

REF: CITL/NSE/020 /2019-20

Thursday, 30 May 2019

Listing Department
National Stock Exchange of India Ltd
5th Floor, Exchange Plaza
Bandra (E), Mumbai – 400 051
Ph. No. 2659 8236 / 8452

**Sub: Intimation of outcome of the Board Meeting held on 30th May, 2019
pursuant to Regulations 30 and 33 of SEBI (Listing Obligations and
Disclosure Requirement) Regulations, 2015**

Dear Sirs

As already informed vide our letter dated 18th May, 2019, the Board of Directors of Cerebra Integrated Technologies Limited, Bangalore at its Meeting held on 30th May, 2019 which commenced at 11:00 AM and concluded at 17.30 Hours, has *inter alia*:

1. Based on the recommendation of the Audit Committee, considered and approved the Audited Standalone and Consolidated financial results for the 4th quarter and financial year ended 31st March, 2019; a copy of the results along with copy of Auditors Report thereon and Annexure I i.e., Statement showing impact of audit qualification as per Regulation 33 of SEBI on (Listing Obligations and Disclosure Requirement) Regulations, 2015 are enclosed herewith.
2. Noted the resignation of Mr. T S Suresh Kumar from the office of Independent Director and consequently also as Member of various Committees of the Company with effect from the closure of office hours on 27th May, 2019. , Mr. Suresh Kumar has notified the Company on 27th May 2019 of he being disqualified under section 164(2) of the Companies Act, 2013, due to technical reasons
3. Approved the changes in the composition of the Audit Committee, Nomination and Remuneration Committee and Stakeholders' Relationship Committee due to the resignation of Mr. T S Suresh Kumar as mentioned above.
4. Considered and approved the initiation process of reduction of Equity Share Capital of the Company pursuant to the Arbitration Award and related matters thereto subject to all the requisite approvals.



5. Approved in-principle suitable ESOP Plan subject to all the requisite approvals.

Please take all the above on record and kindly treat this as compliance with Regulations 30 and 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Please take the above on your record.

This is for your information.

Thanking you

Yours sincerely
For Cerebra Integrated Technologies Limited



Shridhar S Hegde
Whole Time Director
DIN: 01247342

**CEREBRA INTEGRATED TECHNOLOGIES LIMITED**

CIN: L85110KA1993PLC015091

Regd.Office: No.S 5 Off 3rd Cross, 1st Stage, Peenya Industrial Area,
Bangalore-560058 Tel No.: +91 80 22046969 Fax no.: +91 80 22046980
email:investors@cerebracomputers.com, www.cerebracomputers.com,

Statement of Standalone Unaudited Financial Results for the Fourth Quarter and Audited Financial Year ended 31.03.2019

Rs. In Lakhs

Particulars		Quarter ended Unaudited (Reviewed)			Year Ended Audited	
		31.03.2019	31.12.2018	31.03.2018	31.03.2019	31.03.2018
I	INCOME :					
	(a) Revenue from operations	5,022.89	6,318.58	8,499.77	26,105.37	17,422.74
	(b) Other income	(100.97)	(374.36)	97.69	582.34	182.52
	Total income	4,921.91	5,944.22	8,597.46	26,687.71	17,605.26
II	Expenses					
	(a) Cost of materials consumed	918.15	1,447.95	8.04	2,516.54	2,590.55
	(b) Purchases of stock in trade	574.23	2,997.07	8,394.27	17,394.37	12,036.79
	(c) Changes (Increase)/Decrease inventories of finished goods, work in progress and stock in trade	606.08	901.66	(1,303.68)	577.27	(437.54)
	(d) Excise Duty	-	-	6.57	-	6.57
	(e) Employee benefit expenses	142.04	135.84	136.90	523.72	362.93
	(f) Finance cost	140.51	104.99	54.79	259.99	77.33
	(g) Depreciation and amortisation	6.76	6.75	7.56	26.98	23.45
	(h) Other expenses	1,246.98	94.88	576.71	1,500.06	950.20
	Total expenses	3,634.76	5,689.15	7,881.16	22,798.92	15,610.29
	Profit before exceptional items and tax	1,287.15	255.07	716.30	3,888.79	1,994.97
	Exceptional items	2,384.69	-	-	2,384.69	-
	Profit Before Tax	(1,097.54)	255.07	716.30	1,504.10	1,994.97
	Current tax	593.89	89.14	163.31	1,503.01	643.45
	Deferred tax expense	(104.75)	-	89.25	(104.75)	89.25
	Total tax expense	489.15	89.14	252.56	1,398.26	732.70
	Profit after tax for the year	(1,586.68)	165.93	463.73	105.83	1,262.27
	OTHER COMPREHENSIVE INCOME / (LOSS)					
	(B) (i) Items that will not be reclassified subsequently to the statement of profit and loss	1.96	0.37	60.73	3.06	1.47
	(ii) Income tax on the items that will not be reclassified subsequently to the statement of profit and loss	0.75	0.11	(0.51)	1.06	(0.51)
	TOTAL OTHER COMPREHENSIVE INCOME / (LOSS)	1.21	0.26	60.22	2.00	0.96
	TOTAL COMPREHENSIVE INCOME / (LOSS) FOR THE YEAR	(1,585.48)	166.20	523.95	107.83	1,263.22
	Earnings per share (of Rs 10 each):					
	Basic	(1.32)	0.14	0.39	0.09	1.07
	Diluted	(1.32)	0.14	0.39	0.09	1.06

