

DOOGAR & ASSOCIATES

Chartered Accountants

Independent Auditor's Report on Unaudited Standalone Quarterly and Year to Date Financial Results of South West Pinnacle Exploration Limited pursuant to the Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 as amended


To,
The Board of Directors
South West Pinnacle Exploration Limited

1. We have reviewed the accompanying statement of standalone unaudited financial results of South West Pinnacle Exploration Limited (the "company") for the quarter ended September 30, 2019 and year to date from April 01, 2019 to September 30, 2019 (the "Statement") attached herewith, being submitted by the company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

Attention is drawn to the fact that the statement of cash flows for the corresponding period from April 01, 2018 to September 30, 2018, as reported in these unaudited financial results have been approved by the Board of Directors of the Company, but have not been subjected to review.

2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement 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. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. Results for the quarter and half year ended September 30, 2018 reported under previous GAAP, included in the Statement, are based on previously issued results of the Company, prepared in accordance with the Accounting Standards as per Section 133 of the Companies Act, 2013 read with relevant rules. These results were reviewed by predecessor auditor, whose report dated November 02, 2018 have expressed an unqualified opinion on those financial results. The management has adjusted these results for the differences in accounting principles adopted by the Company on transition to the Indian Accounting Standards ('Ind As') and presented a reconciliation for the same, which has been approved by the Company's Board of Directors but the same has not been subjected to a limited review.
5. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For Doogar & Associates
Chartered Accountants
ICAI Firm registration number: 0005618


Vardhman Doogar
Partner
Membership No. 517347



UDIN:- 19517347 AAAA 5Q 2825

Place: Gurugram
Date: December 11, 2019

DOOGAR & ASSOCIATES

Chartered Accountants

Independent Auditor's Report on Unaudited Consolidated Quarterly and Year to Date Financial Results of South West Pinnacle Exploration Limited pursuant to the Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 as amended

To
Board of Directors
South West Pinnacle Exploration Limited

1. We have reviewed the accompanying statement of unaudited consolidated financial results ("the Statement") of South West Pinnacle Exploration Limited ("the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), and its joint venture (refer Annexure 1 for the list of subsidiaries and joint venture included in the statement) for the quarter ended September 30, 2019 and the consolidated year to date results for the period April 01, 2019 to September 30, 2019, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

Attention is drawn to the fact that the cash flow figures for the corresponding six months period ended September 30, 2018 have been approved by the Company's Board of Directors, but have not been subjected to audit or review.

2. This statement which is the responsibility of the Holding Company's management and approved by the Holding Company's Board of Directors, have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting (Ind AS 34), prescribed under Section 133 of the Companies Act, 2013 ("the Act"), SEBI CIR/CFD/FAC/62/2016 dated July 05, 2016, (hereinafter referred to as 'the SEBI Circular'), and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review 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. This standard requires that we plan and perform the review to obtain reasonable assurance about whether the financial results are free from material misstatements. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. Based on our review conducted and procedure performed as stated above and upon consideration of the review reports of other auditors referred to in paragraph below, nothing has come to our attention that causes us to believe that the accompanying statement, prepared in accordance with the applicable Accounting Standards i.e. Indian Accounting Standards 'IND AS' prescribed u/s 133 of the Companies Act, 2013 read with relevant rules issued there under and other recognized accounting practices and policies generally accepted in India has not disclosed the information required to be disclosed in terms of Regulation, read with the Circular, including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. Results for the quarter and half year ended September 30, 2018 reported under previous GAAP, included in these consolidated Ind AS financial results, are based on previously issued results of the Company, prepared in accordance with the Accounting Standards as per Section 133 of the Companies Act, 2013 read with relevant rules. These results were reviewed by predecessor auditor, whose report dated November 02, 2018 have expressed an unqualified opinion on those financial results. The management has adjusted these results for the differences in accounting principles adopted by the Company on transition to the Indian Accounting Standards



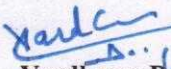
('Ind As') and presented a reconciliation for the same, which has been approved by the Company's Board of Directors but the same has not been subjected to a limited review.

