



## HOUSE OF PEARL FASHIONS LIMITED

Regd. Office: "Pearl House", A-3, Community Centre, Naraina Industrial Area, Phase-II, New Delhi-110 028  
 UNAUDITED FINANCIAL RESULTS FOR THE THIRD QUARTER & NINE MONTHS ENDED 31ST DECEMBER 2007.

Sl. No.	Particulars	Consolidated			Standalone		
		Financial QTR Ended 31.12.2007	Financial Nine Months Ended 31.12.2007	Financial Year Ended 31.03.2007	Financial QTR Ended 31.12.2007	Financial Nine Months Ended 31.12.2007	Financial Year Ended 31.03.2007
		(Unaudited)	(Unaudited)	(Audited)	(Unaudited)	(Unaudited)	(Audited)
1	Net Sales/Income from Operations	23,752.66	<b>77,288.51</b>	94,126.89	-	-	627.59
2	Other Income	587.83	<b>1,814.04</b>	1,122.42	<b>384.32</b>	<b>1,255.83</b>	472.85
3	Total Income	<b>24,340.49</b>	<b>79,102.55</b>	<b>95,249.31</b>	<b>384.32</b>	<b>1,255.83</b>	<b>1,100.44</b>
4	Expenditure						
	a) (Increase)/Decrease in stock in trade	117.55	<b>460.26</b>	(4,144.03)	-	-	-
	b) Consumption of raw material	3,875.26	<b>12,619.76</b>	11,541.18	-	-	116.03
	c) Purchase of Traded Goods (including cost of raw material sold)	10,780.97	<b>35,715.36</b>	49,904.20	-	-	222.12
	d) Employee Cost	2,923.93	<b>8,839.51</b>	10,255.06	<b>20.10</b>	<b>53.56</b>	27.37
	e) Depreciation	358.99	<b>986.58</b>	1,176.63	<b>0.45</b>	<b>1.16</b>	3.85
	f) Manufacturing Expenses	1,618.20	<b>5,907.33</b>	7,154.63	<b>(7.34)</b>	<b>0.65</b>	55.98
	g) Other Expenditure	2,660.57	<b>8,272.75</b>	10,598.55	76.53	<b>208.65</b>	111.51
	h) Total	<b>22,335.47</b>	<b>72,801.55</b>	86,486.22	89.74	<b>264.02</b>	536.86
5	Interest	251.13	<b>959.79</b>	1,396.69	-	<b>1.43</b>	132.82
6	Exceptional items	-	-	-	-	-	-
7	Profit(+) /Loss (-) from Ordinary Activities before tax (3)-(4+5+6)	1,753.89	<b>5,341.21</b>	7,366.40	294.58	<b>990.38</b>	430.76
8	Tax expenses	(321.33)	<b>(1,004.25)</b>	(2,101.50)	(28.11)	<b>(60.16)</b>	5.65
9	Net Profit (+)/Loss (-) from Ordinary Activities after tax (7-8)	<b>1,432.56</b>	<b>4,336.96</b>	5,264.90	266.47	<b>930.22</b>	436.41
10	Extraordinary Items (Net of tax expenses)	-	-	-	-	-	-
11	Net Profit(+)/loss(-) for the period (9-10)	1,432.56	<b>4,336.96</b>	5,264.90	266.47	<b>930.22</b>	436.41
12	Minority Interest	(110.61)	<b>(126.32)</b>	(487.77)	-	-	-
13	Net Profit after Minority Interest	1,321.95	<b>4,210.64</b>	4,777.13	-	-	-
14	Paid-up Equity Share capital (Face Value of Rs. 10/- each)	1,950.03	<b>1,950.03</b>	1,950.03	1,950.03	<b>1,950.03</b>	1,950.03
15	Reserves excluding Revaluation Reserves as per balance sheet of previous accounting year	-	-	31,513.28	-	-	27,606.15
16	Earning Per Share						
	a) Basic and diluted EPS before Extraordinary items.						
	-Basic	7.35	<b>22.24</b>	32.23	1.37	<b>4.77</b>	2.24
	-Diluted	-	-	-	-	-	-
	b) Basic and diluted EPS after Extraordinary items.						
	-Basic	7.35	<b>22.24</b>	32.23	1.37	<b>4.77</b>	2.24
	-Diluted	-	-	-	-	-	-
17	Public shareholding						
	- No. of shares	6,755,506	<b>6,755,506</b>	6,755,506	6,755,506	6,755,506	6,755,506
	- Percentage of shareholding	34.64	<b>34.64</b>	35.42	34.64	34.64	35.42