For CEREBRA INTEGRATED TECHNOLOGIES LTD.

Director

Page 2		
Statement of Assets and Liabilities		
Particulars	31-Mar-19	31-Mar-18
Assets		
Non-current assets		
Property, plant and equipment	855.32	879.80
Capital work In progress	29.06	-
Intangible assets under development	9.69	-
Financial assets		
i) Investments		
a) Investment in subsidiaries	337.06	14.51
b) Investment in others	19.62	1,433.82
ii) Loans and advances	792.87	654.39
iii) Other financial assets	17.69	13.72
Deferred tax assets(Net)	107.16	2.41
Other non current assets	2,316.23	4,700.25
Current assets		
Inventories	349.87	1,457.83
Financial assets		
i) Trade Receivables	26,695.64	13,957.84
ii) Cash and Cash Equivalents	7,003.01	6,946.19
iii) Bank balances (other than Note 11 above)	523.52	457.54
iv) Loans and advances	337.40	577.76
Other current assets	692.08	43.52
Total	40,086.23	31,139.58
Equity and liabilities		
Equity		
(a) Equity share capital	12,119.66	12,039.66
(b) Other equity	10,310.35	10,025.86
Liabilities		
Non-current liabilities		
Financial liabilities		
i) Borrowings	8.44	10.46
Provisions	37.42	33.87
Current liabilities		
Financial liabilities		
i) Borrowings	140.35	2.39
ii) Trade payable	-	-
Total outstanding dues of micro enterprise and small en	93.49	-
Total outstanding dues of creditors other than micro en	15,201.31	8,222.28
iii) Other financial liabilities	279.35	100.45
Provisions	35.37	19.47
Other current liabilities	285.49	61.82
Current tax liabilities (Net)	1,575.00	623.32
Total	40,086.23	31,139.58

For CEREBRA INTEGRATED TECHNOLOGIES LTD.


Director

Segment Reporting

STANDALONE SEGMENT WISE REVENUE, RESULTS, ASSETS AND LIABILITIES

Particulars	Quarter ended Unaudited (Reviewed)			Year Ended(Audited)	
	31.03.2019	31.12.2018	31.03.2018	31.03.2019	31.03.2018
Segment Revenue					
a. Hardware including trading of refurbished computer accessories	2,589.64	5,153.62	8,499.77	21,970.16	17,422.74
b. Ewaste Powdering and Refining Division	2,433.25	1,164.96	-	4,135.21	-
Total	5,022.89	6,318.58	8,499.77	26,105.37	17,422.74
Less Inter segment revenue	-	-	-	-	-
Net sales/Income from Operations	5,022.89	6,318.58	8,499.77	26,105.37	17,422.74
Segment Results					
a. Hardware including trading of refurbished computer accessories	212.29	182.40	771.09	2,677.08	2,072.29
b. Ewaste Powdering and Refining Division	1,215.38	177.66	-	1,471.70	-
Total	1,427.66	360.06	771.09	4,148.77	2,072.29
Less i. Interest	140.51	104.99	54.79	259.99	77.33
Add ii. Other Un-allocable Expenditure Net of Un-allocable income	-	-	-	-	-
Profit before Tax (before other comprehensive income)	1,287.15	255.07	716.30	3,888.79	1,994.96
Segment Assets					
a. Hardware including trading of refurbished computer accessories	35,049.95	37,331.57	31,139.58	35,049.95	31,139.58
b. Ewaste Powdering and Refining Division	5,036.27	3,882.73	-	5,036.27	-
Segment Liabilities					
a. Hardware including trading of refurbished computer accessories	17,010.94	16,994.30	9,074.06	17,010.94	9,074.08
b. Ewaste Powdering and Refining Division	645.27	221.16	-	645.27	-