6. We did not review the interim financial results of subsidiary included in the Statement whose financial information reflects total assets of Rs. 861.03 Lakhs as at September 30, 2019 and total revenues of Rs. 122.98 Lakhs and Rs. 216.17 Lakhs, total net profit after tax of Rs 12.16Lakhs and Rs. 16.71 Lakhs, total comprehensive income of Nil and Nil, for the quarter and six-month period ended on September 30, 2019, respectively, and cash inflows (net) of Rs. 55.75 lakhs for the period ended September 30, 2019, as considered in the Statement. The interim financial results have been reviewed by other auditor, whose review report have been furnished to us by the management, and our conclusion in so far as it relates to the amounts and disclosures included in respect of the subsidiary is based solely on the review report of such other auditor and procedure performed by us sated in paragraph 3.
7. The Statement also includes the Group's share of net profit/(loss) after tax of Rs. (14.59) Lakhs and Rs. (14.59) lakhs, for the quarter and six-month period ended on September 30, 2019, respectively, as considered in the Statement, in respect of one joint venture, whose interim financial results have not been reviewed by us. The interim financial results of the joint venture have not been reviewed by other auditors and have been furnished to us by the management, and our conclusion in so far as it relates to the amounts and disclosures included in respect of joint venture is based solely on the management certified accounts. Our review report is not modified in respect of these matters..

For Doogar & Associates

Chartered Accountants

ICAI Firm registration number: 000561N



Vardhman Doogar
Partner
Membership No. 517347

UDIN:- 19517347AAAASR7873

Place: Gurugram

Date: December 11, 2019

Annexure 1 - List of entities included in the Statement

List of subsidiaries

Name of the Entity
Pilot Pipelines Private Limited
South West International DWC LLC *

*Ceased to be subsidiary from December 18, 2018.

List of Joint Venture

Name of the Entity
Alara Resources LLC



SOUTH WEST PINNACLE EXPLORATION LIMITED
CIN-L13203HR2006PLC049480

Regd. Off. : Siddhartha House, 4th Floor, Plot No-6, Sec-44, Gurugram-122003 (Haryana) INDIA
Statement of Standalone & Consolidated Unaudited Financial Results for the Quarter and Half Year Ended September 30, 2019

(Rs in Lacs except per share data)

Sl. No.	Particulars	STANDALONE						CONSOLIDATED								
		Quarter Ended		Half Year Ended		Quarter Ended		Half Year Ended								
		30.09.2019 (Unaudited)	30.06.2019 (Unaudited)	30.09.2018 (Unaudited)	30.09.2019 (Unaudited)	30.06.2019 (Unaudited)	30.09.2018 (Unaudited)	30.09.2019 (Unaudited)	30.06.2019 (Unaudited)	30.09.2018 (Unaudited)						
I	INCOME FROM OPERATIONS															
	(a) Revenue from operations	1953.09	1330.07	1852.91	3283.16	3459.27	2075.08	1422.55	1867.42	3497.63	3616.89					
	(b) Other Income	35.26	22.15	229.91	57.41	273.11	36.25	22.86	229.91	59.10	273.11					
	Total Income	1988.35	1352.22	2082.82	3340.57	3732.38	2111.33	1445.41	2097.33	3556.73	3890.00					
II	Expenses:															
	(a) Cost of Materials Consumed	381.78	235.14	327.89	616.92	772.32	410.56	248.20	328.68	658.76	770.79					
	(b) Other Operating Expenses	524.70	306.13	515.82	830.83	937.01	543.54	331.59	516.16	875.13	993.48					
	(c) Employees benefits expense	399.82	400.06	289.70	799.88	693.27	424.37	416.64	321.86	841.01	741.88					
	(d) Finance Cost	112.63	86.01	113.41	198.64	193.27	125.41	98.41	131.25	223.82	230.01					
	(e) Depreciation and amortisation expense	133.85	125.73	156.86	259.57	313.72	147.15	138.46	169.09	285.61	338.18					
	(f) Other expenses	81.28	167.62	172.37	248.90	281.97	88.23	175.51	180.64	263.73	322.09					
	Total Expenses	1634.06	1320.69	1576.05	2954.74	3191.56	1739.27	1408.81	1647.68	3148.06	3396.43					
III	Profit/(Loss) before Exceptional items and tax	354.29	31.53	506.77	385.83	540.82	372.07	36.60	449.65	408.67	493.57					
IV	Exceptional Items	-	-	-	-	-	.00	-	-	-	-					
V	Share of Profit/(Loss) of joint venture	-	-	-	-	-	-14.59	-	.00	-	-					
VI	Profit/(Loss) before tax	354.29	31.53	506.77	385.83	540.82	357.47	36.60	449.65	394.08	493.57					
VII	Tax Expense:															
	(a) Current tax	130.89	8.77	155.70	139.65	162.61	135.09	8.77	155.70	143.86	162.61					
	(b) Deferred tax	-17.31	4.00	-17.57	-13.31	-9.08	-15.89	4.51	-18.07	-11.38	-9.08					
	Total Tax Expense	113.58	12.77	138.13	126.35	153.53	119.20	13.28	137.63	132.48	153.53					
VIII	Net Profit/(Loss) for the period	240.71	18.76	368.64	259.48	387.29	238.27	23.32	312.02	261.60	340.04					
IX	Net Profit/(Loss) for the period attributable to:															
	Owner's of the parent						238.27	21.28	337.21	259.55	360.88					
	Non Controlling interest						-	2.04	-25.19	2.05	-20.84					
X	Other Comprehensive Income															
	(i) Items that will not be reclassified to profit or loss	15.66	6.18	11.20	21.83	19.71	15.66	6.18	11.20	21.83	19.71					
	(ii) Income tax relating to items that will not be reclassified to profit or loss	-3.78	-1.72	-3.97	-5.50	-5.70	-3.78	-1.72	-3.97	-5.50	-5.70					
	Total Other Comprehensive Income for the period attributable to:	11.88	4.46	7.23	16.33	14.01	11.88	4.46	7.23	16.34	14.01					
	Owner's of the parent						11.88	4.46	7.23	16.34	14.01					
	Non Controlling interest						-	-	-	-	-					
	Total Comprehensive Income for the period attributable to:						11.88	4.46	7.23	16.34	14.01					
	Total Other Comprehensive Income for the Period attributable to:						252.59	23.22	375.87	275.81	401.30					
	Owner's of the parent						250.15	25.74	344.44	275.89	374.89					
	Non Controlling interest						-	2.04	-25.19	2.05	-20.84					
XIII	Earnings per share (Face Value of Rs.10/- each)															
	(a) Basic	0.86	0.07	1.32	0.93	1.39	0.85	0.08	1.12	0.94	1.22					
	(b) Diluted	0.86	0.07	1.32	0.93	1.39	0.85	0.08	1.12	0.94	1.22					

