

Donear/SECD/SE/2022/013

May 28, 2022

To,
The Manager,
Corporate Relations Department,
BSE Limited
Phiroze Jeejeebhoy Tower,
Dalal Street, Fort, Mumbai – 400 001
Scrip Code: 512519

The Manager,
Listing Department,
National Stock Exchange of India Limited,
Exchange Plaza, Bandra-Kurla Complex,
Bandra (East), Mumbai – 400 051
Symbol: DONEAR

Sub: Outcome of Board Meeting of Donear Industries Limited held on May 28, 2022.

Dear Sir / Madam,

1. The Board of Directors of the Company at its meeting held today, i.e. May 28, 2022, has *inter-alia*, approved the Audited Standalone Financial Results for the quarter and financial year ended March 31, 2022.

Pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose herewith the following:

- a) Auditor's Report issued by M/s. Kanu Doshi Associates LLP, Chartered Accountants (Firm Registration No: 104746W/W100096), Statutory Auditors of the Company on Standalone Financial Results of the Company for the quarter and financial year ended March 31, 2022;
 - b) Audited Standalone Financial Results of the Company for the quarter and financial year ended March 31, 2022;
 - c) Declaration regarding Auditor's Report with unmodified opinion.
2. The Board has also recommended final dividend of Rs. 0.20/- per equity share of face value of Rs. 2/- each for the financial year ended March 31, 2022, subject to the approval of the shareholders at the ensuing Annual General Meeting of the Company. The Dividend, if approved, shall be paid as per the timeline mentioned in Companies Act, 2013 and Listing Regulations.
 3. Re-Appointment of M/s. Yogesh Sharma & Co, Companies Secretaries, as Secretarial Auditors for the Financial Year 2022-23.



4. Re-Appointment of M/s. Y. R. Doshi & Co., Cost Accountant, as Cost Auditors of the Company for the financial year 2022-2023.

The meeting of Board of Directors of the Company commenced at 4:30 p.m. and concluded at 6 : 05 p.m.

You are requested to take the above information on record.

Thanking you,
Yours faithfully,

For **Donear Industries Limited**



Sachin Gupta
Company Secretary
A35645



Encl. As above

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

To,

The Board of Directors of Donear Industries Limited

Opinion

We have audited the accompanying statement of Financial Results of Donear Industries Limited ("the company") for the quarter ended March 31, 2022 and the year to date statement for the period from April 01, 2021 to March 31, 2022, 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 ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us these Financial Results:

- (i) are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- (ii) give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards and other accounting principles generally accepted in India of the net profit and other comprehensive income and other financial information for the quarter ended March 31, 2022 as well as the year to date statement for the period from April 01, 2021 to March 31, 2022.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 (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 together with the ethical requirements that are relevant to our audit of the Financial Results under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's Responsibilities for the Financial Results

These quarterly financial results as well as the year to date financial results have been prepared on the basis of the annual financial statements. The Company's Board of Directors are responsible for the preparation of these 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 Indian Accounting Standard prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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 Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Financial Results, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Results

Our objectives are to obtain reasonable assurance about whether the Financial Results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. 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 these 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 control 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 the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material



uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial 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.

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.

We also performed procedures in accordance with the circular No CIR/CFD/CMD1/44/2019 issued by the SEBI under Regulation 33(8) of the Listing Regulations, as amended, to the extent applicable.

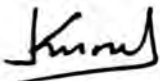
Other Matters

The annual financial results include the results for the quarter ended 31 March 2022 being the balancing figures between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year.

For Kanu Doshi Associates LLP

Chartered Accountants

Firm Registration No: 104746W/W100096



Kunal Vakharia

Partner

Membership No: 148916

UDIN: 22149916 AJUDJM2042



Place: Mumbai

Date: May 28, 2022

DONEAR INDUSTRIES LIMITED

Registered Office: Donear House, 8th Floor, Plot No A 50, Road No 1 MIDC, Andheri East, Mumbai-400093

CIN : L99999MH1987PLC042076 Website : www.donear.com EMAIL ID: info@donear.com

AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2022

(Rs.in lakhs) (Except EPS)

