

REF: CITL/NSE/024/2020-21

Monday, 27th July, 2020

Listing Department
National Stock Exchange of India Limited
5th Floor, Exchange Plaza
Bandra (E),
MUMBAI-400 051

Sub: Intimation of outcome of the Board Meeting held on 27th July, 2020 pursuant to Regulations 30 and 33 of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015

Dear Sirs

As already informed vide our letter dated 27th July, 2020, the Board of Directors of Cerebra Integrated Technologies Limited, Bangalore at its Meeting held on 27th July, 2020 which commenced at 02:00 PM and concluded at 8.00 PM, 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, 2020; a copies of the results along with copy of Auditors Report thereon and Annexure I i.e., Statement showing impact of audit qualifications pursuant to modified opinion as per Regulation 33 of SEBI on (Listing Obligations and Disclosure Requirement) Regulations, 2015 are enclosed herewith.
2. Based on the recommendation of Nomination and Remuneration Committee, appointed Mr. Parthasarathi Naik (holding DIN:08707417) as an Additional and (Non-Executive) Independent Director of the Company w.e.f. 27th July, 2020 for the period of 3 (three) years pursuant to the provisions of the Companies Act, 2013 and SEBI Listing Regulations. The said appointment is subject to the approval of Shareholders of the Company at ensuing Annual General Meeting of the Company. Brief profile of Mr. Parthasarathi Naik is attached herewith.
3. Appointment of Messrs YCRJ & Associates, Chartered Accountants, Bangalore (Firm Registration No. 006927S) as Statutory Auditors of the Company in place of Messrs Ishwar and Gopal, Chartered Accountants, Bangalore, whose term ends at the conclusion of the forthcoming Annual General Meeting of the Company.

For CEREBRA INTEGRATED TECHNOLOGIES LTD.,


Director

The appointment of Messrs YCRJ & Associates, Chartered Accountants, will be for a period of 5 (Five) years, subject to the approval of the Shareholders' at the forthcoming Annual General Meeting of the Company.

4. Considered, amended and approved the Policy of Code of Conduct for Prevention of Insider Trading of the Company pursuant to Securities and Exchange Board of India (Prohibition of Insider Trading) (Amendment) Regulations, 2018. The same has been uploaded on the website of the Company.
5. Appointment of Messrs GPVS and Associates, Chartered Accountants (Firm No.328050E) as Internal Auditors of the Company for the financial year 2020-21.

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

For CEREBRA INTEGRATED TECHNOLOGIES LTD.,



Director

Vishwamurthy P
Whole Time Director
DIN: 01247336

Enc: As above



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 for Financial Year ended 31.03.2020

Rs. In Lakhs

Particulars	Quarter ended Unaudited (Reviewed)			Year Ended Audited	
	31.03.2020	31.12.2019	31.03.2019	31.03.2020	31.03.2019
I INCOME :					
(a) Revenue from operations	2,971.41	3,339.29	5,022.89	9,985.93	26,105.37
(b) Other income	78.90	2.17	(100.97)	267.58	582.34
Total income	3,050.31	3,341.46	4,921.91	10,253.61	26,687.71
II Expenses					
(a) Cost of materials consumed	447.58	877.03	918.15	1,938.84	2,516.54
(b) Purchases of stock in trade	2,019.08	1,902.64	574.23	5,058.76	17,394.37
(c) Changes (Increase)/Decrease inventories of finished goods, work in progress and stock in trade.	97.58	(1,034.83)	606.08	(1,100.02)	577.27
(d) Employee benefit expenses	266.48	262.67	142.04	916.39	523.72
(e) Finance cost	18.40	88.04	140.51	233.23	259.99
(f) Depreciation and amortisation	8.49	7.11	6.76	29.19	26.98
(g) Other expenses	186.12	124.99	1,246.98	521.58	1,500.06
Total expenses	3,043.74	2,227.65	3,634.75	7,597.97	22,798.93
Profit before exceptional items and tax	6.57	1,113.81	1,287.15	2,655.64	3,888.79
Exceptional items	1,785.07	-	2,384.69	1,785.07	2,384.69
Profit Before Tax	(1,778.49)	1,113.81	(1,097.54)	870.58	1,504.10
Current tax	(370.23)	295.48	593.89	311.64	1,503.01
Prior Period Tax Expenses	(138.15)	-	-	(138.15)	-
Deferred tax expense	44.44	-	(104.75)	44.44	(104.75)
Total tax expense	(463.93)	295.48	489.15	217.94	1,398.26
Profit after tax for the year	(1,314.56)	818.34	(1,586.68)	652.64	105.83
OTHER COMPREHENSIVE INCOME / (LOSS)					
(B) (i) Items that will not be reclassified subsequently to the statement of profit and loss	(3.78)	0.77	1.96	(1.49)	3.06
(ii) Income tax on the items that will not be reclassified subsequently to the statement of profit and loss	(1.01)	0.13	0.75	(0.43)	1.06
TOTAL OTHER COMPREHENSIVE INCOME / (LOSS)	(2.78)	0.63	1.21	(1.06)	2.00
TOTAL COMPREHENSIVE INCOME / (LOSS) FOR THE YEAR	(1,317.33)	818.97	(1,585.48)	651.58	107.83
Earnings per share (of Rs 10 each):					
Basic	(1.08)	0.68	(1.32)	0.54	0.09
Diluted	(1.08)	0.68	(1.32)	0.54	0.09