Notes

- The above Audited Financial results as reviewed by the Audit Committee were approved by the Board of Directors at its Meeting held on 30th May 2019.
- These financial results have been prepared in accordance with Indian Accounting Standard ("IND AS) prescribed under Section 133 of the Companies Act 2013, read with relevant rules thereunder and in terms of Regulation 33 of SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015 and SEBI Circular dated 5th July 2016.
- With regard to qualification of the Auditors for Inventory Record the Company is in the process of implementing suitable software to maintain the stock records.
- Exceptional items : Cerebra and three Singapore entities arrived at an amicable settlement of disputes given the prolonged litigation and future litigations surrounding the subject matter and legal advice on related matters, including in relation to the Share Purchase Agreement that was executed with Enviro Hub Holdings Limited, Singapore whereunder USD 1.25 Million was paid for acquisition of Cimelia at an earlier point of time. With the amicable settlement, the Singapore entities agreed to give up their claim / rights over the total of 9200000 Shares of Cerebra that were issued and allotted to them and all monetary claims against Cerebra; and Cerebra agreed to give up claim over the amounts paid to them under the Master Services Agreement transactions aforementioned in addition to giving up claims arising out of the above mentioned Share Purchase Agreement. Cerebra and Three Singapore entities have agreed by virtue of the compromise that Cerebra will be entitled to undertake requisite steps to cancel / extinguish / annul the allotment of 9200000 Shares. Further thereto, compromise petitions were filed in arbitrations leading to the Arbitral Tribunal passing arbitral awards recording the said compromise. With the above developments, Cerebra has achieved retaining immense value for the Company. Cerebra is currently in the process reduction of the said Shares Capital.
- Senior professionals from the relevant industry have joined the Company in the E-waste division to handle EPR, Refurbishment business and division is now actively recruiting a team. The Company is also expanding its skilled and unskilled staff in the factory to recycle E-waste and is also expanding its refurbishment center for enhancing customers delight.
- The Company has franchised customer experience centers (Stores / showrooms) for selling Refurbished Laptops and Desktops in Bangalore, Hyderabad, Yamunanagr and Muzaffarnagar and other places. Further, the Company plans to open its own as well as franchised Showrooms.
- The Company has successfully completed the first EPR (Extended Producers Responsibility) business signed with Samsung for the financial year ended 31st March, 2019 as PRO (Producers Responsibility Organization) and is in talks for a higher quantity of EPR collection for the current fiscal year.
- The Company will study the option of seperating E Waste business from hardware and allied business through appropriate mode including demerger
- Figures for the current quarter ended 31st March 2019 are arrived at, by deducting the unaudited results for the nine months ending 31st December 2018 from the Audited Financial results for the Financial Year ended 31st March 2019.
- Figures have been regrouped or rearranged , wherever necessary.

For and on behalf of the Board of Directors
For CEREBRA INTEGRATED TECHNOLOGIES LTD.

Shridhar S Hegde
Wholetime Director and CFO
DIN: 01247342

Place : Bangalore
Dated : 30-May-2019



CEREBRA INTEGRATED TECHNOLOGIES LIMITED

CIN: L85110KA1993PLC015091

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Bangalore-560058 Tel No.: +91 80 22046969 Fax no.: +91 80 22046980
email:investors@cerebracomputers.com, www.cerebracomputers.com,

Statement of Consolidated Unaudited Financial Results for the Fourth Quarter and Audited Financial Year ended 31.03.2019

