

KILBURN ENGINEERING LTD.

Regd. Office : Four Mangoe Lane, Surendra Mohan Ghosh Sarani, Kolkata - 700 001

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AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31 MARCH 2019

₹ in Lakhs

Sr. no.	PARTICULARS	QUARTER ENDED (AUDITED)	QUARTER ENDED (UNAUDITED)	QUARTER ENDED (AUDITED)	YEAR ENDED (AUDITED)	YEAR ENDED (AUDITED)
		31.03.19	31.12.18	31.03.18	31.03.19	31.03.18
1	Income					
	a. Revenue from operations (refer note 3)	4,614	2,924	2,395	14,386	10,896
	b. Other income (refer note 5)	434	593	570	2,001	2,246
	Total Income	5,048	3,517	2,965	16,387	13,142
2	Expenses					
	a. Cost of materials consumed	2,502	1,587	1,321	7,676	5,182
	b. Subcontracting Charges	606	462	274	1,821	1,109
	c. Changes in inventories of finished goods and work in progress	(102)	(100)	66	(316)	(172)
	d. Excise duty	-	-	-	-	386
	e. Employee benefits expense	477	477	508	1,930	1,943
	f. Finance Costs	452	396	371	1,711	1,722
	g. Depreciation and amortisation expenses	105	106	110	422	432
	h. Other expenses	816	453	630	2,293	2,056
	Total Expenses	4,856	3,381	3,280	15,537	12,658
3	Profit / (Loss) from Operations before Exceptional Items and Tax (1-2)	192	136	(315)	850	484
4	Exceptional Items	-	-	-	-	-
5	Profit / (Loss) before Tax (3-4)	192	136	(315)	850	484
6	Tax Expense					
	i) Current tax	(24)	52	(191)	202	92
	ii) Deferred tax	90	(7)	58	56	56
	Total Tax expenses	66	45	(133)	258	148
7	Net Profit / (Loss) after Tax (5-6)	126	91	(182)	592	336
8	Other Comprehensive Income / (Loss)					
a	Items that will not be reclassified to profit or loss	(55)	(215)	(249)	(988)	351
b	Items that will be reclassified to profit or loss	(36)	(20)	(62)	(179)	(280)
	Other Comprehensive Income / (Loss), net of tax	(91)	(235)	(311)	(1,167)	71
9	Total Comprehensive Income / (Loss) for the period (7+8)	35	(144)	(493)	(575)	407
10	Paid-up equity share capital (Face Value ₹ 10 each)	1,326	1,326	1,326	1,326	1,326
11	Other Equity				8,573	9,303
12	Earnings Per Share (EPS) (in ₹) (not annualised for the quarters)					
	Basic and Diluted EPS (in ₹)	0.96	0.69	(1.37)	4.47	2.53

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NOTES:

1 The financial results have been prepared in accordance with Ind AS, notified under section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder and other accounting principles generally accepted in India. The financial results were reviewed by the Audit Committee and approved and taken on record by the Board of Directors of the Company at their respective meetings held on 29 May 2019.

2 The Company's operations and its results vary from period to period, depending on the delivery schedule of the customers.

3 Ind AS 115 - "Revenue from Contracts with Customers" which is mandatory w.e.f. 1 April 2018 has replaced existing revenue recognition requirements. In accordance with the new standard and basis the Company's contracts with customers, its performance obligations are satisfied over time. As the Company has adopted modified retrospective approach, no reclassification has been made for contract assets of Rs. 2,795 lakhs and contract liabilities of Rs. 2,643 lakhs, which were included in other financial assets and other financial liabilities respectively as at 31 March 2018. In respect of the contracts not complete as of 1 April 2018 (being the transition date), the Company has made adjustments to retained earnings, recognizing revenue of Rs. 86 lakhs, only to the extent of costs incurred, as the relevant projects were in early stages of development, which does not have any impact on retained earnings. Further, on account of other adjustments, the Company has credited retained earnings by Rs. 4 lakhs, net of tax, as on the transition date.

Consequently on account of Ind AS 115, impact on financial results is as follows:

PARTICULARS	QUARTER ENDED (AUDITED)	QUARTER ENDED (UNAUDITED)	YEAR ENDED (AUDITED)
	31.03.19	31.12.18	31.03.19
Revenue [Increase / (Decrease)]	(63)	(44)	(355)
Expenses [Increase / (Decrease)]	(48)	6	(287)
Tax Expense [Increase / (Decrease)]	(5)	(17)	(23)
Profit After Tax [Increase / (Decrease)]	(10)	(33)	(45)
Earnings per share [Increase / (Decrease)]	(0.06)	(0.25)	(0.32)

4 In accordance with the requirements of Ind AS 115 (Construction Contracts), the Company has recognised contract asset of Rs. 2,640 lakhs for the quarter ended 31 March 2019 (Rs.1,962 lakhs for the quarter ended 31 December 2018) and Rs.3,713 lakhs for the year ended 31 March 2019 in respect of high value long delivery orders which are delivered in parts over the execution period. The contract asset is calculated based on percentage of completion of individual contracts.