For CEREBRA INTEGRATED TECHNOLOGIES LTD.

 Managing Director

Statement of Assets and Liabilities

Particulars	Rs. In Lakhs	
	31/Mar/20	31/Mar/19
Assets		
Non-current assets		
Property, plant and equipment	885.69	855.32
Intangible asset	20.93	-
Capital work In progress- Building	84.06	29.06
Intangible asset under development	-	9.69
Financial assets		
i) Investments		
a) Investment in subsidiaries, associates and joint ventures	337.06	337.06
b) Investment in others	20.85	19.62
ii) Trade receivables	5,200.31	-
iii) Loans and advances	744.36	792.87
iv) Other financial assets	22.46	17.69
Deferred tax assets(Net)	62.72	107.16
Other non current assets	8,510.97	2,316.23
Current assets		
Inventories	1,156.59	349.87
Financial assets		
i) Trade receivables	14,612.79	26,695.64
ii) Cash and cash equivalents	1,224.41	7,003.01
iii) Bank balances other than (ii) above	514.44	523.52
iv) Loans and advances	491.27	337.40
Other current assets	787.73	692.08
Total assets	34,676.63	40,086.22
Equity and liabilities		
Equity		
(a) Equity share capital	12,119.66	12,119.66
(b) Other equity	10,961.93	10,310.34
Liabilities		
Non-current liabilities		
Financial liabilities		
Borrowings	13.41	8.44
Provisions	50.33	37.42
Current liabilities		
Financial liabilities		
i) Borrowings	475.39	138.33
ii) Trade payable		
a) Total outstanding dues of micro enterprise and small enterprise	5.11	93.49
b) Total outstanding dues of creditors other than micro enterprise and small enterprise	8,705.30	15,201.31
iii) Other financial liabilities	295.68	279.35
Provisions	39.90	35.37
Other current liabilities	392.35	287.51
Current tax liabilities (Net)	1,617.57	1,575.00
Total equity and liabilities	34,676.63	40,086.22

For CERZORA INTEGRATED TECHNOLOGIES LTD.



Managing Director

Segment Reporting (Standalone - unaudited)
STANDALONE SEGMENT WISE REVENUE, RESULTS, ASSETS AND LIABILITIES

Rs. In Lakhs

Particulars	Quarter ended Unaudited (Reviewed)			Year Ended (Audited)	
	31.03.2020	31.12.2019	31.03.2019	31.03.2020	31.03.2019
Segment Revenue					
a. Hardware including trading of refurbished computer accessories	2,055.74	2,440.75	2,589.64	5,556.03	21,970.16
b. Ewaste Powdering and Refining Division	915.67	898.53	2,433.25	4,429.90	4,135.21
Total	2,971.41	3,339.30	5,022.89	9,985.93	26,105.37
Less Inter segment revenue	-	-	-	-	-
Net sales/Income from Operations	2,971.41	3,339.30	5,022.89	9,985.93	26,105.37
Segment Results					
a. Hardware including trading of refurbished computer accessories	-1,860.93	567.09	212.29	-1,208.94	2,677.08
b. Ewaste Powdering and Refining Division	100.84	634.77	1,215.38	2,312.75	1,471.70
Total	-1,760.09	1,201.86	1,427.67	1,103.80	4,148.78
Less i. Interest	18.40	88.04	140.51	233.23	259.99
Add ii. Other Un-allocable Expenditure Net of Un-allocable income	-	-	-	-	-
Profit before Tax (before other comprehensive income)	-1,778.49	1,113.81	1,287.15	870.58	3,888.79
Segment Assets					
a. Hardware including trading of refurbished computer accessories	17,893.32	28,473.69	35,049.95	17,893.32	35,049.95
b. Ewaste Powdering and Refining Division	16,783.32	10,964.28	5,036.27	16,783.32	5,036.27
Segment Liabilities					
a. Hardware including trading of refurbished computer accessories	5,554.08	13,374.95	17,010.94	5,554.08	17,010.94
b. Ewaste Powdering and Refining Division	6,040.96	1,664.09	645.27	6,040.96	645.27

Based on management approach as defined in IND AS 108, operating segments, the chief operating decision maker evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segments. Accordingly information has been presented along with these business segments. The accounting policies used in preparation of financial statements are consistently applied to record revenue and expenditure in individual segments.