Rs. In Lakhs

Particulars		Quarter ended Unaudited (Reviewed)			Year Ended Audited	
		31.03.2019	31.12.2018	31.03.2018	31.03.2019	31.03.2018
I	INCOME :					
	(a) Revenue from operations	7,810.87	8,716.56	13,024.80	38,523.33	31,408.14
	(b) Other income	(121.97)	(366.44)	99.47	582.29	183.23
	Total income	7,688.90	8,350.12	13,124.27	39,105.61	31,591.37
II	Expenses					
	(a) Cost of materials consumed	918.15	1,447.95	8.04	2,516.54	2,590.55
	(b) Purchases of stock in trade	3,048.21	5,159.43	11,656.98	27,932.80	22,457.97
	(c) Changes (Increase)/Decrease inventories of finished goods, work in progress and stock in trade.	604.04	901.66	(1,303.68)	575.23	(437.54)
	(d) Excise Duty	-	-	6.57	-	6.57
	(e) Employee benefit expenses	225.72	215.70	249.38	903.43	809.89
	(f) Finance cost	179.38	111.08	87.46	375.82	171.08
	(g) Depreciation and amortisation	12.42	8.41	9.70	37.66	30.49
	(h) Other expenses	1,816.68	115.86	694.18	2,399.17	1,772.42
	Total expenses	6,804.59	7,960.09	11,408.62	34,740.65	27,401.44
	Profit before exceptional items and tax	884.30	390.03	1,715.65	4,364.96	4,189.93
	Exceptional items	2,384.69	-	-	2,384.69	-
	Profit Before Tax	(1,500.39)	390.03	1,715.65	1,980.27	4,189.93
	Current tax	595.21	89.13	163.31	1,504.33	643.45
	Deferred tax expense	(104.75)	-	89.25	(104.75)	89.25
	Total tax expense	490.46	89.13	252.56	1,399.58	732.70
	Profit after tax for the year	(1,990.85)	300.90	1,463.09	580.69	3,457.24
	OTHER COMPREHENSIVE INCOME / (LOSS)					
	(B) (i) Items that will not be reclassified subsequently to the statement of profit and loss	1.96	(0.69)	190.48	3.06	3.59
	(ii) Income tax on the items that will not be reclassified subsequently to the statement of profit and loss	0.75	0.10	0.51	1.06	(0.51)
	TOTAL OTHER COMPREHENSIVE INCOME / (LOSS)	1.22	(0.79)	189.98	2.00	3.08
	TOTAL COMPREHENSIVE INCOME / (LOSS) FOR THE YEAR	(1,989.64)	300.11	1,653.06	582.69	3,460.32
	Profit for the year attributable to :					
	Shareholders of the company	(2,336.97)	281.93	1,374.20	140.60	3,239.89
	Non controlling interest	346.10	18.97	88.89	440.09	217.35
	Other comprehensive income attributable to					
	Shareholders of the company	1.22	(0.47)	189.16	2.00	2.44
	Non controlling interest	-	(0.32)	0.81	-	0.64
	Total comprehensive income attributable to					
	Shareholders of the company	(2,335.78)	281.46	1,563.36	142.60	3,242.33
	Non controlling interest	346.10	18.65	89.70	440.09	217.99
	Earnings per share (of Rs 10 each):					
	Basic	(1.94)	0.25	1.36	0.12	2.75
	Diluted	(1.94)	0.25	1.16	0.12	2.73

For CEREBRA INTEGRATED TECHNOLOGIES LTD.


 Director

Page 2		
Statement of Assets and Liabilities		
Particulars	31-Mar-19	31-Mar-18
Assets		
Non-current assets		
Property, plant and equipment	866.22	900.08
Capital work In progress	29.06	-
Intangible assets under development	9.69	-
Financial assets		
i) Investments		
a) Investment in Mutual Funds	19.62	1,433.82
ii) Loans and advances	209.25	66.80
iii) Other financial assets	17.69	13.72
Deferred tax assets(Net)	107.16	2.41
Other non current assets	2,528.00	4,308.27
Current assets		
Inventories	384.91	1,490.84
Financial assets		
i) Trade Receivables	33,888.27	20,062.69
ii) Cash and Cash Equivalents	7,017.43	6,984.27
iii) Bank balances (other than Note 11 above)	639.01	537.18
iv) Loans and advances	144.40	68.97
Other current assets	698.07	469.66
Total	46,558.80	36,338.70
Equity and liabilities		
Equity		
(a) Equity share capital	12,119.66	12,039.66
(b) Other equity	14,447.38	13,614.88
Non-Controlling Interests	873.99	382.77
Liabilities		
Non-current liabilities		
Financial liabilities		
i) Borrowings	64.37	98.05
Provisions	37.42	37.96
Current liabilities		
Financial liabilities		
i) Borrowings	301.23	187.98
ii) Trade payable	-	-
Total outstanding dues of micro enterprise and small enterpris	93.49	-
Total outstanding dues of creditors other than micro enterpris	16,292.91	9,041.38
iii) Other financial liabilities	329.54	125.76
Provisions	39.65	25.78
Other current liabilities	384.16	161.16
Current tax liabilities (Net)	1,575.00	623.31
Total	46,558.80	36,338.70

For CEREBRA INTEGRATED TECHNOLOGIES LTD.