SOUTH WEST PINNACLE EXPLORATION LIMITED
Statement of Standalone and Consolidated Assets and Liabilities

(Rs. in lakhs)

Particulars		Standalone	Consolidated
		As at 30.09.2019	As at 30.09.2019
ASSETS			
Non-current assets			
1	Property, Plant and Equipment	3,359.95	3,843.12
2	Investment Property	493.97	493.97
3	Goodwill	-	11.21
4	Right of Use Assets	217.29	217.29
5	Financial assets		
	Investments	333.34	276.38
	Other Financial Asset	118.67	120.96
6	Other Non-current Asset	1,000.88	1,000.88
Total Non-current assets		5,524.10	5,963.81
Current assets			
1	Inventories	2,892.32	2,892.32
2	Financial assets		
	Trade Receivables	4,676.97	4,949.55
	Cash and cash equivalents	104.19	167.75
	Bank Balances other than above	216.34	216.34
	Loans	248.70	70.70
	Other Financial Assets	195.79	196.54
3	Other Current Assets	573.28	600.46
Total Current Assets		8,907.59	9,093.66
Total Assets		14,431.69	15,057.47
EQUITY AND LIABILITIES			
Equity			
1	Equity Share capital	2,790.24	2,790.24
2	Other Equity	5,465.70	5,387.92
Total Equity		8,255.94	8,178.16
Liabilities			
Non-current liabilities			
1	Financial Liabilities		
	Borrowings	961.04	1,222.20
	Lease Liabilities	211.04	211.04
	Other Financial Liabilities	3.38	3.38
2	Provisions	78.43	78.43
3	Deferred tax liabilities (net)	365.06	376.66
4	Other Non-Current liabilities	26.00	26.00
Total Non-current liabilities		1,644.95	1,917.71
Current liabilities			
1	Financial Liabilities		
	Borrowings	2,081.07	2,462.73
	Lease Liabilities	29.99	29.99
	Trade payables		
	a. Total outstanding dues to MSME; and	27.85	27.85
	b. Total outstanding dues to creditors other than MSME	793.57	832.79
	Other Financial Liabilities	1,398.03	1,406.52
2	Other current liabilities	37.98	44.14
3	Provisions	78.86	78.86
4	Current Tax Liabilities (Net)	83.45	78.72
Total Current Liabilities		4,530.80	4,961.60



SOUTH WEST PINNACLE EXPLORATION LIMITED
Statement of Standalone and Consolidated cash flow

(Rs. in lakhs)