Notes

- The above audited financial results reviewed and recommended by the Audit Committee were approved by the Board of Directors at its Meeting held on 27th July 2020.
- These financial results have been prepared in accordance with Indian Accounting Standards ("IND AS) prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules thereunder and in terms of Regulation 33 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and SEBI Circular dated 5 July, 2016.
- Revenue from operations of the e waste division for the quarter ending 31st March 2020 is net off of sales reversals of Rs 642 Lakhs pertaining to prior quarters of the current financial year resulting in lower profit before tax and exceptional items for the quarter.
- With regard to the qualification by the Auditors relating to maintenance of proper inventory records, following responses are furnished: The Company has implemented its home grown software, currently Refurbishment stocks are maintained in this Software and EPR and E-Waste recycling stocks will also be ported onto this software very soon and the Company will be able to there after ascertain the exact quantity and value of the stock.
- As regards the remarks of the Auditors relating to advances and receivables, following responses are furnished: The company has collected a major portion of the receivables as on 31st March and additionally the company has collected a sum of 79 crore rupees at the time of making this report. The Management is confident of collecting a major portion of this very soon.
- As per the Arbitration award with regard to Reduction of Share Capital by 9200000 Shares allotted to three Singapore entities, the Company has received the required 'Observation Letter' from BSE and NSE and is now filing application with NCLT for Reduction of Capital process.
- Due to Covid 19 there has been a huge demand for refurbished laptops and desktops and the Company is taking maximum advantage of the same. The Company has expanded its factory by adding another facility which is fully dedicated to the Refurbishment business of Desktops, Laptops and other IT products.
- The Company has currently 33 Stores known as Cerebra Experience Centres (CECs) across the country to sell the above Refurbished products through these CECs.
- The Company has started construction of huge factory to handle white goods. The factory will be ready by November.
- Figures for the current quarter ended 31st March, 2020 are arrived at, by deducting the unaudited results for the nine months ending 31st December, 2019 from the Audited Financial results for the Financial Year ended 31st March, 2020.
- Figures have been regrouped or rearranged, wherever necessary.

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

V. Ranganathan
Managing Director

V Ranganathan
Managing Director

DIN: 01247305

Place : Bangalore
Date: 27th July 2020

Standalone Cash flow Statement for the Year Ended 31st March 2020

INR in Lakhs

Particulars	2019-20		2018-19	
A.Cashflow from operating activities				
Net profit before tax		870.58		1,504.10
Adjustments for:				
Depreciation(net)	29.19		26.98	
Interest expenditure	213.98		228.32	
Interest income	-157.35		-36.30	
Excess provision/unclaimed credit withdrawn	-3.33		-3.58	
Trade receivables written off	1,785.07		1,083.13	
Provision for impairment in Investment / Loan in subsidiary	-			
Profit on sale of investments	-		-37.76	
Dividend Income	-1.23		-3.82	
Bad Advances Written off	0.66		2,391.55	
Profit on sale of assets	-	1,866.99	-1.60	3,646.92
Operating profit/(Loss)before working capital changes		2,737.57		5,151.01
Adjustments for changes in :				
Decrease/(increase) in inventories	-806.72		1,107.97	
Decrease/(increase) in trade & other recivables	-1,303.70		-14,375.15	
Decrease/(increase) in trade & other payables	-6,436.91		7,476.42	
		-8,547.33		-5,790.76
Cash generated from operations		-5,809.76		-639.74
Less: Income tax paid(net of refund)		234.62		656.99
Net cashflow from operating activities		-6,044.38		-1,296.73
B.Cashflow from investing activities				
Interest income	157.35		32.33	
Investment in Subsidiary	-		-322.55	
Investment in fixed deposits	9.08		-65.98	
Redemption /(Investment) in mutual funds(Net)	0.00		1,455.79	
Purchase of fixed assets including capital WIP	-125.81		-39.66	
Net cash flow from investing activities		40.62		1,059.93
C.Cashflow from Financing activities				
Increase(decrease) in borrowings	10.38		7.61	
Amount received towards share capital, security premium and share warrants			240.00	
Interest paid	-116.87		-82.34	
Net cash flow from financing activities		-106.49		165.28
Net increase/(Decrease)in Cash & Cash equivalent(A+B+C)		-6,110.26		-71.51
Cash &Cash equivalents				
Opening balance		6,874.68		6,946.19
Closing balance		764.42		6,874.68
Net increase/Decrease in cash and cash equivalents		-6,110.26		-71.51

For CEREBRA INTEGRATED TECHNOLOGIES LTD.