5.a The Company in September 2016 had originally availed working capital loan from a bank which was subsequently renewed / rolled over. However, pending utilisation of the monies for the aforesaid, the Company has placed it with group companies (owned by same promoter) as Inter-Corporate Deposits. The aggregate amount of Inter-Corporate Deposits (ICDs) and accrued interest receivable as at 31 March 2019 is Rs. 10,826 lakhs and Rs. 514 lakhs respectively. Considering the financial positions of these group companies, the Company has obtained unconditional and irrevocable personal guarantee from Promoter Director, for the said Inter-Corporate Deposits as collateral security in case the borrowers are unable to repay the ICDs and interest accrued thereon. The management has assessed the recoverability of the said ICDs, including interest receivable thereon, and has considered the same to be good and recoverable. Further, Other Income includes interest of Rs.402 lakhs for the quarter ended 31 March 2019, Rs. 412 lakhs for the quarter ended 31 December 2018 (Rs. 369 lakhs for the quarter ended 31 March 2018) and Rs. 1,612-lakhs for the year ended 31 March 2019 (Rs. 1,485 lakhs for the year ended 31 March 2018) on ICDs placed with group companies.

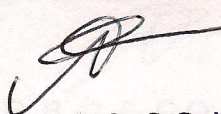
5.b The Company's financing arrangement amounting to INR 9,500 Lakhs is expiring and will be due for repayment in September 2019 and October 2019, or on demand, whichever is earlier. As on date the Company has not yet concluded its plan for replacement financing of such loans. Further, the Company had credit rating downgrade during the month of March 2019. These situations are events or conditions which along with recoverability of ICDs placed with group companies (as explained in note 5.a) indicates that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern.

The management plan to mitigate material uncertainty includes, negotiations with existing lenders for the roll-over of the loans or to consolidate its borrowings with one lender, which is not yet concluded. The Company is also evaluating the infusion of funds in the Company by identifying strategic investors. Further, a promoter group level restructuring is currently underway to monetize assets to meet up the various liability of the group companies (owned by same promoter) including the settlement of outstanding ICDs. Also, the Company has a positive net worth of Rs. 9,899 lakhs on 31 March 2019. Management of the Company is confident of its aforesaid plan. Accordingly, these Ind AS financial results of the Company for the year ended 31 March 2019 have been prepared on going concern basis.

6 In line with the provision of Ind AS 108 - Operating Segments, Chief Operating Decision Maker (CODM) reviews the operations of the Company as manufacturer of Engineering Products, which is considered to be the only reportable segment by the management. Accordingly, no separate disclosure of segment information has been made.

7 Figures for the quarter ended 31 March 2019 and 31 March 2018 are balancing figures between audited figures in respect of full financial years and the unaudited figures upto the third quarter ended 31 December for respective years which were subjected to limited review.

8 Previous period figures have been regrouped / rearranged wherever necessary, to correspond with those of the current period classification.

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Date : 29 May 2019
Place : Kolkata

By Order of the Board
Subir Chaki


Managing Director
(DIN : 05174555)

KILBURN ENGINEERING LIMITED

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STATEMENT OF ASSETS AND LIABILITIES AS ON 31 MARCH 2019

₹ in Lakhs

Sr. No.	PARTICULARS	AS AT 31 MARCH 2019	AS AT 31 MARCH 2018
		Audited	Audited
A	ASSETS		
	1. Non-Current Assets		
	(a) Property Plant & Equipment	5,234	5,623
	(b) Intangible Assets	26	40
	(c) Financial Assets		
	- Investments	638	1,608
	- Loans	15	22
	- Other Financial Assets	9	31
	(d) Income Tax Assets (Net)	319	331
	(e) Deferred Tax Assets (Net)	320	312
	(f) Other Non-Current Assets	49	48
	Total Non Current Assets	6,610	8,015
	2. Current Assets		
	(a) Inventories	1,513	1,262
	(b) Financial Assets		
	- Loans	10,826	10,325
	- Trade Receivables	4,071	3,452
	- Cash & Cash Equivalents	296	483
	- Bank balance other than included in Cash and Cash equivalents above	377	613
	- Other Financial Assets	544	2,799
	(c) Contract Assets (Refer note 3)	3,608	-
	(d) Other Current Assets	1,048	1,158
	Total Current Assets	22,283	20,092
	TOTAL - ASSETS	28,893	28,107
B	EQUITY AND LIABILITIES		
	1. Equity		
	(a) Equity Share Capital	1,326	1,326
	(b) Other Equity	8,573	9,303
	Total Equity	9,899	10,629
	2. Non-Current Liabilities		
	(a) Financial Liabilities		
	- Borrowings	37	78
	Total Non-Current Liabilities	37	78
	3. Current Liabilities		
	(a) Financial Liabilities		
	- Borrowings	11,226	9,029
	- Trade Payables		
	a) total outstanding dues if micro enterprises and small enterprises	92	6
	b) total outstanding dues of creditors other than micro enterprises and small enterprises	3,016	2,021
	- Other Financial Liabilities	1,702	3,347
	(b) Provisions	14	312
	(c) Contract Liabilities (Refer note 3)	2,857	-
	(d) Other Current Liabilities	50	2,685
	Total Current Liabilities	18,957	17,400
	TOTAL - EQUITY AND LIABILITIES	28,893	28,107

Date : 29 May 2019
Place : Kolkata

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