendment) Regulations, 2016 vide notification dated May 25, 2016 and circular dated May 27, 2016.

Kindly take this declaration on your record.

Thanking You  
Yours faithfully  
**For Garnet Construction Ltd.**

A handwritten signature in blue ink, appearing to read 'Kishan Kumar Kedia'.

**Kishan Kumar Kedia**  
**Chairman & Managing Director**  
**Din: 00205146**

**Garnet Construction Limited**

Registered & Corporate Office:

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**Independent Auditor's Report on Quarterly Financial Results and Year to Date Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 as amended.**

To  
The Board of Directors of  
**GARNET CONSTRUCTION LIMITED**

**Report on the audit of the Standalone Financial Results**

**Opinion**

We have audited the accompanying statement of quarterly and year to date financial results of **GARNET CONSTRUCTION LIMITED** (the "Company"), for the quarter ended March 31, 2020 and for the year ended March 31, 2020 (the "Statement"), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the Statement:

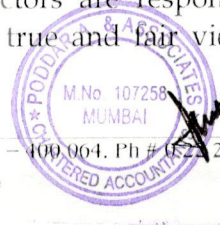
- a. is presented in accordance with the requirements of Regulation 33 of the Listing Regulations; and
- b. gives a true and fair view in conformity with Indian Accounting Standard 34 "Interim Financial Reporting" (Ind AS 34) prescribed under Section 133 of the Companies Act 2013 (the "Act") read with relevant rules issued thereunder and other accounting principles generally accepted in India of the net profit and total comprehensive income and other financial information of the Company for the quarter ended March 31, 2020 and for the year ended March 31, 2020.

**Basis for Opinion**

We conducted our audit of the Statement in accordance with the Standards on Auditing ("SA"s) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the 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 ethical requirements that are relevant to our audit of the Financial Results 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 ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion.

**Management's Responsibilities for the Financial Results**

This Statement, is the responsibility of the Company's Management and approved by the Board of Directors, has been compiled from the related audited financial statements for the year ended March 31, 2020. The Company's Board of Directors are responsible for the preparation and presentation of the Financial Results that give a true and fair view of the net profit and other





comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Ind AS 34, 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 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 Financial Results that give a true and fair view and is 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.

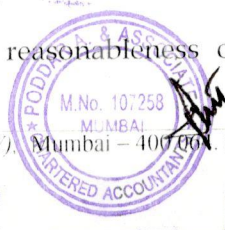
The Board of Directors are also responsible for overseeing the financial reporting process of the Company.

#### **Auditor's Responsibilities for the Audit of the 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 this 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 Financial Results, 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, but not for the purpose of expressing an opinion on the effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors.
- Evaluate the appropriateness and reasonableness of disclosures made by the Board of



Directors in terms of the requirements specified under Regulation 33 of the Listing Regulations.

- 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 ability of the Company 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 Financial Results, including the disclosures, and whether the Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the Financial Results of the Company to express an opinion on the Financial Results.

Materiality is the magnitude of misstatements in the Financial Results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Financial Results 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 Financial Results.

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.

**For Poddar A. & Associates**  
Chartered Accountants  
Firm Registration No. 131521W



**Atul Poddar**  
Proprietor

Membership No. 107258  
UDIN : 20107258AAAAAN1683



**Mumbai; 31 July 2020**

**GARNET CONSTRUCTION LIMITED**

Registered Office: 501/531, Laxmi Mall, Laxmi Industrial Estate, New Link Road, Andheri (W), Mumbai - 400053

CIN : L45200MH1992PLC069044, E-mail ID : investors@garnetconstructions.com, Tel : 022 4257 8500

**Audited Standalone Financial Results for the year Ended March 31, 2020.**


(In Rs. Lacs)