Managing Director



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 Consolidated Unaudited Financial Results for the Fourth Quarter and Audited for Financial Year ended 31.03.2020

Rs. In Lakhs

Particulars	Quarter ended Unaudited (Reviewed)			Year Ended Audited	
	31.03.2020	31.12.2019	31.03.2019	31.03.2020	31.03.2019
I INCOME :					
(a) Revenue from operations	3,979.44	4,818.97	7,810.87	18,199.91	38,523.33
(b) Other income	78.90	2.20	(121.97)	267.79	582.29
Total income	4,058.34	4,821.17	7,688.90	18,467.70	39,105.62
II Expenses					
(a) Cost of materials consumed	450.38	874.23	918.15	1,938.84	2,516.54
(b) Purchases of stock in trade	2,757.60	3,176.37	3,048.21	12,105.24	27,932.80
(c) Changes (Increase)/Decrease inventories of finished goods, work in progress and stock in trade.	170.88	(1,128.03)	604.04	(1,119.91)	575.23
(d) Employee benefit expenses	354.14	377.03	225.72	1,329.82	903.43
(e) Finance cost	42.84	98.35	179.38	309.03	375.82
(f) Depreciation and amortisation	10.05	8.41	12.42	33.97	37.66
(g) Other expenses	217.16	151.77	1,816.68	647.78	2,399.17
Total expenses	4,003.06	3,558.14	6,804.60	15,244.76	34,740.65
Profit before exceptional items and tax	55.28	1,263.03	884.30	3,222.94	4,364.97
Exceptional items	1,785.07	-	2,384.69	1,785.07	2,384.69
Profit Before Tax	(1,729.78)	1,263.03	(1,500.39)	1,437.88	1,980.28
Current tax	(370.23)	295.48	595.21	311.64	1,504.33
Prior Period Tax Expenses	(138.15)	-	-	(138.15)	-
Deferred tax expense	44.44	-	(104.75)	44.44	(104.75)
Total tax expense	(463.93)	295.48	490.46	217.94	1,399.58
Profit after tax for the year	(1,265.85)	967.55	(1,990.85)	1,219.94	580.70
OTHER COMPREHENSIVE INCOME / (LOSS)					
(B) (i) Items that will not be reclassified subsequently to the statement of profit and loss	(3.78)	0.77	1.96	(1.49)	3.06
(ii) Income tax on the items that will not be reclassified subsequently to the statement of profit and loss	(1.01)	0.13	0.75	(0.43)	1.06
TOTAL OTHER COMPREHENSIVE INCOME / (LOSS)	(2.78)	0.63	1.21	(1.06)	2.00
TOTAL COMPREHENSIVE INCOME / (LOSS) FOR THE YEAR	(1,268.62)	968.19	(1,989.64)	1,218.88	582.70
Profit for the year attributable to :					
Shareholders of the company	(1,270.92)	947.39	(2,336.97)	1,144.24	440.09
Non controlling interest	5.07	20.16	346.10	75.70	140.60
Other comprehensive income attributable to					
Shareholders of the company	(2.78)	0.63	1.22	(1.06)	2.00
Non controlling interest	-	-	-	-	-
Total comprehensive income attributable to					
Shareholders of the company	(1,273.70)	948.02	(2,335.78)	1,143.18	442.09
Non controlling interest	5.07	20.16	346.10	75.70	140.60
Earnings per share (of Rs 10 each):					
Basic	(1.05)	0.78	(1.94)	0.94	0.36
Diluted	(1.05)	0.78	(1.94)	0.94	0.36

For CEREBRA INTEGRATED TECHNOLOGIES LTD.