NOTES TO INDEPENDENT AND CONSOLIDATED FINANCIALS:

- 1) The above financial results were reviewed by the Audit Committee and taken on record by the Board of Directors in their meeting held on 29th Jan 2008, subject to Limited Review by the Statutory Auditors of the Company.
- 2) During the quarter ended 31st Dec 2007, Company received and resolved 15 complaints, there were no pending complaints at the beginning or at the end of the quarter.
- 3) Statement of Utilization of issue proceeds as on 31st Dec 2007.

Purpose of Utilisation of Funds	Projected Utilisation upto 31st March,2008	Actual Utilisation upto 31st Dec,2007
Investment in Subsidiary Company to increase the Group's production capacity	4206.00	825.00
Investment in Subsidiary for establishment of a Design Centre and corporate office in Gurgaon.	380.00	-
Setting up an Integrated Information Technology System.	1,223.00	369.65
Pre-payment of Certain Term Loans availed by the company and its subsidiaries.	5,504.00	3,871.57
Investment in its subsidiary company M/s.Multinational Textiles Group Ltd,for payment of purchase in consideration to SACB Holding Limited and Pallas Holding Limited as part of the group restructuring.	5107.00	4,923.16
Setting up a Domstic Branded apparel retail business & Acquisition of an existing brand in UK or the US for retail outside India.	5,774.00	-
Share issue Expenses	1,786.00	1,915.73
<b>Total</b>	<b>23,980.00</b>	<b>11,905.11</b>

Unutilised funds have been invested in Debt Mutual funds & fixed Deposits and Rs.2,000 Lacs has been given to a subsidiary for repayment of its high interest bearing working capital loan as interim use of proceeds,this is subject to approval of shareholders.

- 4) The figures for the previous period / year have been regrouped /rearranged / recast wherever necessary to confirm to this years / quarters classifications.
- 5) The company shares were listed on the stock Exchange, first time in Feb'07,before listing company was not required to publish results.As a result, company has not reported comparative figures for the corresponding period..
- 6) The Company completed a restructuring and combined its domestic and international operations under one Company, House of Pearl Fashions Ltd. As a result previous year figures are not comparable.
- 7) Adjustments,if any,would be made at the year end that may arise with regard to revised Accounting Standard 15 on "Employee Benefits" issued by Institute of Chartered Accountants of India.
- 8) Except for Bangladesh entites,which are located in Export promotion zone and are in the Tax holidays period,the Deffered tax has been reckoned for all other entites.
- 9) The Company has published its consolidated results and its standalone results can be viewed at "Website" of Bombay Stock Exchange at [www.bseindia.com](http://www.bseindia.com) and National Stock Exchange at [www.nseindia.com](http://www.nseindia.com).
- 11) The minority share in the profit stands at Rs.110.60 Lacs for the quarter ended Dec'07 and Rs.126.32 Lacs for the Nine months ended Dec'07.EPS post minority stands at Rs.6.78 & Rs.21.59 for the Quarter ended and Nine months ended respectively.

