

KINETIC ENGINEERING LIMITED

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 CIN : L35912MH1970PLC014819

STATEMENT OF AUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED AND YEAR ENDED ON 31st MARCH, 2018

Sr. No.	Particulars	Quarter ended			Year to date	
		31-Mar-2018	31-Dec-2017	31-Mar-2017	31-Mar-2018	31-Mar-2017
		(3 months)	(3 months)	(3 months)	(12 months)	(12 months)
		Audited	Unaudited	Audited	Audited	Audited
1	Income from Operations					
	(a) Net Sales / Income from Operations (Including excise duty)	2,794	2,297	2,590	10,230	8,525
	(b) Other Operating Income	7	6	12	26	39
	(c) Revenue from Operations (a + b)	2,801	2,303	2,602	10,256	8,564
	(d) Other Income	158	149	214	592	625
	Total Income (c+d)	2,959	2,452	2,816	10,848	9,189
2	Expenses					
	(a) Cost of material consumed	1,773	1,405	1,502	6,037	4,848
	(b) Purchases of stock-in-trade	-	-	-	-	-
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(118)	(50)	(89)	(227)	(218)
	(d) Excise Duty on Sales	-	(1)	160	162	614
	(e) Employee benefits expenses	580	615	629	2,429	2,223
	(f) Finance costs	129	123	122	496	496
	(g) Depreciation and amortization expense	195	207	204	791	814
	(h) Exchange (Gain)/Loss	(15)	11	31	(10)	8
	(i) Other expenses	552	463	471	1,947	1,705
	Total Expenses	3,096	2,773	3,030	11,625	10,490
	Gain on waiver of loan	-	-	-	-	-
3	Profit / (Loss) from before tax (2-3)	(137)	(321)	(214)	(777)	(1,301)
4	Tax Expenses					
	(a) Current Tax	-	-	-	-	-
	(b) Deferred Tax	-	-	-	-	-
	Total Tax Expenses	-	-	-	-	-
5	Net Profit / (Loss) after tax (3-4)	(137)	(321)	(214)	(777)	(1,301)
6	Other Comprehensive Income (Net of Tax)					
	(a) Items that will not be reclassified to Profit or Loss					
	(i) Re-measurement of the net defined benefit plan (net of tax)	26	-	(14)	26	(57)
	(ii) Income Tax Effect	-	-	-	-	-
	Total Other Comprehensive Income	26	-	(14)	26	(57)
7	Total Comprehensive Income for the period (5+6)	(111)	(321)	(228)	(751)	(1,358)
8	Paid-up Equity share capital (Face value of Rs. 10/- per share)	1,771	1,673	1,673	1,771	1,673
9	Earnings Per Share (of Rs. 10/- each) (not annualized)					
	(a) Basic	(0.63)	(1.92)	(1.36)	(4.24)	(8.12)
	(b) Diluted	(0.63)	(1.92)	(1.36)	(4.24)	(8.12)



Approved

Notes:

- The above results are reviewed and recommended by the Audit Committee and taken on record and approved by the Board of Directors in its meeting held on 29th May 2018. The Statutory Auditors have expressed an unmodified opinion on these results.
- In accordance with the requirements of Ind AS, Revenue from Operations for the quarter ended March 31, 2018 is net of Goods and Service Tax (GST). However, Revenue from Operations for the period upto June 30, 2017 is inclusive of excise duty.
- The auditors have carried out audit of the above results for the quarter ended 31st March 2018. Ind AS compliant financials results for the quarter ended 31st March 2017 have not been subjected to audit review. However, the management has exercised necessary due diligence to ensure that the financial results for the said quarter provide a true and fair view of the affairs of the company.
- Figures for the previous periods have been regrouped / reclassified, wherever necessary, to conform to current period's presentation.
- Deferred Tax Asset in respect of carried forward losses is recognized to the extent of Deferred Tax Liability.
- Consequent to transition from previous Indian GAAP to Ind AS, the reconciliation of total comprehensive income for the quarter and year ended on 31st March 2017 is provided as below for previous period presented, in accordance with Ind AS:-