Particulars	Standalone		Consolidated	
	Half year ended 30.09.19	Half year ended 30.09.18	Half year ended 30.09.19	Half year ended 30.09.18
A Cash Flow From Operating Activities				
Net Profit Before Tax	385.83	540.82	394.08	493.57
Adjustment for :-				
Share of (Profit)/Loss of Joint Venture	-	-	14.59	-
Depreciation & Amortisation Cost	259.57	313.72	285.61	338.18
Interest Income	(9.04)	(9.10)	(9.04)	(9.10)
Finance Costs	187.61	181.32	223.82	230.01
Unwinding of interest on security deposits given	0.05	0.07	0.05	0.07
Unwinding of interest on security deposits taken	(0.38)	(0.39)	(0.38)	(0.39)
Unwinding of lease rentals	10.88	11.81	10.88	11.81
Net (Profit)/Loss on foreign currency transactions and translations	(5.56)	(86.72)	(5.56)	(86.72)
(Profit)/Loss on the sale of plant & equipment	86.15	(143.10)	86.15	(143.10)
Operating Profit Before Working Capital Changes	915.11	808.43	1,000.20	834.33
Adjustment for:-				
Decrease/ (Increase) in Inventories	(138.28)	(186.51)	(138.28)	(186.51)
Decrease/ (Increase) in Trade receivables	(38.72)	1,046.74	(131.79)	954.62
Decrease/ (Increase) in Other Current Assets	(141.50)	(259.53)	(130.31)	(212.04)
Decrease/ (Increase) in Other Non-Current Assets	(91.91)	42.83	(92.53)	43.05
Decrease/ (Increase) in Other Non-Current Liabilities	(23.13)	(21.75)	(22.38)	(21.75)
Increase/ (Decrease) in Trade payables	(306.45)	(336.36)	(291.30)	(258.66)
Increase/ (Decrease) in Provisions	30.79	30.45	29.58	36.14
Increase/ (Decrease) in Other Liabilities	621.30	(303.07)	443.36	(344.28)
Cash Generated From Operations	827.21	821.23	666.55	844.90
Less: Direct Tax Paid (Including TDS)	118.81	214.68	146.08	210.42
Cash used(-)/(+)generated from operating activities (a)	708.40	606.55	520.47	634.48
B Cash Flow From Investing Activities				
Interest Income	9.04	9.10	9.04	9.10
Advance given for Capital goods	(989.39)	-	(989.39)	-
(Purchase)/Sale of Property, Plant and Equipment	(114.92)	1,428.52	(170.71)	1,354.12
(Purchase)/Sale of Investments	(20.85)	(14.26)	(19.72)	(7.70)
Loans/Deposits repaid/(given)	(178.65)	0.04	(0.65)	0.04
Payment for acquisition of balance share in Subsidiary	-	-	1.13	-
Cash used(-)/(+)generated from Investing activities (b)	(1,294.77)	1,423.40	(1,170.30)	1,355.56
C Cash Flow from Financing Activities				
Proceeds/(Repayment) of Long Term Borrowings	655.44	(231.01)	838.53	129.66
Proceeds/(Repayment) of Short Term Borrowings	(189.95)	(327.00)	(217.61)	(579.83)
Share of Non Controlling Interest of Subsidiary	-	-	-	(20.84)
Finance Cost	(187.61)	(181.32)	(223.82)	(230.01)
Dividend Paid (including Dividend Distribution tax)	(48.61)	-	(48.61)	-
Cash used(-)/(+)generated from Financing activities (c)	229.27	(739.33)	348.49	(701.02)
Net increase(+)/decrease (-) in cash and cash equivalents (a+b+c)	(357.10)	1,290.62	(301.34)	1,289.02
Cash and cash equivalents opening balance	677.63	257.84	685.43	293.80
Cash and cash equivalents closing balance	320.53	1,548.46	384.09	1,582.82
Component of Cash and cash equivalents (year end)				
a) Cash and cash equivalents	22.08	1,211.29	167.75	1,245.65
b) Other Bank Balances	298.45	337.17	216.34	337.17



Notes to Statement of Unaudited Standalone and Consolidated Financial Results for the Quarter and Half Year Ended September 30, 2019