Director

Segment Reporting (Consolidated - unaudited)
CONSOLIDATED SEGMENT WISE REVENUE, RESULTS, ASSETS AND LIABILITIES

Particulars	Quarter ended Unaudited (Reviewed)			Year Ended(Audited)	
	31.03.2019	31.12.2018	31.03.2018	31.03.2019	31.03.2018
Segment Revenue					
a. Hardware including trading of refurbished computer accessories	5,377.62	7,547.94	13,012.43	34,362.03	31,350.91
b. Ewaste Powdering and Refining Division	2,433.25	1,164.96	-	4,135.21	-
c. I T Services	-	3.65	12.37	26.09	57.23
Total	7,810.87	8,716.56	13,024.80	38,523.33	31,408.14
Less Inter segment revenue	-	-	-	-	-
Net sales/Income from Operations	7,810.87	8,716.56	13,024.80	38,523.33	31,408.14
Segment Results					
a. Hardware including trading of refurbished computer accessories	549.65	324.66	1,809.37	3,973.59	4,374.08
b. Ewaste Powdering and Refining Division	1,215.38	177.66	-	1,471.70	-
c. I T Services	-701.34	-1.21	-6.26	-704.50	-13.06
Total	1,063.69	501.11	1,803.11	4,740.79	4,361.02
Less i. Interest	179.37	111.08	87.46	375.82	171.08
Add ii. Other Un-allocable Expenditure Net of Un-allocable income	-	-	-	-	-
Profit before Tax (before other comprehensive income)	884.30	390.03	1,715.65	4,364.96	4,189.93
Segment Assets					
a. Hardware including trading of refurbished computer accessories	41,518.63	43,873.43	35,616.97	41,518.63	35,616.97
b. Ewaste Powdering and Refining Division	5,036.27	3,882.73	-	5,036.27	-
c. I T Services	3.90	707.78	721.73	3.90	721.73
Segment Liabilities					
a. Hardware including trading of refurbished computer accessories	18,646.22	18,706.28	9,971.88	18,646.22	9,971.88
b. Ewaste Powdering and Refining Division	645.27	221.16	-	645.27	-
c. I T Services	700.27	701.48	712.27	700.27	712.27

Notes

- The above Audited Financial results as reviewed by the Audit Committee were approved by the Board of Directors at its Meeting held on 30th May 2019.
- These financial results have been prepared in accordance with Indian Accounting Standard ("IND AS) prescribed under Section 133 of the Companies Act 2013, read with relevant rules thereunder and in terms of Regulation 33 of SEBI(Listing Obligation and Disclosure Requirements) Regulations 2015 and SEBI Circular dated 5th July 2016.
- With regard to qualification of the Auditors for Inventory Record the Company is in the process of implementing suitable software to maintain the stock records.
- Exceptional items : Cerebra and three Singapore entities arrived at an amicable settlement of disputes given the prolonged litigation and future litigations surrounding the subject matter and legal advice on related matters, including in relation to the Share Purchase Agreement that was executed with Enviro Hub Holdings Limited, Singapore whereunder USD 1.25 Millions was paid for acquisition of Cimelia at an earlier point of time. With the amicable settlement, the Singapore entities agreed to give up their claim / rights over the total of 9200000 Shares of Cerebra that were issued and allotted to them and all monetary claims against Cerebra; and Cerebra agreed to give up claim over the amounts paid to them under the Master Services Agreement transactions aforementioned in addition to giving up claims arising out of the above mentioned Share Purchase Agreement. Cerebra and three Singapore entities have agreed by virtue of the compromise that Cerebra will be entitled to undertake requisite steps to cancel / extinguish / annul the allotment of 9200000 Shares. Further thereto, compromise Petitions were filed in arbitrations leading to the Arbitral Tribunal passing arbitral awards recording the said compromise. With the above developments, Cerebra has achieved retaining immense value for the Company and its Shareholder. Cerebra is currently in the process reduction of the said Shares Capital.
- Senior professionals from the relevant industry have joined the Company in the E-waste division to handle EPR, Refurbishment business and division is now actively recruiting a team. The Company is also expanding its skilled and unskilled staff in the factory to recycle E-waste and is also expanding its refurbishment center for enhancing customers delight.
- The Company has franchised customer experience centers (Stores / showrooms) for selling Refurbished Laptops and Desktops in Bangalore, Hyderabad, Yamunanagr and Muzaffarnagar and other places. Further, the Company plans to open its own as well as franchised Showrooms.
- The Company has successfully completed the first EPR (Extended Producers Responsibility) business signed with Samsung for the financial year ended 31st March, 2019 as PRO (Producers Responsibility Organization) and is in talks for a higher quantity of EPR collection for the current fiscal year.
- The Company will study the option of seperating E Waste business from hardware and allied business through appropriate mode including demerger.
- Figures for the current quarter ended 31st March 2019 are arrived at, by deducting the unaudited results for the nine months ending 31st December 2018 from the Audited Financial results for the Financial Year ended 31st March 2019.
- Figures have been regrouped or rearranged , wherever necessary.

