

**KINETIC ENGINEERING LIMITED**

Regd. Office : Kinetic Innovation Park, D-1 Block,
Plot No. 18/2, H. K. Firodia Road, MIDC,
Chinchwad, Pune - 411 019. (India)

Tele. : +91-20-66142049
Fax : +91-20-66142088 / 89

CIN : L35912MH1970PLC014819

Website : www.kineticindia.com

Date: 29.09.2017

To,

BSE Ltd.

Dept. of Corporate Services,
Gr. Floor, P.J. Towers,
Dalal Street, Fort, Mumbai- 400 001
Fax Nos. 022-22723121

Scrip ID : 500240

Reference: Outcome of the Board Meeting and submission of Unaudited financial Results for the quarter ended 30th June, 2017.

Subject : Disclosure under Regulation 30 read with Schedule III (Part A) of the SEBI(Listing Obligation & Disclosure Requirements) Regulation, 2015.

Dear Sir/Madam,

We wish to inform that the Board of Directors of the Company, at its meeting held today i.e. 29th September, 2017 and concluded at 10:55 a.m. has *inter alia* transacted the following business:

1. The Board approved the Unaudited Financial Results of the Company for the First Quarter of the financial year ended as 30th June, 2017 along with the Limited Review Report.
2. The Board approved the resignation of Mr. Sourav Chowdhury as a Company Secretary and Compliance officer of the Company w.e.f. 13th September 2017.
3. The Board approved the appointment of Mrs. Deepal Shah as a Company a Secretary and Compliance Officer of the Company w.e.f. 14th September 2017.

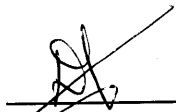
Contd..

The Board approved the amended list of Key Managerial Personnel w.e.f. 14th September, 2017, for the materiality of an event under the regulation 30 (5) of SEBI (LODR) Regulation, 2015:

Sr. No.	Name	Designation	Contact Details
1.	Mr. Ajinkya Arun Firodia	Managing Director and Chief Financial Officer	Phone: +91-20-66142078 Email : Ajinkya@kineticindia.com
2.	Mrs. Deepal Shah	Company Secretary and Compliance Officer	Phone: +91-20-66142078 Email: deepal.shah@kineticindia.com

Thanking you,

Yours truly,
For **Kinetic Engineering Limited**



Deepal Shah
Company Secretary

KINETIC ENGINEERING LIMITED

Regd. Office : D-1 Block, Plot No. 18 / 2, Chinchwad, Pune - 411 019

Website : www.kineticindia.com Tel. Ph. : +91-20-66142049 Fax No. : +91-20-66142088/89

CIN : L35912MH1970PLC014819

STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30th JUNE , 2017

(Rs. In Lakhs)

Sr. No.	Particulars	Quarter ended	
		30-Jun-2017	30-Jun-2016
		(3 months)	(3 months)
		Unaudited	Refer Note 2.
1	Income from Operations		
	(a) Net Sales / Income from Operations (Including excise duty)	2,518	1,896
	(b) Other Operating Income	6	8
	(c) Revenue from Operations (a + b)	2,523	1,905
	(d) Other Income	144	135
	Total Income (c+d)	2,667	2,039
2	Expenses		
	(a) Cost of material consumed	1,286	971
	(b) Purchases of stock-in-trade	-	-
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	29	(49)
	(d) Excise Duty on Sales	165	143
	(e) Employee benefits expenses	598	505
	(f) Finance costs	120	122
	(g) Depreciation and amortization expense	201	201
	(h) Other expenses	482	416
	Total Expenses	2,880	2,311
3	Profit / (Loss) from Operations before Exceptional Items (1-2)	(213)	(272)
4	Exceptional Items		
	(a) Exchange Fluctuation (Loss) / Gain	(2)	20
5	Profit / (Loss) from before tax (3-4)	(215)	(251)
6	Tax Expenses	-	-
7	Net Profit / (Loss) after tax (5-6)	(215)	(251)
8	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)	-	(14)
	Total Other Comprehensive Income	-	(14)
9	Total Comprehensive Income for the period (7+8)	(215)	(266)
10	Paid-up Equity share capital (Face value of Rs. 10/- per share)	1,673	1,613
11	Earnings Per Share (of Rs. 10/- each) (not annualized)		
	(a) Basic	(1.29)	(1.56)
	(b) Diluted	(1.29)	(1.56)