1. The above results have been reviewed by the Audit Committee and subsequently approved by the Board of Directors at its meeting held on December 11, 2019. Further, in accordance with the requirement under SEBI (Listing and Obligation Disclosure Requirement) Regulations, 2015, the statutory auditors have carried out limited review for the quarter and half year ended September 30, 2019.
2. The financial results do not include the figures for the previous year ended March 31, 2019 as per exemption granted under SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.
3. As the Company has migrated from SME Platform to the Main Board of NSE w.e.f. April 18, 2019, the Company has adopted Indian Accounting Standards (IndAS) notified under section 133 of the Companies Act, 2013 (the "Act") read with the Companies (Indian Accounting Standards) Rules, 2015 from April 1, 2019 and the effective date of such transition is April 1, 2018. Such transition has been carried out from the erstwhile Accounting Standards notified under the Act read with relevant rules issued thereunder (collectively referred to as 'the Previous GAAP'). Accordingly, the impact of transition has been recorded in the opening reserves as at April 1, 2018 and the corresponding figure presented in these results have been prepared on the basis of previously published unaudited results under Previous GAAP for the relevant periods, duly restated to Ind AS.
4. The comparative figures for the quarter and half year ended September 30, 2018 have been restated by the management as per Ind AS and have not been subject to Limited Review of the auditor. However, the management has exercised necessary Due Diligence to ensure that the financial results provide a true and fair view of the company's affairs.
5. The Statement of Cash Flows for the corresponding half year ended September 30, 2018 have been approved by the Company's Board of Directors, but have not been subjected to limited review.
6. Reconciliation of the financial results reported under the Previous Indian Generally Accepted Accounting Principles (IGAAP) to total comprehensive income in accordance with Ind AS is summarised below :-

Standalone Reconciliation

Particulars	(Rs. in Lakhs)	
	Quarter ended 30.09.18 (Unaudited)	Half year ended 30.09.18 (Unaudited)
Net profit as per previous GAAP (Indian GAAP)	375.62	405.15
Ind-AS Adjustments :		
Actuarial gain/(loss) on defined benefit plans recognised in other comprehensive income	(2.77)	(9.35)
Impact of measurement of financial assets and liabilities at amortised cost	0.16	0.33
Other miscellaneous adjustments	(4.37)	(8.84)
Net profit as per Ind AS	368.64	387.29
Other Comprehensive Income (net of tax)	7.23	14.01
Total Comprehensive income as reported under Ind AS	375.87	401.30



Consolidated Reconciliation

Particulars	(Rs. in Lakhs)	
	Quarter ended 30.09.18 (Unaudited)	Half year ended 30.09.18 (Unaudited)
Net profit as per previous GAAP (Indian GAAP)	319.04	357.92
Ind-AS Adjustments :		
Actuarial gain/(loss) on defined benefit plans recognised in other comprehensive income	(2.77)	(9.35)
Impact of measurement of financial assets and liabilities at amortised cost	0.16	0.33
Other miscellaneous adjustments	(4.41)	(8.86)
Net profit as per Ind AS	312.02	340.04
Other Comprehensive Income (net of tax)	7.23	14.01
Total Comprehensive income as reported under Ind AS	319.25	354.05

7. The Company has adopted Ind AS -116 "Leases" effective 1st April, 2018 as notified by the Ministry of Corporate Affairs (MCA) and has applied the Standard to its leases. This has resulted in recognising right-of-use assets and corresponding lease liabilities. The impact of adoption of Ind AS -116 on the results is not material.
8. During the quarter no investor's complaint was received and disposed off and pending either at the beginning or at the end of the quarter.
9. The Company has acquired 45% shares of its Subsidiary M/s Pilot Pipelines Private Limited (PPPL) on July 5, 2019, thus making PPPL a wholly owned subsidiary.
10. Consolidated financial results include results of the following entities:-

Name of the Entity	Relationship
Pilot Pipelines Private Limited	Wholly Owned Subsidiary
South West International DWC LLC *	Wholly Owned Subsidiary
Alara Resources LLC	Joint Venture

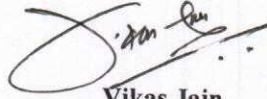
*Ceased to be Subsidiary from December 18, 2018.

11. The Company's business falls within a single business segment of exploration and mining. Accordingly, there are no separate reportable segment as per Ind AS 108 dealing with Operating Segment.
12. The company being in the business of drilling and exploration, mobilization and demobilization of resources including rigs may sometimes have an effect on the revenue and profitability.
13. The above financial results are available on the website of the Company i.e. www.southwestpinnacle.com and on the website of National Stock Exchange i.e. www.nseindia.com.
14. The Company has issued Bonus Shares in April, 2019. As per Ind AS 33 ("Ind AS on Earnings per Share"), for the calculation of EPS, the increase in number of shares due to Bonus issue is adjusted retrospectively in all the prior periods presented in the results.



15. The figures of the previous period(s) have been re-grouped/reclassified wherever considered necessary.

For and on behalf of the Board of Directors of
South West Pinnacle Exploration Ltd.



Vikas Jain
Chairman and Managing Director
DIN : 00049217



Place: Gurugram

Date: December 11, 2019