For and on behalf of the Board of Directors
For CEREBRA INTEGRATED TECHNOLOGIES LTD.

Shridhar S Hegde
 Director and CFO
 DIN: 01247342

Place : Bangalore
 Dated : 30-May-2019

ISHWAR & GOPAL

CHARTERED ACCOUNTANTS

K.V. GOPALAKRISHNAYYA, B.Com., F.C.A.

Y. KESHAVAYYA, B.Com., F.C.A.

S. BHASKAR, B.Com., F.C.A.

THILAKRAJ S.P., B.Com., F.C.A.



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Independent Auditor's Report

To

The Board of Directors of Cerebra Integrated Technologies Limited

We have audited the accompanying Statement of Standalone Financial Results of Cerebra Integrated Technologies Limited ("the Company") for the year ended March 31, 2019 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SERI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.

Management Responsibility

This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been compiled from the related standalone Ind AS financial statements which has been prepared in accordance with the Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder ('Ind AS') and other accounting principles generally accepted in India. Our responsibility is to express an opinion on the Statement based on our audit of such standalone financial statements.

Auditor's Responsibility

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 and other applicable pronouncements issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the Statement 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 the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the Statement.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion.



Basis of our Qualified Opinion:

The Company has not maintained proper inventory records in its e- waste division. We have been informed that valuation of inventories of the said division as on 31st march 2019 is made based on the physical verification carried out by the management. Value of e-waste division inventories considered in the financial statement as at 31st March 2019 amounted to Rs 293.55 Lakhs. Owing to the nature of inventory and in the absence of sufficient audit evidence we are unable to ascertain the correctness of the valuation and ascertain its consequent impact, if any on the Ind AS standalone financial statements.

Qualified Opinion:

In our opinion and to the best of information and according to the explanation given to us, except for the effects of the matters described in the "Basis of our qualified Opinion" the aforesaid standalone financial statements:

- i. Is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016; and
- ii. Gives a true and fair view in conformity with the aforesaid Indian Accounting Standards 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 year ended March 31, 2019.

Emphasis of Matter:

We draw attention to the following matters in the standalone Ind AS financial statements:

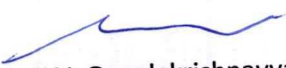
- a. Loans and advances include Rs 861.12 Lakhs (Rs. 838.86 Lakhs) paid as advance for purchase for immovable property outstanding for substantial period.
- b. Export trade receivable of Rs 1563.47 lakhs outstanding for substantial period.
- c. Trade receivables of e waste division amounting Rs 3902.69 Lakhs, the realization of which is dependent upon Company supplying the agreed balance quantity of e waste. We have been informed that the Company has already procured sufficient materials to fulfil the supply of committed quantity of e waste.
- d. Trade receivables amounting to Rs.12,155.37 Lakhs outstanding for more than six months.
- e. Advances of Rs. 595.25 Lakhs due from a subsidiary the net worth of which is fully eroded.
- f. No provision is made for the above receivables and advances as the management is confident of recovering the same. We have relied on the representation of the Company in this respect.

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



The Statement includes the results for the Quarter ended March 31, 2019 being the balancing figure between audited figures in respect of the full financial year and the audited year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

For Ishwar & Gopal,
Chartered Accountants,
FRN:001154S,



K.V. Gopalakrishnayya,
Partner,
Membership No:021748

Bangalore,
Date: 30/05/2019.

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BANGALORE-560 002

ISHWAR & GOPAL

CHARTERED ACCOUNTANTS

K.V. GOPALAKRISHNAYYA, B.Com., F.C.A.

Y. KESHAVAYYA, B.Com., F.C.A.

S. BHASKAR, B.Com., F.C.A.

THILAKRAJ S.P., B.Com., F.C.A.



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keshav@gkcas.com
bhaskar@gkcas.com
thilak@gkcas.com

Independent Auditor's Report

To
The Board of Directors of Cerebra Integrated Technologies Limited

We have audited the accompanying Statement of Consolidated Financial Results of Cerebra Integrated Technologies Limited("the Holding") and its subsidiaries (the Holding and its subsidiaries together referred to as "the Group") for the year ended March 31, 2019 being submitted by the Holding pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIRCED/FAC/ 62/ 2016 dated July 5, 2016.

