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To  
The Board of Directors  
**Pace Automation Limited**  
4<sup>th</sup> Floor, Empee Towers  
NO.59, Harris Road, Egmore  
Chennai 600002

**Independent Auditor's Report on Consolidated Financial Results and Review of Quarterly Financial Results of the Group pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

**Opinion and Conclusion**

1. I have audited the Consolidated Financial Results for the year ended March 31, 2020 ("the Statement") and reviewed the Consolidated financial Results for the quarter ended March 31, 2020, which were subjected to limited review by me, both included in the accompanying Statement of "Consolidated Financial Results for the Quarter and Year ended March 31, 2020" of **Pace Automation Limited** ("the Parent") and its subsidiary (the Parent and its subsidiary together is referred to as the "Group") for the quarter and year ended March 31, 2020, ("the Statement") being submitted by the Parent pursuant to the requirement of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 05, 2019.
2. In my opinion and to the best of my information and according to the explanations given to me, and based on consideration of the audit report of other auditors of financial information of the subsidiary referred to in Other Matters section below, the Consolidated Financial Results for the year ended March 31, 2020:
  - i. Includes the results of following entities: **Pace Automation Limited ("the Parent") and Confluence Pte Limited ("the Subsidiary");**
  - ii. is presented in accordance with the requirements of Regulation 33 of the SEBI (listing Obligations and Disclosure Requirements) Regulations, 2015 as amended; and
  - iii. gives a true and fair view in conformity with the recognition and measurement principles laid down in the 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 Group for the year then ended.
3. With respect to the Consolidated financial results for the quarter ended March 31, 2020 based on my review conducted and procedures performed as stated in Paragraph (b) of Auditor's Responsibilities section below and based on the consideration of the unaudited financial statements of the subsidiary as certified by the management referred to in Section Other Matters section below,

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nothing has come to my attention that causes me to believe that the Consolidated Financial Results for the Quarter ended March 31, 2020, prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards and Other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended including the manner in which it is to be disclosed, or that it contains any material misstatement.

#### **Basis for Opinion**

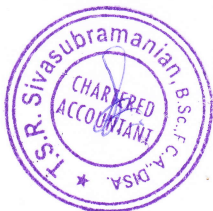
I conducted my audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. My responsibility under those Standards is further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to my audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and I have fulfilled my other ethical responsibilities in accordance with the requirements and the ICAI's Code of Ethics. I believe that the audit evidence I have obtained and the audit evidence obtained by other auditors in terms of their report referred to in Other Matters section below, is sufficient and appropriate to provide a basis for my audit opinion.

#### **Management Responsibility for the Financial Statements**

The Statement which includes Consolidated Financial Results is the responsibility of Parent's Board of Directors and has been approved by them for issuance. The Consolidated Financial Results for the year ended March 31, 2020 has been compiled from the related audited financial statements. This responsibility includes the preparation and presentation of Consolidated Financial Results for the quarter and year ended March 31, 2020 that give a true and fair view of the consolidated net profit and consolidated other comprehensive income and other financial information in accordance with the accounting principles generally accepted in India, including the Accounting Standards (Ind AS) referred to in Section 133 of the Act, read with rules made thereunder and Other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations.

The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for

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ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the respective financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of this Consolidated Financial Results by the Directors of the Parent, as aforesaid.

In preparing the financial statements, the respective Board of Directors of the Group are responsible for assessing the respective entity'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 respective Board of Directors of the companies included in the Group either intends to liquidate the respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the Companies included in the Group are responsible for overseeing the financial reporting process of the Group.

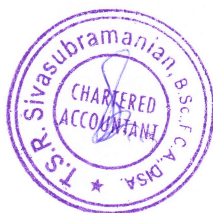
#### **Auditor's Responsibilities**

##### **(a) Audit of the Consolidated Financial Results for the year ended March 31, 2020**

My objectives are to obtain reasonable assurance about whether the Consolidated Financial Results for the year ended March 31, 2020 as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my 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 Consolidated Financial Results.