Sr. No.	Particulars	Quarter Ended			Year Ended	Year Ended
		(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
		31-03-2022	31-12-2021	31-03-2021	31-03-2022	31-03-2021
1	Income					
	(a) Revenue from Operations	17,388.61	18,153.41	14,926.51	56,945.81	35,760.78
	(b) Other Income	748.21	186.37	132.83	1,224.69	412.63
	Total Income	18,136.82	18,339.78	15,059.34	58,170.50	36,173.41
2	Expenses:					
	a) Cost of Materials consumed	7,964.33	6,457.36	4,819.01	23,916.64	12,209.00
	b) Purchase of Stock-in-trade	3,457.95	4,760.35	1,901.16	12,837.74	4,678.13
	c) Changes in Inventory of Finished goods, Work-in-progress and Stock-in-trade	(3,547.89)	(1,671.53)	1,413.72	(9,115.39)	2,118.95
	d) Employee Benefits Expenses	1,837.94	1,735.62	1,377.87	6,446.66	4,344.20
	e) Finance Costs	541.08	480.50	456.55	2,003.53	1,834.31
	f) Depreciation and Amortisation expense	249.72	242.64	235.23	922.57	951.23
	g) Other expenses	6,220.45	4,727.50	4,298.66	18,123.20	10,915.65
	Total Expenses	16,723.58	16,732.44	14,502.20	55,134.95	37,051.47
3	Profit / (Loss) from ordinary activities before Exceptional items (1-2)	1,413.24	1,607.34	557.14	3,035.55	(878.06)
4	Exceptional Items	-	-	-	-	-
5	Profit / (Loss) before tax (3 +/- 4)	1,413.24	1,607.34	557.14	3,035.55	(878.06)
6	Tax Expense					
	- Current tax	278.00	(3.81)	-	278.00	-
	- Deferred tax	82.35	405.16	121.73	480.38	(251.08)
	- Income Tax for earlier years	-	-	-	-	-
	Total Tax Expenses	360.35	401.35	121.73	758.38	(251.08)
7	Profit / (Loss) for the period (5 +/- 6)	1,052.89	1,205.99	435.41	2,277.17	(626.98)
8	Other Comprehensive Income, net of income tax					
	A. (i) Items that will be reclassified to Profit or Loss	-	-	-	-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-
	B. (i) Items that will not be reclassified to Profit or Loss	(107.01)	(1.05)	(10.15)	(110.16)	(4.20)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	26.94	0.26	2.56	27.73	1.06
	Total Other Comprehensive Income, net of income tax	(80.07)	(0.79)	(7.59)	(82.43)	(3.14)
9	Total Comprehensive Income for the period (8 +/- 7)	972.82	1,205.20	427.82	2,194.74	(630.12)
10	Paid-up equity share capital (face value of Rs 2/- per share)	1,040.00	1,040.00	1,040.00	1,040.00	1,040.00
11	Other Equity				12,548.89	10,458.17
12	Earning per share (EPS) (of Rs 2/- each) (not annualised)					
	Basic/ Diluted EPS	2.02	2.32	0.84	4.38	(1.21)



STATEMENT OF ASSETS AND LIABILITIES			(Rs.in lakhs)	
Sr. No.	Particulars	As at	As at	
		31.03.2022	31.03.2021	
		(Audited)	(Audited)	
A	ASSETS			
1	Non - Current Assets			
(a)	Property, Plant and Equipment	7,215.59	7,273.97	
(b)	Capital Work-in-progress	535.76	371.35	
(c)	Investment Property	807.16	871.60	
(d)	Other Intangible Assets	168.60	24.64	
(e)	Financial Assets			
(i)	Investment	98.40	98.40	
(ii)	Other Financial Assets	234.91	210.95	
(f)	Deferred Tax Assets	422.51	875.17	
(g)	Other Tax Assets (Net)	74.65	52.28	
(h)	Other Non-Current Assets	303.59	1,015.81	
	Sub- total - Non - Current Assets	9,861.17	10,794.17	
2	Current Assets			
(a)	Inventories	30,647.71	18,302.02	
(b)	Financial Assets			
(i)	Trade Receivables	13,020.13	10,533.33	
(ii)	Cash and Cash Equivalents	80.72	97.89	
(iii)	Bank balances other than (ii) above	1,138.87	890.51	
(iv)	Other Financial Assets	524.01	626.83	
(c)	Other Tax Assets (Net)	5.27	79.09	
(d)	Other Current Assets	5,867.69	4,687.80	
	Sub- total - Current Assets	51,284.40	35,217.47	
	TOTAL- ASSETS	61,145.57	46,011.64	
B	EQUITY AND LIABILITIES			
1	EQUITY			
(a)	Equity share capital	1,040.00	1,040.00	
(b)	Other Equity	12,548.89	10,458.17	
	TOTAL- EQUITY	13,588.89	11,498.17	
2	LIABILITIES			
(I)	Non Current Liabilities			
(a)	Financial Liabilities			
(i)	Non Current Borrowings	1,453.80	706.26	
(ii)	Other Financial Liabilities	1,560.37	1,314.54	
(b)	Other Non Current Liabilities	71.22	32.01	
	Sub- total - Non- Current Liabilities	3,085.39	2,052.81	
(II)	Current liabilities			
(a)	Financial Liabilities			
(i)	Current Borrowings	29,872.52	22,997.14	
(ii)	Trade Payables	7,695.52	5,133.91	
(iii)	Other Current Financial Liabilities	934.46	2,927.05	
(b)	Other Current Liabilities	5,666.16	1,238.80	
(c)	Provisions	209.60	163.76	
(d)	Current Tax Liabilities (Net)	93.03	-	
	Sub- total - Current Liabilities	44,471.29	32,460.66	
	TOTAL- LIABILITIES	47,556.68	34,513.47	
	TOTAL- EQUITY AND LIABILITIES	61,145.57	46,011.64	