Management Responsibility

This Statement which is the responsibility of the Holding's Management and approved by the Board of Directors. has been compiled from the related consolidated financial statements which has been prepared in accordance with the Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013, read with relevant rules issued there under ("Ind AS") and other accounting principles generally accepted in India. Our responsibility is to express an opinion on the Statement based on our audit of such consolidated financial statements.

Auditor's Responsibility

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 and other applicable pronouncements issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Holding's preparation and fair presentation of the Statement 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 the Holding's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the Statement.



We believe that the audit evidence obtained by us and other auditors in terms of their reports referred to in paragraph 6 below, is sufficient and appropriate to provide a basis for our audit opinion.

Basis of our Qualified Opinion:

Holding Company has not maintained proper inventory records in its e- waste division. We have been informed that valuation of inventories of the said division as on 31st march 2019 is made based on the physical verification carried out by the management. Value of e waste division inventories considered in the financial statement as at 31st march 2019 amounted to Rs 293.55 Lakhs. Owing to the nature of inventory and in the absence of sufficient audit evidence we are unable to ascertain the correctness of the valuation and ascertain its consequent impact, if any, on the Ind AS standalone financial statements.

Qualified Opinion:

In our opinion and to the best of information and according to the explanation given to us, except for the effects of the matters described in the "Basis of our qualified Opinion" and also based on the consideration of the report of another auditor on separate financial statement of Cerebra Middle East FZCO, Dubai ,UAE a subsidiary in which Holding company holds 86.5% equity,

- i. Is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016: and
- ii. Gives a true and fair view in conformity with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India of the net profit, total comprehensive income and other financial information of the Group for the year ended March 31, 2019.

Other Matters

We did not audit the financial statements of a subsidiary whose financial statements/ consolidated financial information reflect total assets of Rs.7981.50 Lakhs /- as at March 31, 2019, total revenues of Rs.12,391.86 lakhs, total net profit after tax of Rs.1180.69 Lakhs and total comprehensive income of Rs. Nil for the year ended on that date as considered in the consolidated financial results. These financial statements/consolidated financial statements / consolidated financial information have been audited by another auditor whose reports have been furnished to us by the Management and our opinion on the consolidated financial results, in so far as it relates to the amounts and disclosures included in respect of the said subsidiary is based solely on the reports of the other auditor.

Our opinion on the Statement is not modified in respect of the above matter with respect to our reliance on the work done and the reports of other auditor.

Emphasis of Matter:

We draw attention to the following matters in the consolidated Ind AS financial statements:

- a. Loans and advances of Holding company includes Rs 861.12 Lakhs (Rs. 838.86 Lakhs) paid



- as advance for purchase for immovable property outstanding for substantial period.
- b. Export trade receivable of Holding company incudes Rs 1563.47 lakhs outstanding for substantial period.
 - c. Trade receivables of e waste division of Holding Company amounting Rs 3902.69 Lakhs, the realization of which is dependent upon Company supplying the agreed balance quantity of e waste. We have been informed that the Company has already procured sufficient materials to fulfil the supply of committed quantity of e waste.
 - d. Trade receivables amounting to Rs. 12,155.37 Lakhs of Holding Company outstanding for more than six months.
 - e. No provision is made for the above receivables and advances as the management is confident of recovering the same. We have relied on the representation of the Company in this respect.

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

The Statement includes the results for the Quarter ended March 31, 2019 being the balancing figure between audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

For Ishwar & Gopal,
Chartered Accountants,
FRN:001154S,



K.V. Gopalakrishnayya,
Partner,
Membership No:021748

Bangalore,
Date: 30/05/2019.

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ANNEXURE I (Standalone)

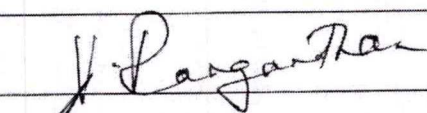
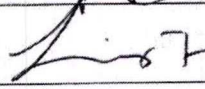
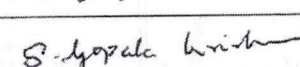
**Statement on Impact of Audit Qualifications (for audit report with modified opinion)
submitted along-with Annual Audited Financial Results -Statement on Impact of
Audit Qualifications for the Financial Year ended March 31st March, 2019**

Pursuant to Regulations 33 and 52 of SEBI (LODR) (Amendment) Regulations, 2016
Amt in Lakhs