Particulars	(Rs. In Lakhs)	
	Quarter ended March 31,2017	Year ended March 31,2017
Net Profit/(Loss) as per previous Indian GAAP	(243)	(1,417)
Add/(Less): Adjustment pursuant to adoption of IND AS		
Fair Valuation of Unsecured loan from Promoters (net) (refer note 8.)	17	69
Fair Valuation of Investment (refer note 9.)	3	10
Actuarial gains/ loss on post employment defined benefit plans (refer note 10.)	14	57
Fair Value of concessional interest loan (net) (refer note 11.)	(5)	(20)
Deferred tax impact on above adjustment less deferred tax assets (adjustment to the extent of deferred tax liability (Refer Note 5.))	-	-
Net Profit/(Loss) for the period as per IND-AS	(214)	(1,301)
Other Comprehensive Income (OCI)		
Actuarial gains/ loss on post employment defined benefit plans (refer note 10.)	(14)	(57)
Deferred tax impact on above adjustment less deferred tax assets (adjustment to the extent of deferred tax liability (Refer Note 5.))	-	-
Total Other Comprehensive Income	(14)	(57)
Total Comprehensive Income as per IND AS	(228)	(1,358)

7 Classification of Preference Shares.

Preference shareholders have given their "in-principal consent" for waiver of cumulative fixed dividend on their preference shares and for converting them into equity shares as per the applicable laws. In view of the above, no provision for dividend under finance cost has been considered necessary.

8 Unsecured loan from Promoters

Under Ind AS, unsecured loan from promoters is recognised at its fair value. The difference between the transaction value and fair value on initial recognition is treated as "deferred financial assistance from promoters" as a liability. Finance charges on account of unwinding of unsecured loan for the year ended 31st March 2017 are Rs. 115 Lakhs (for the quarter ended 31st March 2017 are Rs. 29 Lakhs) and for the quarter ended 31st March 2018 are Rs. 32 Lakhs and year ended 31st March 2018 are Rs.127 Lakhs. Income recognised on account of deferred financial assistance from promoters on straight line method for the year ended 31st March 2017 is Rs. 184 Lakhs (for the quarter ended 31st March 2017 is Rs. 46 Lakhs) and for the quarter ended 31st March 2018 is Rs. 46 Lakhs and year ended 31st March 2018 are Rs.184 Lakhs.

9 Fair Valuation of Investment

Under Ind AS, non current investments which are not considered as strategic investments and current investments are classified as "Fair value through profit or loss" and are measured at fair value at each reporting date. The subsequent changes in fair value of such investments are recognised in statement of profit and loss.

Gain on fair valuation as at 1st April 2016 (transferred to retained earnings) is Rs. 28 Lakhs.

Gain on fair valuation for the year ended 31st March 2017 is Rs.10 Lakhs (for the quarter ended 31st March 2017 is Rs. 3 Lakhs) and for the quarter ended 31st March 2018 is Rs. (0.01) Lakhs and year ended 31st March 2018 are Rs.0.15 Lakhs.

10 Actuarial gains/ loss on post employment defined benefit plans

Under Ind AS, re-measurement which comprise of actuarial gains and losses, return on plan assets and changes in the effect of asset ceiling, if any, with respect to post employment defined benefit plans are recognised immediately in other comprehensive income (OCI). Further, remeasurements recognised in OCI are never reclassified to statement of profit and loss.

Actuarial Loss reclassified to OCI for the year ended 31st March 2017 is Rs. 57 Lakhs (proportionate for the quarter ended 31st March 2017 is Rs. 14 Lakhs).

11 Fair Value of concessional interest loan

Under Ind AS, concessional interest loan is recognised at its fair value. The difference between the transaction value and fair value on initial recognition is treated as "deferred assistance from CSIR" as a liability.