V. Ranganatha
Managing Director

Consolidated Statement of Assets and Liabilities

Particulars	31/Mar/20	31/Mar/19
Assets		
Non-current assets		
Property, plant and equipment	893.26	866.22
Intangible asset	20.93	-
Capital work In progress	6,827.33	29.06
Intangible asset under development	-	9.69
Financial assets	-	-
i) Investments	20.85	19.62
ii) Trade receivables	5,200.31	-
iii) Loans and advances	163.61	209.25
iv) Other financial assets	22.46	17.69
Deferred tax assets(Net)	62.72	107.16
Other non current assets	1,912.15	2,528.00
Current assets	-	-
Inventories	1,212.46	384.91
Financial assets	-	-
i) Trade receivables	24,872.13	33,888.27
ii) Cash and cash equivalents	1,290.68	7,017.43
iii) Bank balances other than (ii) above	539.91	639.01
iv) Loans and advances	151.27	144.40
Other current assets	1,635.78	698.07
Total assets	44,825.86	46,558.77
Equity and liabilities		
Equity		
(a) Equity share capital	12,119.66	12,119.66
(b)Other equity	17,317.51	14,746.87
Non Controlling Interest	650.19	574.48
Liabilities	-	-
Non-current liabilities	-	-
Financial liabilities	-	-
Borrowings	54.61	64.37
Provisions	50.33	37.42
Current liabilities	-	-
Financial liabilities	-	-
i) Borrowings	862.62	211.85
ii) Trade payable	-	-
a)Total outstanding dues of micro enterprise and small enterprise	5.11	93.49
b)Total outstanding dues of creditors other than micro enterprise and small enterprise	10,674.09	16,292.91
iii)Other financial liabilities	381.73	329.54
Provisions	42.24	39.65
Other current liabilities	1,050.21	473.54
Current tax liabilities (Net)	1,617.57	1,575.00
Total equity and liabilities	44,825.86	46,558.77

For CEREBRA INTEGRATED TECHNOLOGIES LTD.



Managing Director

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

Particulars	Quarter ended Unaudited (Reviewed)			Year Ended (Audited)	
	31.03.2020	31.12.2019	31.03.2019	31.03.2020	31.03.2019
Segment Revenue					
a. Hardware including trading of refurbished computer accessories	3,063.76	3,920.44	5,377.62	13,770.01	34,362.03
b. Ewaste Powdering and Refining Division	915.67	898.53	2,433.25	4,429.90	4,135.21
c. IT Services	-	-	-	-	26.09
Total	3,979.44	4,818.97	7,810.87	18,199.91	38,523.33
Less Inter segment revenue	-	-	-	-	-
Net sales/Income from Operations	3,979.44	4,818.97	7,810.87	18,199.91	38,523.33
Segment Results					
a. Hardware including trading of refurbished computer accessories	-1,786.96	726.77	549.65	-560.45	3,973.59
b. Ewaste Powdering and Refining Division	100.84	634.77	1,215.38	2,312.75	1,471.70
c. IT Services	-0.82	-0.16	-701.34	-5.39	-704.50
Total	-1,686.94	1,361.38	1,063.69	1,746.91	4,740.79
Less i. Interest	42.84	98.35	179.37	309.03	375.82
Add ii. Other Un-allocable Expenditure Net of Un-allocable income	-	-	-	-	-
Profit before Tax (before other comprehensive income)	-1,729.78	1,263.03	884.30	1,437.88	4,364.97
Segment Assets					
a. Hardware including trading of refurbished computer accessories	28,042.01	37,152.82	41,518.63	28,042.01	41,518.63
b. Ewaste Powdering and Refining Division	16,783.32	10,964.28	5,036.27	16,783.32	5,036.27
c. IT Services	0.53	64.37	3.90	0.53	3.90
Segment Liabilities					
a. Hardware including trading of refurbished computer accessories	8,645.45	16,009.77	18,646.22	8,645.45	18,646.22
b. Ewaste Powdering and Refining Division	6,040.96	1,664.09	645.27	6,040.96	645.27
c. IT Services	702.29	765.31	700.27	702.29	700.27

Based on management approach as defined in IND AS 108, operating segments, the chief operating decision maker evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segments. Accordingly information has been presented along with these business segments. The accounting policies used in preparation of financial statements are consistently applied to record revenue and expenditure in individual segments.