SEGMENT WISE REVENUE, RESULTS AND CAPITAL EMPLOYED

(Rs.in lakhs)

Sr. No.	Particulars	Quarter Ended			Year Ended	Year Ended
		(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
		31-03-2022	31-12-2021	31-03-2021	31-03-2022	31-03-2021
1	Segment Revenue (Revenue from Operations)					
	Textiles	17,212.97	17,972.80	14,780.15	56,272.28	35,145.44
	Rental Business	175.64	180.61	146.36	673.53	615.34
	Net sales/Income from Operations	17,388.61	18,153.41	14,926.51	56,945.81	35,760.78
2	Segment Profit Before Tax & Finance Cost					
	Textiles	1,910.92	2,398.22	1,117.69	5,616.11	1,612.43
	Rental Business	138.79	140.28	128.44	532.05	460.34
	Total	2,049.71	2,538.50	1,246.13	6,148.16	2,072.77
	Less : Finance Cost	508.81	459.25	419.48	1,865.59	1,707.70
	Less: Other Unallocable Expenditure net off Unallocable Income	127.66	471.91	269.51	1,247.02	1,243.13
	Total Profit (+)/Loss (-) before Tax	1,413.24	1,607.34	557.14	3,035.55	(878.06)
3	Capital Employed					
	(a) Textiles					
	Segment Assets	59,346.88	55,231.68	43,586.23	59,346.88	43,586.23
	Segment Liabilities	15,603.19	15,458.12	10,728.30	15,603.19	10,728.30
	Net Capital Employed (a)	43,743.69	39,773.56	32,857.93	43,743.69	32,857.93
	(b) Rental Business					
	Segment Assets	898.57	915.74	966.78	898.57	966.78
	Segment Liabilities	391.08	404.53	385.27	391.08	385.27
	Net Capital Employed (b)	507.49	511.21	581.51	507.49	581.51
	(c) Unallocated					
	Segment Assets	900.11	1,106.95	1,458.63	900.11	1,458.63
	Segment Liabilities	31,562.40	28,775.60	23,399.90	31,562.40	23,399.90
	Net Capital Employed (c)	(30,662.29)	(27,668.65)	(21,941.27)	(30,662.29)	(21,941.27)
	Total Capital Employed (a+b+c)	13,588.89	12,616.12	11,498.17	13,588.89	11,498.17



CASH FLOW STATEMENT

(Rs.in lakhs)