Finance charges on account of unwinding of concessional interest loan for the year ended 31st March 2017 are Rs. 53 Lakhs (for the quarter ended 31st March 2017 are Rs. 13 Lakhs) and for the quarter ended 31st March 2018 are Rs. 12 Lakhs and year ended March 2018 are Rs.49 Lakhs.

Income recognised on account of deferred financial assistance from CSIR on straight line method for the year ended 31st March 2017 is Rs. 33 Lakhs (for the quarter ended 31st March 2017 is Rs. 8 Lakhs) and for the quarter ended 31st March 2018 is Rs. 8 Lakhs and year ended 31st March 2018 are Rs.33 Lakhs.

Approved



(Rs. In Lakhs)

Particulars	31-Mar-2018	31-Mar-2017
	Unaudited	Audited
A. ASSETS		
1. Non-Current Assets		
(a) Property, Plant and equipment	8,771	9,020
(b) Capital Work in Progress	-	-
(c) Intangible Assets	9	13
(d) Financial Assets		
(i) Investments	710	735
(ii) Loans	-	-
(iii) Others	447	504
(e) other non-current assets	73	46
Sub-total - Non-Current Assets	10,010	10,318
2. Current Assets		
(a) Inventories	2,312	2,048
(b) Financial Assets		
(i) Investments	-	2
(ii) Trade Receivables	2,543	2,556
(iii) Cash and Cash equivalents	49	159
(iv) Bank Balances other than (iii) above	5	5
(v) Loans	4	4
(vi) Others Financial Assets	116	185
(c) Current Tax Assets (Net)	297	345
(d) Other Current Assets	207	235
Sub-total - Current Assets	5,533	5,539
TOTAL - ASSETS	15,543	15,857
EQUITY AND LIABILITIES		
A. Equity		
(a) Equity Share Capital	1,771	1,673
(b) Other Equity	1,435	2,284
Sub-total - Equity	3,206	3,957
B. Liabilities		
Non-Current Liabilities		
(a) Financial Liabilities		
Borrowings	2,502	2,483
(b) Provisions	702	707
(c) Deferred Tax liabilities	-	-
(d) Other Non-current Liabilities	1,517	1,918
Sub-total - Non-Current Liabilities	4,721	5,108
C. Current Liabilities		
(a) Financial Liabilities		
Borrowings	2,509	2,310
Trade payables	3,283	3,004
Other Financial liabilities	1,294	1,056
(b) Other Current Liabilities	354	240
(c) Provisions	176	182
(d) Current Tax Liabilities	-	-
Sub-total - Current Liabilities	7,616	6,792
TOTAL - EQUITY AND LIABILITIES	15,543	15,857



Approved

Particulars	(Rs. In Lakhs)
	31-Mar-2017
Equity as reported under Previous GAAP	3,871
Impact of measuring investment at Fair Value through Profit or Loss(FVTPL)	38
Unsecured Loan Fair Value through Profit or Loss (FVTPL)	68
Government Grant / Loan Fair Value through Profit or Loss (FVTPL)	(20)
Deferral of revenue on future performance	-
Impact of discounting of provisions as per IND AS 37	-
Deferred tax adjustments	-
Equity as reported under Ind AS	3,957

Comprising :

Paid up equity share capital	1673
Reserves & Other Equity	2284

14 **Conversion of OCCPs in to Equity Shares**

On 5th February, 2018, the Company, on request of allottees, has exercised its option for conversion of 9,92,639 (8.5% Optionally Cumulative Convertible Preference shares of Rs. 22/- each with premium of Rs. 67.66 /- each) into equity shares of Rs.10/- with premium of Rs. 81.01 each, ranking pari passu with the existing equity shares of the Company.

Place : Pune
Date : 29th May 2018



For Kinetic Engineering Limited

Arun
Ajinkya Arun Firodia
Managing Director & CFO
DIN: 00332204