I.	Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
	1.	Turnover / Total income	26105.37	26105.37
	2.	Total Expenditure	22798.92	*
	3.	Net Profit/(Loss)	105.83	*
	4.	Earnings Per Share Rs.	0.09	*
	5.	Total Assets	40086.23	*
	6.	Total Liabilities	17656.21	17656.21
	7.	Net Worth	22430.03	*
	* Variation if any is not ascertainable. However inventory valuation is made as per the physical verification carried out by the management .			
II.	Audit Qualification (each audit qualification separately):			
	a. Details of Audit Qualification: The Company has not maintained proper inventory records in its e- waste division. We have been informed that valuation of inventories of the said division as on 31 st March 2019 is made based on the physical verification carried out by the management. Value of e-waste division inventories considered in the financial statement as at 31 st March 2019 amounted to Rs 293.55 Lakhs. Owing to the nature of inventory and in the absence of sufficient audit evidence we are unable to ascertain the correctness of the valuation and ascertain its consequent impact, if any on the Ind AS standalone financial statements.			
	b. Type of Audit Qualification: Qualified Opinion			
	c. Frequency of qualification: First Time Qualification			
	d. For Audit Qualification(s) where the impact is quantified by the auditor, Not applicable as auditor has not quantified the impact.			
	e. For Audit Qualification(s) where the impact is not quantified by the auditor: (i) Management's estimation on the impact of audit qualification: Management is of the opinion that there may not be any material impact as the valuation is carried out based on the physical verification carried out by them (ii) If management is unable to estimate the impact, reasons for the same: Owing to the nature and quantity of materials no quantification can be made: Due to the nature of inventory ,ie e-waste, management is not able to quantify the exact impact on valuation			

**Cerebra Integrated
Technologies Limited**

	without proper inventory records. Further, the Company is in the process of implementing the suitable software to maintain the inventory records.
	(iii) Auditors' Comments on (i) or (ii) above: No comments

III.	Signatories:
	• CEO/Managing Director 
	• CFO 
	• Audit Committee Chairman 
	• Statutory Auditor 
Place: Bangalore	
Date: 30 th May, 2019	

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ANNEXURE I (Consolidated)

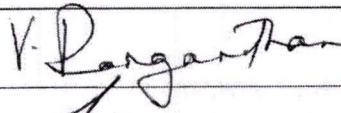
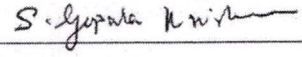
**Statement on Impact of Audit Qualifications (for audit report with modified opinion)
submitted along-with Annual Audited Financial Results -Statement on Impact of
Audit Qualifications for the Financial Year ended March 31st March, 2019**

Pursuant to Regulations 33 and 52 of SEBI (LODR) (Amendment) Regulations, 2016
Amt in Lakhs

I.	Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
	1.	Turnover / Total income	38523.33	38523.33
	2.	Total Expenditure	34740.65	*
	3.	Net Profit/(Loss)	580.69	*
	4.	Earnings Per Share Rs.	0.12	*
	5.	Total Assets	46558.80	*
	6.	Total Liabilities	19991.75	19991.75
	7.	Net Worth	26567.05	*
	* Variation if any is not ascertainable. However inventory valuation is made as per the physical verification carried out by the management .			
II.	Audit Qualification (each audit qualification separately):			
	a. Details of Audit Qualification: The Holding Company has not maintained proper inventory records in its e- waste division. We have been informed that valuation of inventories of the said division as on 31 st March 2019 is made based on the physical verification carried out by the management. Value of e-waste division inventories considered in the financial statement as at 31 st March 2019 amounted to Rs 293.55 Lakhs. Owing to the nature of inventory and in the absence of sufficient audit evidence we are unable to ascertain the correctness of the valuation and ascertain its consequent impact, if any on the Ind AS standalone financial statements.			
	b. Type of Audit Qualification: Qualified Opinion			
	c. Frequency of qualification: First Time Qualification			
	d. For Audit Qualification(s) where the impact is quantified by the auditor Not applicable as auditor has not quantified the impact.			
	e. For Audit Qualification(s) where the impact is not quantified by the auditor: (i) Management's estimation on the impact of audit qualification: Management is of the opinion that there may not be any material impact as the valuation is carried out based on the physical verification carried out by them (ii) If management is unable to estimate the impact, reasons for the same: Due to the nature of inventory ,ie e-waste, management is not able to quantify the exact impact on			

**Cerebra Integrated
Technologies Limited**

	valuation without proper inventory records. Further, the Company is in the process of implementing the suitable software to maintain the inventory records.
	(iii) Auditors' Comments on (i) or (ii) above: No comments

III.	Signatories:
	• CEO/Managing Director 
	• CFO 
	• Audit Committee Chairman 
	• Statutory Auditor 
Place: Bangalore	
Date: 30 th May, 2019	

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