Sr. No.	Particulars	Year Ended	
		(Audited)	(Audited)
		31-03-2022	31-03-2021
I	CASH FLOW FROM OPERATING ACTIVITIES		
	Net Profit before Tax as per Statement of Profit & Loss	3,035.54	(878.06)
	Adjustments for		
(a)	Depreciation	922.57	951.23
(b)	Interest Expenses	1,881.24	1,736.09
(c)	Interest Income	(64.62)	(60.76)
(d)	(Profit) / Loss on disposal of Property, plant and equipments	(74.82)	(6.41)
(e)	Fixed Assets Written Off	-	1.59
(f)	Provisions no longer required	-	-
(g)	Allowance for Expected credit Loss	181.50	61.43
(h)	Bad Debts Recovered	2.97	8.33
(i)	Unrealised Foreign Exchange rate Differences (Net)	180.67	174.14
(j)	Ind AS adjustments	(266.49)	(154.12)
(k)	Sundry Balance written Off / (Back) (Net)	(25.98)	(6.50)
	Operating Profit before Working Capital Changes	5,772.58	1,826.96
	Adjustments for		
(a)	(Increase) / Decrease in trade and other receivables	(3,763.09)	(55.87)
(b)	(Increase) / Decrease in inventories	(12,345.69)	1,860.10
(c)	Increase / (Decrease) in trade, other Payables and provisions	8,027.52	1,493.24
	Cash Generated from operations	(2,308.68)	5,124.43
(a)	Direct Taxes Paid (net of Refunds)	(133.51)	(88.21)
	Net Cash generated from / (used in) Operating Activities	(2,442.19)	5,036.22
II	CASH FLOW FROM INVESTING ACTIVITIES		
(a)	Purchase of property, plant and equipment and intangible assets	(2,387.86)	(1,022.13)
(b)	Sales Proceeds of property, plant and equipment	90.21	20.21
(c)	Fixed Deposits with Bank	(248.21)	549.61
(d)	Interest Income Received	59.93	60.52
	Net Cash generated from / (used in) Investing Activities	(2,485.93)	(391.79)
III	CASH FLOW FROM FINANCING ACTIVITIES		
(a)	Proceeds / (Repayment) from / of Non Current Borrowings (net)	203.31	1,963.65
(b)	Proceeds / (Repayment) from / of Current Borrowings (net)	6,692.96	(4,731.38)
(c)	Interest paid	(1,881.24)	(1,736.09)
(d)	Dividend paid (Including Dividend Distribution Tax)	(104.00)	(104.00)
	Net Cash generated from / (used in) Financing Activities	4,911.03	(4,607.82)
	Net Increase / (Decrease) in Cash and Cash Equivalents (I+II+III)	(17.09)	36.61
	Add : Cash and Cash Equivalents at the beginning of the period	100.02	63.42
	Cash and Cash Equivalents at the end of the period	82.93	100.03
	Cash and Cash Equivalent as per above comprises of the following		
	Cash and Cash Equivalents	83.00	100.02
	Unrealised translation gain/(loss)	(0.07)	0.01
	Balance as per statement of Cash Flow	82.93	100.03



Notes:

1	The above audited financial results were reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on May 28, 2022.
2	Segment Revenue, Result and Capital Employed figures include the respective amounts identifiable to each of the segments. Other unallocable expenditure mainly includes expenses incurred on common services.
3	The Company has taken into account all the possible impacts of COVID-19 in preparation of these financial statements, including but not limited to its assessment of, liquidity and going concern assumption, recoverable values of its financial and non-financial assets, impact on revenue recognition owing to changes in cost budgets of fixed price contracts, impact on leases and impact on effectiveness of its hedges. The Company has carried out this assessment based on available internal and external sources of information upto the date of approval of these financial statements and believes that the impact of COVID-19 is not material to these financial statements and expects to recover the carrying amount of its assets. The impact of COVID-19 on the financial statements may differ from that estimated as at the date of approval of these financial statements owing to the nature and duration of COVID-19.
4	The Indian Parliament has approved the Code of on Social Security, 2020 which would impact the contributions by the company towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for Code of on Social Security, 2020 on November 13, 2020 and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company will assess the impact and its evaluation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which the Code becomes effective and the related rules to determine the financial impact are published.
5	The Board has recommended dividend of Rs. 0.20 per equity share of face value of Rs.2/- each for the financial year ended March 31, 2022.
6	The figures of quarter ended March 31, 2022 and March 31, 2021 are balancing figures between the audited figures of the full financial year and the reviewed year to date figures upto the third quarter of the relevant financial year.
7	Corresponding figures of the previous quarter/year have been regrouped, recasted and reclassified to make them comparable wherever necessary.

Place: Mumbai
Date: May 28, 2022



On behalf of the Board of Directors

Rajendra V. Agarwal
Managing Director
DIN No. 00227233

Donear/SECD/SE/2022/014

May 28, 2022

To,

**The Manager,
Corporate Relations Department,
BSE Limited**
Phiroze Jeejeebhoy Tower,
Dalal Street, Fort,
Mumbai – 400 001

**The Manager,
Listing Department,
National Stock Exchange of India Limited,**
Exchange Plaza, Bandra-Kurla Complex,
Bandra (East),
Mumbai – 400 051

Scrip Code: 512519

Symbol: DONEAR

Sub: Declaration regarding Auditor's Report with unmodified opinion.

Dear Sir / Madam,

In compliance with the provisions of Regulation 33(3)(d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company hereby declares that M/s. Kanu Doshi Associates LLP, Chartered Accountants, the Statutory Auditors of the Company have issued the Audit Report with unmodified opinion on the Standalone Financial Results of the Company for the financial year ended March 31, 2022.

Thanking you,

Yours faithfully,

For **Donear Industries Limited**

Ashok Agarwal

**Ashok Agarwal
Chief Financial Officer**