SR. No.	PARTICULARS	STANDALONE				
		Quarter Ended			Year Ended	
		31-Mar-2020	31-Dec-2019	31-Mar-2019	31-Mar-2020	31-Mar-2019
		Unaudited	Unaudited	Unaudited	Audited	Audited
<b>1</b>	<b>Income</b>					
	(a) Revenue from operations	2,561.90	3,388.88	277.07	6,836.69	730.32
	(b) Other income	60.16	-	0.36	68.17	80.83
	<b>Total Income</b>	<b>2,622.06</b>	<b>3,388.88</b>	<b>277.43</b>	<b>6,904.86</b>	<b>811.15</b>
<b>2</b>	<b>Expenses</b>					
	(a) Operating costs	3,834.59	632.91	117.85	4,971.91	285.06
	(b) Employee benefits expenses	132.20	59.77	22.83	289.16	205.34
	(c) Finance costs	44.55	65.47	37.33	222.16	42.72
	(d) Depreciation and amortisation expenses	8.87	8.58	11.47	34.61	46.62
	(e) Other expenses	266.78	50.45	32.73	412.91	114.66
	<b>Total expenses (a+b+c+d+e)</b>	<b>4,286.99</b>	<b>817.17</b>	<b>222.22</b>	<b>5,930.74</b>	<b>694.38</b>
<b>3</b>	<b>Profit before exceptional and tax (1-2)</b>	<b>(1,664.93)</b>	<b>2,571.70</b>	<b>55.21</b>	<b>974.12</b>	<b>116.77</b>
<b>4</b>	Exceptional items (net of tax expenses)	-	-	-		-
<b>5</b>	<b>Profit before tax (3-4)</b>	<b>(1,664.93)</b>	<b>2,571.70</b>	<b>55.21</b>	<b>974.12</b>	<b>116.77</b>
<b>6</b>	<b>Tax expense</b>					
	(a) Current tax	(472.00)	634.50	12.50	178.00	25.25
	(b) MAT Utilisation	-	92.97	7.00	99.17	13.62
	(c) Deferred tax	4.54	0.72	(4.01)	2.61	(6.76)
	(d) Short/ (Excess) provision of tax in earlier years	-	4.93	-	4.93	2.49
<b>7</b>	<b>Net Profit (Loss) for the period (5-6)</b>	<b>(1,197.47)</b>	<b>1,838.58</b>	<b>39.72</b>	<b>689.41</b>	<b>82.17</b>
<b>8</b>	<b>Other Comprehensive Income</b>					
	A. Amount of items that will not be reclassified to profit and loss	1.98	-	0.62	1.98	0.62
	B. Income tax relating to items that will be reclassified to profit or loss	(0.58)	-	(0.17)	(0.58)	(0.17)
	<b>Total Other Comprehensive Income</b>	<b>1.40</b>	<b>-</b>	<b>0.45</b>	<b>1.40</b>	<b>0.45</b>
<b>9</b>	<b>Total Comprehensive Income for the period (7+8)</b>	<b>(1,196.07)</b>	<b>1,838.58</b>	<b>40.17</b>	<b>690.81</b>	<b>82.62</b>
<b>10</b>	<b>Details of Equity</b>					
	Paid-up equity share capital	1,390.22	1,390.22	1,390.22	1,390.22	1,390.22
	Face value of equity share capital	10.00	10.00	10.00	10.00	10.00
<b>11</b>	Reserves and surplus (excluding revaluation reserves)				6,517.63	5,826.82
<b>12</b>	<b>Earnings per share (Not annualised)</b>					
	(a) Basic earnings (loss) per share (in Rs.)	(8.60)	13.23	0.29	4.97	0.59
	(b) Diluted earnings (loss) per share (in Rs.)	(8.60)	13.23	0.29	4.97	0.59

<b>GARNET CONSTRUCTION LIMITED</b> <b>Regd. Office: 501/ 531, Laxmi Mall, Laxmi Industrial Estate, New Link Road,</b> <b>Andheri (W), Mumbai - 400053</b> <b>Audited Standalone Statement of Assets and Liabilities</b> <b>(Rs. In Lacs)</b>		
Particulars	As at 31-Mar-2020	As at 31-Mar-2019
	Audited	Audited
<b><u>ASSETS</u></b>		
<b>I) <u>Non - Current Assets</u></b>		
a. Property, Plant and Equipment	481.95	512.35
b. Financial Assets		
Investments	0.39	2.50
Non-current loans	54.39	44.34
Other Non - Current Financial Assets	4.72	4.38
c. Deferred tax assets (net)	-	7.17
d. Other non-current assets	106.55	143.28
	648.00	714.03
<b>II) <u>Current Assets</u></b>		
a. Inventories	8,283.47	11,185.41
b. Financial Assets		
Trade Receivables	3,804.90	3,402.57
Cash and Cash Equivalents	420.53	78.00
Current Loans	2,764.63	64.52
Other Current Financial Assets	0.01	0.01
c. Other Current assets	2,285.68	1,770.56
	17,559.23	16,501.08
<b>TOTAL ASSETS (I + II)</b>	<b>18,207.23</b>	<b>17,215.11</b>
<b><u>EQUITY AND LIABILITIES</u></b>		
<b>I) <u>Equity</u></b>		
a. Equity Share Capital	1,390.22	1,390.22
b. Other Equity	6,517.63	5,826.82
	7,907.85	7,217.04
<b>II) <u>Liabilities</u></b>		
<b>i) <u>Non - Current Liabilities</u></b>		
a. Financial Liabilities		
Borrowings	2,084.92	2,426.27
Other financial liabilities	2.50	2.50
b. Provisions	9.69	7.58
c. Deferred Tax Liabilities [Net]	95.18	-
	2,192.28	2,436.35
<b>ii) <u>Current Liabilities</u></b>		
a. Financial Liabilities		
Borrowings	47.00	297.00
Trade Payables	1,136.87	401.61
Other financial Liabilities	1,124.72	2,509.48
b. Other current liabilities	5,672.90	4,312.37
c. Provisions	125.60	41.26
	8,107.09	7,561.72
<b>TOTAL LIABILITIES</b>	<b>10,299.37</b>	<b>9,998.07</b>
<b>TOTAL EQUITY AND LIABILITIES (I + II)</b>	<b>18,207.23</b>	<b>17,215.11</b>