AAF

m

Notes:

- 1 These are company's first interim financial results prepared in accordance with Indian Accounting Standards (Ind AS) as notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time. The date of transition to Ind AS is 1st April 2016. In preparing its corresponding quarter ended 30th June 2016 the company has adjusted amounts reported previously in results prepared in accordance with Indian Generally Accepted Accounting Principles (Indian GAAP).
- 2 The auditors have carried out limited review of the above results for the quarter ended 30th June 2017. Ind AS compliant financials results for the quarter ended 30th June 2016 have not been subjected to limited 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.
- 3 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 September 2017.
- 4 Figures for the previous periods have been regrouped / rearranged, wherever necessary, to conform to current period's classification.
- 5 Deferred Tax Asset in respect of carried forward losses is recognized to the extent of Deferred Tax Liability.
- 6 The reconciliation between net profit/ (loss) for the quarter ended 30th June 2016 reported earlier under Indian GAAP and recasted as per Ind AS is as under

Particulars	Quarter ended June 30,2016
Net Profit/(Loss) as per previous Indian GAAP	(280)
Add/(Less): Adjustment pursuant to adoption of IND AS	
Fair Valuation of Unsecured loan from Promoters (net) (refer note 8.)	17
Fair Valuation of Investment (refer note 9.)	3
Actuarial gains/ loss on post employment defined benefit plans (refer note 10.)	14
Fair Value of concessional interest loan (net) (refer note 11.)	(5)
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 (A)	(251)
Other Comprehensive Income (OCI)	
Actuarial gains/ loss on post employment defined benefit plans (refer note 10.)	(14)
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 (B)	(14)
Total Comprehensive Income as per IND AS	(266)

- 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, though the preference shares are treated as debt, 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 30th June 2016 are Rs. 29 Lakhs) and for the quarter ended 30th June 2017 are Rs. 32 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 30th June 2016 is Rs. 46 Lakhs) and for the quarter ended 30th June 2017 is Rs. 46 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 30th June 2016 is Rs. 3 Lakhs) and for the quarter ended 30th June 2017 is Rs. 0.04 Lakhs

A A F

~

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 30th June 2016 is Rs. 14 Lakhs)

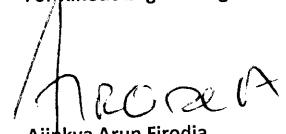
11 **Fair Value of concessional interest loan**

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 30th June 2016 are Rs. 13 Lakhs) and for the quarter ended 30th June 2017 are Rs. 12 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 30th June 2016 is Rs. 8 Lakhs) and for the quarter ended 30th June 2017 is Rs. 8 Lakhs.

For Kinetic Engineering Limited



Ajinkya Arun Firodia
Managing Director & CFO
DIN: 00332204

Place : Pune
Date : 29th September 2017



Limited Review Report

To the Board of Directors,
Kinetic Engineering Limited.

We have reviewed the accompanying statement of unaudited financial results ("the Statement") of **Kinetic Engineering Limited** for the period ended **30th June 2017** attached herewith, being submitted by the company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on these financial statements based on our review.

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 moderate assurance as to whether the financial statements are 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.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable accounting standards i.e. Ind AS prescribed under section 133 of the Companies Act, 2013 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 Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI circular dated 5th July 2016 including the manner in which it is to be disclosed, or that it contains any material misstatement.

For **M/s P. G. Bhagwat**
Chartered Accountants
Firm Registration No.: 101118W


Sandeep Rao

Partner

Membership No.: 047235

Place: Pune

Date: 29th September, 2017

M/s P. G. BHAGWAT
CHARTERED ACCOUNTANTS
SUITE 102, 'ORCHARD',
DR. PAI MARG, BANER,
PUNE - 411 045