Notes

- The above audited financial results reviewed and recommended by the Audit Committee were approved by the Board of Directors at its Meeting held on 27th July 2020.
- These financial results have been prepared in accordance with Indian Accounting Standards ("IND AS) prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules thereunder and in terms of Regulation 33 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and SEBI Circular dated 5 July, 2016.
- Revenue from operations of the e waste division for the quarter ending 31st March 2020 is net off of sales reversals of Rs 642 Lakhs pertaining to prior quarters of the current financial year resulting in lower profit before tax and exceptional items for the quarter.
- With regard to the qualification by the Auditors relating to maintenance of proper inventory records, following responses are furnished: The Company has implemented its home grown software, currently Refurbishment stocks are maintained in this Software and EPR and E-Waste recycling stocks will also be ported onto this software very soon and the Company will be able to there after ascertain the exact quantity and value of the stock.
- As regards the remarks of the Auditors relating to advances and receivables, following responses are furnished: The company has collected a major portion of the receivables as on 31st March and additionally the company has collected a sum of 79 crore rupees at the time of making this report. The Management is confident of collecting a major portion of this very soon.
- As per the Arbitration award with regard to Reduction of Share Capital by 9200000 Shares allotted to three Singapore entities, the Company has received the required 'Observation Letter' from BSE and NSE and is now filing application with NCLT for Reduction of Capital process.
- Due to Covid 19 there has been a huge demand for refurbished laptops and desktops and the Company is taking maximum advantage of the same. The Company has expanded its factory by adding another facility which is fully dedicated to the Refurbishment business of Desktops, Laptops and other IT
- The Company has currently 33 Stores known as Cerebra Experience Centres (CECs) across the country to sell the above Refurbished products through these CECs.
- The Company has started construction of huge factory to handle white goods. The factory will be ready by November.
- Figures for the current quarter ended 31st March, 2020 are arrived at, by deducting the unaudited results for the nine months ending 31st December, 2019 from the Audited Financial results for the Financial Year ended 31st March, 2020.
- Figures have been regrouped or rearranged, wherever necessary.

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

 Managing Director
 V Ranganathan
 Managing Director
 DIN: 01247305

Place : Bangalore
 Dated : 27th July 2020

Consolidated Cash flow Statement for the Year Ended 31st March 2020

INR in Lakhs

Particulars	2019-20		2018-19	
A.Cashflow from operating activities				
Net profit before tax		1,437.88		1,980.28
Adjustments for:				
Depreciation(net)	33.97		37.65	
Interest expenditure	278.31		335.47	
Interest income	-157.46		-36.30	
Excess provision/unclaimed credit withdrawn	-3.33		-4.15	
Trade receivables written off	1,785.07		1,083.13	
Profit on sale of investments	-		-37.76	
Dividend Income	-1.23		-3.82	
Provision for allowance	1.36		682.15	
Bad Advances Written off	-0.71		2,405.81	
Profit on sale of assets		1,935.98	-1.60	4,460.58
Operating profit/(Loss)before working capital changes		3,373.86		6,440.86
Adjustments for changes in :				
Decrease/(increase) in inventories	-827.55		1,105.93	
Decrease/(increase) in trade & other recivables	1,741.17		-16,662.71	
Decrease/(increase) in trade & other payables	-5,052.93		7,817.41	
		-4,139.30		-7,739.37
Cash generated from operations		-765.45		-1,298.51
Less: Income tax paid(net of refund)		234.62		656.99
Net cashflow from operating activities		-1,000.07		-1,955.49
B.Cashflow from investing activities				
Interest income	157.46		32.33	
Investment in fixed deposits	99.10		-101.83	
Redemption /(Investment) in mutual funds(Net)	0.00		1,455.79	
Purchase of fixed assets including capital WIP	-6,870.52		-40.95	
Net cash flow from investing activities		-6,613.96		1,345.33
C.Cashflow from Financing activities				
Increase(decrease) in borrowings	309.36		-48.75	
Amount received towards share capital, security premium and share warrants	-		240.00	
Interest paid	-181.20		-189.43	
Net cash flow from financing activities		128.16		1.76
D. Cash in currency Fluctuation reserve arising due to consolidation		1,427.46		513.24
Net increase/(Decrease)in Cash & Cash equivalents(A+B+C)		-6,058.41		-95.16
Cash &Cash equivalents				
Opening balance		6,889.11		6,984.27
Closing balance		830.70		6,889.11
Net increase/Decrease in cash and cash equivalents		-6,058.41		-95.16

For CEREBRA INTEGRATED TECHNOLOGIES LTD.



Managing Director

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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bhaskar@gkcas.com

thilak@gkcas.com

Independent Auditor's Report

To the Board of Directors of Cerebra Integrated Technologies Limited

1. We have audited the accompanying Statement of Standalone Financial Results of Cerebra Integrated Technologies Limited ("the Company") for the year ended March 31, 2020 ("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.

2. 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.

3. We conducted our audit in accordance with the Standards on Auditing 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.

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

4. Basis of our Qualified Opinion:

- a. 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 2020 is computed based on the quantitative reconciliation of materials issued for and generated on processing based on theoretical standards and actual quantity of goods sold. Value of e waste division inventories considered in the financial statement as at 31st march 2020 amounted to Rs 624.87 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 consolidated financial statements.