GARNET CONSTRUCTION LIMITED		
Cash Flow Statement for the year ended 31st March, 2020		
Particulars	INR	INR
	Year Ended	Year Ended
	31st March, 2020	31st March, 2019
<b>A Cash flows from operating activities:</b>		
Profit before tax	97,411,974	11,676,633
Adjustments for:		
Depreciation, Impairment and Amortisation expenses	3,460,590	4,661,724
Profit on sale of assets [Net]	(425,000)	-
Interest income	(1,482,300)	(37,615)
Interest expenses	58,591,862	55,173,183
Reclassification of actuarial gain/loss to OCI	198,034	62,490
Provisions for employee benefits	230,910	216,948
Total	60,574,096	60,076,730
Operating profit before working capital changes	157,986,070	71,753,363
Adjustments for:		
Increase/ [Decrease] in trade Payables	73,526,134	(10,273,711)
Increase/ [Decrease] in provision	8,413,237	195,554
Increase/ [Decrease] in other current liabilities	125,042,579	82,539,027
Increase/ [Decrease] in other non current liabilities	-	150,000
[Increase]/ Decrease in Inventories	290,193,603	(151,471,412)
[Increase]/ Decrease in loans	(271,016,210)	(2,551,955)
[Increase]/ Decrease in trade receivable	(40,232,583)	(37,100,362)
[Increase]/ Decrease in other current assets	(51,511,940)	(6,948,927)
[Increase]/ Decrease in other non current assets	3,639,164	(1,933,237)
Total	138,053,985	(127,395,023)
Cash generated from operations	296,040,055	(55,641,660)
Direct taxes paid [Net of refunds]	(18,293,324)	(2,774,127)
Net cash from operating activities	277,746,731	(58,415,787)
<b>B Cash flows from investing activities:</b>		
Purchase of fixed assets	(420,076)	(293,170)
Proceeds from sale of fixed assets	425,000	-
Proceeds from sale of Investment	211,300	30,000,000
Interest received	1,482,300	37,615
Net cash used in investing activities	1,698,524	29,744,445
<b>C Cash flows from financing activities:</b>		
Proceeds from Long Term Borrowings	-	46,625,647
Proceeds / (repayment) of working capital loans	(109,876,654)	164,393,065
Repayment of Long Term Borrowings	(76,723,662)	(112,357,067)
Interest paid	(58,591,862)	(55,173,183)
Net cash used in financing activities	(245,192,178)	43,488,463
<b>Net increase in cash and cash equivalents</b>	<b>34,253,077</b>	<b>14,817,121</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>7,800,275</b>	<b>(7,016,846)</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>42,053,352</b>	<b>7,800,275</b>
<b>Notes to the Cash Flow Statement</b>		
1 Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Ind AS 7.		
2 Figures in bracket indicates outflows.		
3 Cash and cash equivalents comprise of:		
	<u>31st March, 2020</u>	<u>As at 31st March, 2019</u>
a Cash on Hand	279,422	196,109
b Balances with Banks	41,773,929	7,604,166
<b>Total</b>	<b>42,053,352</b>	<b>7,800,275</b>



<b>Notes:</b>	
1	Figures for the quarter ended March 31, 2020 and March 31, 2019 represent the difference between audited figures for the financial year and the limited reviewed figures for the nine month period ended December 31, 2019 and December 31, 2018 respectively. The audited standalone financial results for the year ended March 31, 2020 have been reviewed by the Audit Committee of the Board and subsequently approved by the Board of Directors at its meeting held on July 31, 2020. The statutory auditors have expressed an unmodified audit opinion. The standalone financial results are prepared in accordance with the Indian Accounting Standards (Ind As) as prescribed under section 133 of the companies Act, 2013.
2	Loss reported by the Company for the quarter ended March 31, 2020 is primarily on account of valuation of construction work-in-progress at lower of Cost and Net Realisable Value as per Ind AS 2 on "Inventories".
3	Inventories and work-in-progress are stated at the lower of cost and net realisable value. Net realisable value is determined based on estimated selling price, less further costs expected to be incurred to completion and disposal. Finished goods are valued at raw material cost plus costs of construction, comprising labor costs and an attributable proportion of administration overheads.
4	Since the nature of the real estate business of the Company is such that profit / (loss) does not necessarily accrue evenly over the period, the result of the quarter may not be representative of the profit / (loss) for the period.
5	The Company has aligned its policy of revenue recognition with Ind AS 115 " Revenue from Contracts with Customers " which is effective from April 1, 2018. Accordingly , revenue in realty business is recognised on delivery of units to customers as against recognition based on percentage completion method hitherto in accordance with the guidance note issued by ICAI.
6	In the terms of Ind Accounting Standard -108 " Operating Segment", the Company operates in a single business segment i.e. " Real Estate \ Real Estate Development" and substantial activities are carried out in India.
7	Previous period figures have been regrouped, re-arranged and re-classified wherever necessary to conform to current period's classification.
<p style="text-align: right;"><b>For and on behalf of Board of Directors</b></p> <div style="text-align: right;">   <b>Kishan Kumar Kedia</b>  <b>Chairman &amp; Managing Director</b> </div> <p><b>Mumbai, 31st July 2020</b></p>	