As part of an audit in accordance with SAs, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, 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 my 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.



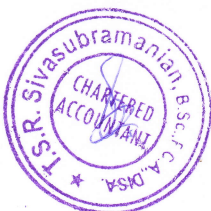
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- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Evaluate the appropriateness and reasonableness of disclosures made by the Board of Directors in terms of the requirements specified under Regulation 33 of the Listing Regulations.
- Conclude the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether any material uncertainty exists relating to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Annual financial Results, including the disclosures, and whether the Annual Consolidated Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.
- Perform procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the Listing Regulations to the extent applicable.
- Obtain sufficient appropriate audit evidence regarding the Annual Standalone Financial Information of the entities within the Group to express an opinion on the Annual Consolidated Financial Results. I am responsible for the direction, supervision and performance of the audit of financial information of entities included in the Annual Consolidated Financial Results of which I am the independent auditor. For the other entities included in the Annual Consolidated Financial Results, which have not been audited by any auditors, the Board of Directors of the subsidiary remain responsible for the direction, supervision and performance of the company since the same is not required to be audited as per the local laws. I remain solely responsible for my audit opinion.

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



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knowledgeable user of the Annual Consolidated Financial Results may be influenced. I consider quantitative materiality and qualitative factors in (i) planning the scope of my audit work and in evaluating the results of my work and (ii) to evaluate the effect of any identified misstatements in the Annual Consolidated Financial Results.

I 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 I identify during my audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be brought to bear on my independence, and where applicable, related safeguards.

**(b) Review of the Consolidated Financial Results for the Quarter ended March 31, 2020**

I have conducted my review of the Consolidated Financial Results for the quarter ended March 31, 2020 in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India (ICAI). A review of the interim financial information consists of making enquiries, primarily of the Company's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with SAs specified under section 143(10) of the Act and consequently does not enable me to obtain assurance that I would become aware of all significant matters that might be identified in an audit. Accordingly, I do not express an audit opinion.

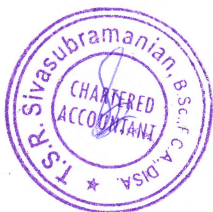
The Statement includes the results of the entities as listed under paragraph (a)(i) of Opinion and Conclusion section above.

As part of annual audit, I 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.

**Other Matters**

As stated in the notes to the Statement, the figures for the corresponding quarter ended March 31, 2019 are the balancing figures between the annual audited figures for the year then ended and the year to date figures for the nine months period ended December 31, 2018. I have not issued a separate limited review report on the results and the figures for the quarter ended March 31, 2019. My report on the statement is not modified in respect of this matter.

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The Statement includes the results for the quarter ended March 31, 2020 being the balancing figure between the 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 subjected to limited review by me. My report on the statement is not modified in respect of this matter.

I did not audit financial information of subsidiary included in the consolidated financial results, whose financial information reflect total assets of Rs. 4,80,091/- as at March 31, 2020 and total revenues of Rs. NIL for the year ended March 31, 2020, total net profit after tax of Rs. NIL for year ended March 31, 2020 and total comprehensive income of Rs. NIL for the year ended March 31, 2020 and net cash inflows of Rs. NIL for the year ended March 31, 2020, as considered in the Statement. The financial information of the subsidiary have not been audited by any other auditors and have been certified as true by the Board of Directors and furnished to me by the Management and my opinion and conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of the subsidiary, is based solely on the certification of the Board of Directors of the Parent company and the procedures performed by me as stated under Auditor's Responsibilities section above.

My report on the Statement is not modified in respect of the above matters with respect to my reliance on the unaudited financial results of the subsidiary duly certified by the Board of Directors of the Company.

Place: Chennai  
Date: 29.06.2020



**T. S. R. SIVASUBRAMANIAN**  
Chartered Accountant  
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