5. 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, 2020.

6. Emphasis of Matter:

1. We draw attention to the following matters relating to advances and receivables outstanding for substantial period for which no provision is made as the management is confident of recovering the same either in cash or in kind.
 - a. Loans and advances include Rs 769.52 Lakhs (Rs. 861.12 Lakhs) advanced for purchase for immovable property
 - b. Advance for import of property plant and equipment's /software amounting to Rs. 1453.46 lakhs.

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- c. Trade receivables include Rs 3675.48 Lakhs (Previous year Rs. 3902.69) of e waste division wherein recovery is linked with balance supply of minimum quantity.
 - d. Trade receivables also include Rs. 825.63 outstanding for substantial period.
2. Confirmation of balance is not received for trade receivables amounting Rs. 8805.70 Lakhs, trade payables amounting Rs. 3771.95 lakhs and advances amounting Rs 2059.19 Lakhs.

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

7. The Statement includes the results for the Quarter ended March 31, 2020 being the balancing figure between audited figures in respect of the financial year and the audited year to date figures up to the third quarter of the current financial year.

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



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

Bangalore,
Date: 27th July 2020
UDIN: 20021748AAAALZ1160

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Auditor's Report on the audit of the annual financial results of the Group with the last quarter financial results being balancing figures Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To the Board of Directors of Cerebra Integrated Technologies Limited

1. We have audited the accompanying Statement of Consolidated Financial Results of **Cerebra Integrated Technologies Limited**. ("The Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group") and its share of the net profit/(loss) after tax and total comprehensive for the year ended 31st March, 2020. ("the Statement"), being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended. Attention is drawn to the fact that the consolidated figures for the corresponding quarter ended 31st March, 2020, as reported in these financial results have been approved by the Parent's Board of Directors, but have not been subjected to audit/review
2. This Statement, which is the responsibility of the Parent's Management and approved by the Parent's 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 the Companies (Indian Accounting Standards) Rules, 2015, as amended ("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.
3. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Companies Act 2013. 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 Parent'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 Parent's internal financial control with reference to the Statement. 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.

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We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

We believe that the audit evidence obtained by us and the audit evidence obtained by the branch auditors 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.

4. In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the reports of the other auditors on separate financial statements and the other financial information of branches and joint operations of the Group, subsidiaries, associates and joint ventures referred to in paragraph 6 below, the Statement:
- a. includes the results of the following entities:
 - i. Cerebra LPO India Limited
 - ii. Cerebra Middle East FZCO
 - b. is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended; and
 - c. Subject to Basis of Qualified Opinion detailed below, gives a true and fair view in conformity with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India of the consolidated total comprehensive income (comprising of net profit and other comprehensive loss and other financial information of the Group for the year ended 31st March, 2020.

Basis of 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 2020 is computed based on the quantitative reconciliation of materials issued for and generated on processing based on theoretical standards and actual quantity of goods sold. Value of e waste division inventories considered in the financial statement as at 31st March 2020 amounted to Rs 624.87 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 consolidated financial statements.

5. Emphasis of Matter paragraph

We draw attention to the following matters relating to:

- A. Advances and receivables outstanding for substantial period as detailed below for which no provision is made as the management is confident of recovering the same either in cash or in kind.
- a. Loans and advances include Rs 769.52 Lakhs (Rs. 861.12 Lakhs) advanced for purchase of an immovable property
 - b. Advance for import of property plant and equipment's /software amounting to Rs.1065.94 Lakhs.

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- c. Trade receivables of Rs. 3675.48 Lakhs (Previous year Rs. 3902.69) of e waste division wherein recovery is linked with balance supply of minimum quantity.
 - d. We have been informed that the customer will pay only after completion of supply of an agreed minimum quantity.
 - e. Other trade receivables of Rs. 3106.55 Lakhs
- B. Confirmation of balance is not received for trade receivables amounting Rs. 19065.05 Lakhs, trade payables amounting Rs. 5740.74 lakhs and advances amounting Rs 2059.19 Lakhs
- C. The statutory auditors of Cerebra Middle East FZCO, a subsidiary of the Company reported that bank balance of Rs. 65.72 Lakhs & Loans and Borrowings of Rs. 391.23 of the said company are subject to direct confirmation. In the absence of direct confirmation, they are unable to ascertain provision for accrued interest/ contingent liabilities outstanding as at the balance sheet date. Further, the personal guarantees and securities provided to the banks against facilities and loans are disclosed as per the management representations provided to them.