## 10) Segment Reporting

<u>Geographical Segment</u> <u>Particulars</u>	<u>Qtr Ended</u> <u>31.12.2007</u>	<u>%</u>	<u>Nine Months</u> <u>31.12.2007</u>	<u>%</u>	<u>Year Ended</u> <u>31.03.2007</u>	<u>%</u>
<u>Segment Revenue</u>						
USA	1,371.46	5.46	6,977.50	8.05	12,186.98	14.05
UK	4,905.35	19.51	20,743.46	23.92	28,983.74	33.42
Hong Kong	8,144.32	32.40	26,221.18	30.24	29,049.66	33.50
India	7,295.19	29.02	22,283.08	25.70	21,356.19	24.63
Bangladesh	1,961.10	7.80	6,262.14	7.22	7,527.59	8.68
Others	1,459.85	5.81	4,233.64	4.88	4,883.28	5.63
<b>Total</b>	<b>25,137.27</b>		<b>86,721.00</b>		<b>103,987.44</b>	
Less: Inter Segment Revenue	1,755.17		7,618.45		8,739.58	
<b>Net Segment Revenue</b>	<b>23,382.10</b>		<b>79,102.55</b>		<b>95,247.86</b>	
<b>Segment results before Tax And Interest</b>						
USA	(192.79)	9.25	139.28	2.20	618.52	9.77
UK	502.91	24.14	1,983.89	31.34	2,777.62	43.87
Hong Kong	665.90	31.96	2,396.08	37.85	2,556.42	40.38
India	537.59	25.80	660.12	10.43	1,718.48	27.14
Bangladesh	269.74	12.95	834.07	13.17	657.72	10.39
Others	107.57	5.16	317.38	5.01	452.29	7.14
<b>Total</b>	<b>1,890.92</b>		<b>6,330.82</b>		<b>8,781.05</b>	
Less : (i) Interest	157.26		959.79		1,396.70	
(ii) Other Un-allocable Expenditure net off.	-	-	-	-	-	-
(iii) Un-allocable income	-	-	-	-	-	-
<b>Total Profit before Tax</b>	<b>1,733.66</b>		<b>5,371.03</b>		<b>7,384.35</b>	
<b>Capital Employed per Segment</b>						
USA	1,915.99	3.38	1,915.99	3.38	2,040.08	4.64
UK	11,004.34	19.41	11,004.34	19.41	7,909.54	18.01
Hong Kong	8,822.78	15.56	8,822.78	15.56	7,552.46	17.19
India	29,345.15	51.76	29,345.15	51.76	21,550.19	49.06
Bangladesh	4,370.33	7.71	4,370.33	7.71	3,980.58	9.06
Others	1,233.99	2.18	1,233.99	2.18	890.18	2.03
<b>Total</b>	<b>56,692.58</b>		<b>56,692.58</b>		<b>43,923.03</b>	

<u>Business Segment</u>	Qtr Ended	%	Nine Months	%	Year Ended	%
<u>Particulars</u>	31.12.2007	-	31.12.2007		31.03.2007	
<u>Segment Revenue</u>						
Manufacturing	11,734.87	44.97	32,794.08	37.82	33662.88	32.37
Marketing, Distribution	14,360.77	55.03	53,926.89	62.18	70322.15	67.63
Others	0.01	0.00	0.01	0.00	2.41	0.00
Total	26,095.65		86,720.98		103987.44	
Less: Inter Segment Revenue	1,755.17		7,618.45		8739.58	
Net Segment Revenue	24,340.48		79,102.53		95247.86	
<u>Segment results before Tax And Interest</u>						
Manufacturing	895.90	47.18	1,815.55	28.60	2,791.49	31.79
Marketing, Distribution	1,002.84	52.82	4,533.38	71.40	6,009.92	68.44
Others	(7.83)	0.41	(18.12)	0.29	(20.36)	(0.23)
Total	1,890.91		6,330.81		8,781.05	
Less : (i) Interest	157.26	261.10	959.79			
(ii) Other Un-allocable Expenditure net off.	-	-	-			
(iii) Un-allocable income	-	-	-			
Total Profit before Tax	1,733.65		5,371.02			
<u>Capital employed per segment</u>						
Manufacturing	34813.48	61.41	34813.48	61.41	26,343.83	59.98
Marketing, Distribution	21772.35	38.40	21772.35	38.40	17,501.88	39.85
Others	106.75	0.19	106.75	0.19	77.32	0.18
Total	56,692.58		56692.58		43,923.03	

For current period & previous year, the geographical segments of the Company based on the location of assets are United States of America, United Kingdom, Hong Kong, India and Bangladesh.

The business segments considered by the Company are:

- Manufacturing
- Marketing, Distribution, Sourcing and Trading.

For HOUSE OF PEARL FASHIONS LIMITED

Sd/-  
(PULKIT SETH)  
MANAGING DIRECTOR

Place : Gurgaon  
Date : 29th Jan 2008