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

We did not audit the financial statements of a subsidiary whose financial statements reflect total assets of Rs.18018.56 Lakhs /- as at March 31, 2020, total revenues of Rs. 8185.48 lakhs, total net profit after tax of Rs.572.69 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 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.

Our opinion on the Statement is not modified in respect of the above matters

- D. The Statement includes the results for the quarter ended 31st March 2020 being the balancing figure between audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

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



K V Gopalakrishnayya,
Partner
MRN: 021748

Date: 27th July 2020
Place: Bangalore
UDIN: 20021748AAAAMA9200

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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, 2020

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	9,985.93	9,985.93
	2.	Total Expenditure	7,597.97	*
	3.	Net Profit/(Loss)	652.64	*
	4.	Earnings Per Share Rs.	0.54	*
	5.	Total Assets	34676.63	*
	6.	Total Liabilities	11595.04	11595.04
	7.	Net Worth	23081.59	*
		* Variation if any is not ascertainable.		
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 31st March 2020 is computed based on the quantitative reconciliation of materials issued for and generated on processing based on theoretical standards and actual quantity of goods sold. Value of e waste division inventories considered in the financial statement as at 31st march 2020 amounted to Rs 624.87 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 consolidated financial statements.			
	b. Type of Audit Qualification: Qualified Opinion			
	c. Frequency of qualification: Fifth 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 without proper inventory records. . Further, the Company has implemented home grown suitable software to maintain the inventory records
	(iii) Auditors' Comments on (i) or (ii) above: No comments

. Further, the Company has implemented home grown suitable software to maintain the inventory records

III	Signatories
	CEO / Managing Director 
	CFO 
	Audit Committee Chairman 
	Statutory Auditor For ISHWAR & GOPAL CHARTERED ACCOUNTANTS 
Place : Bangalore	
Date : 27.07.2020	
K.V. GOPALAKRISHNAYYA PARTNER M.No. 21748	



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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, 2020.

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	18199.91	18199.91
	2.	Total Expenditure	15244.76	*
	3.	Net Profit/(Loss)	1219.94	*
	4.	Earnings Per Share Rs.	0.94	*
	5.	Total Assets	44825.86	*
	6.	Total Liabilities	15388.68	15388.68
	7.	Net Worth	29437.17	*
* Variation if any is not ascertainable.				
II.	Audit Qualification (each audit qualification separately):			
	a. Details of Audit Qualification: 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 2020 is computed based on the quantitative reconciliation of materials issued for and generated on processing based on theoretical standards and actual quantity of goods sold. Value of e waste division inventories considered in the financial statement as at 31st March 2020 amounted to Rs 624.87 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 consolidated financial statements.			
	b. Type of Audit Qualification: Qualified Opinion			
	c. Frequency of qualification: Fifth 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 valuation without proper inventory records. Further, the Company has implemented home grown suitable software to maintain the inventory records.
	(iii) Auditors' Comments on (i) or (ii) above: No comments

III	Signatories	
	CEO / Managing Director	<i>V. Rangarajan</i>
	CFO	<i>Sirif</i>
	Audit Committee Chairman	<i>S. Gopalakrishnan</i> For ISHWAR & GOPAL CHARTERED ACCOUNTANTS
	Statutory Auditor	<i>[Signature]</i> K.V. GOPALAKRISHNAYYA PARTNER M.No. 21748
Place : Bangalore		
Date : 27.07.2020		



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Profile of Mr. Parthasarathi Naik

B.Sc in Chemistry

Currently President of National Kannada Education Society, Mumbai

Retd. Joint Commissioner of Income Tax

Mr. Parthasarathi Naik completed his schooling from Little Angels High School and is a graduate from Khalsa College with Chemistry and Physics. After clearing all India exams he joined the Income Tax Department in 1978 as an Inspector.

Has 35 years of experience in the Income Tax Department and retired as a Joint Commissioner of Income tax in 2013. He has worked in various departments like administration, assessment and has had a long stint of 10 years in investigation.

Post retirement in 2013 he is associated with National Kannada Education Society, Mumbai (NKES), initially was a management committee member and from 2017 he is the President of the institution. NKES caters from Kindergarten to Post Graduate Courses and runs a school, degree college and post-graduation courses (MMS affiliated to Mumbai University) and PGDM course affiliated to AICTE. NKES also offers a joint course BFSI with Times Pro a subsidiary of Times of India. The school was started in 1939 at the instance of Sir M Visvesvarayya and it celebrated its 80 years on 7th March.

Justice Shri Krishna is one of the distinguished alumni besides many other people who have passed from this school. The school has 1800 students and it's a SSC board aided school.

He loves sports and is passionate about investing in stock market