

ARTSON ENGINEERING LIMITED

Registered Office: Transocean House, Lake Boulevard Road, Hiranandani Business Park, Powai, Mumbai, MH – 400076

Corporate Identity Number: L27290MH1978PLCo20644

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Unaudited financial results for the quarter ended 30 June 2018 prepared in compliance with Indian Accounting Standards (Ind -AS)

(₹ Lakhs)

Particulars	Quarter Ended			Year ended
	30 June 2018 (Unaudited)	31 March 2018 (Audited)	30 June 2017 (Unaudited)	31 March 2018 (Audited)
1				
Income				
a Revenue from operations (Note 3 and 4)	3,616.64	4,672.07	2,959.05	13,247.20
b Other Income	15.26	412.35	45.29	925.02
Total Income	3,631.90	5,084.42	3,004.34	14,172.22
2				
Expenses				
a Cost of materials consumed	1,451.53	2,939.69	1,191.20	6,120.73
b Changes in inventories of finished goods, stock-in-trade and work- in-progress	(16.45)	(281.72)	(205.12)	(955.29)
c Excise duty	-	-	36.72	36.72
d Employee benefits expenses	252.58	309.39	236.84	1,055.37
e Depreciation and amortisation expense	25.30	35.99	20.92	100.66
f Project execution expenses	1,776.77	1,515.41	1,296.31	5,757.00
g Finance costs	146.43	129.79	140.27	543.53
h Other expenses	299.12	249.88	216.80	969.71
Total expenses	3,935.28	4,898.43	2,933.94	13,628.43

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Particulars	Quarter Ended			Year ended
	30 June 2018	31 March 2018	30 June 2017	31 March 2018
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
3 Profit/(loss) from operations before exceptional items and tax (1-2)	(303.38)	185.99	70.40	543.79
4 Exceptional Items	-	-	-	-
5 Profit/ (loss) before tax (3-4)	(303.38)	185.99	70.40	543.79
6 Tax Expense				
1) Current tax (Note 5)	-	-	-	-
2) Deferred tax expense/ (credit) (Note 6)	(12.47)	196.91	21.89	412.98
7 Net Profit/(loss) for the period/ year (5-6)	(290.91)	(10.92)	48.51	130.81
8 Other comprehensive income				
(i) Items that will not be reclassified to profit and loss	0.79	2.66	0.16	3.14
9 Total Comprehensive Income (7+8)	(290.12)	(8.26)	48.67	133.95
10 Paid-up equity share capital				
3,69,20,000 equity shares of Re 1/- each fully paid-up	369.20	369.20	369.20	369.20
11 Reserves excluding revaluation reserves	-	-	-	214.68
12 Earnings Per Share (EPS) (for continuing operations, not annualised for quarterly results) (Re.) Basic and Diluted	(0.79)	(0.02)	0.13	0.36

See accompanying notes to the financial results

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Notes:

- 1) The above Unaudited Financial Results for the quarter ended 30 June 2018 have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 18 July 2018 and the same have been subjected to a Limited Review by the Statutory Auditors in compliance with Regulation 33 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015. The Statutory Auditors have issued an unqualified review report.
 - 2) The Company operates in only one business segment viz. Supply of Steel Structures and Site Services for Mechanical Works.
 - 3) Revenue of the corresponding previous quarter ended 30 June 2017 was reported inclusive of Excise Duty. The Government of India has implemented Goods and Services Tax (GST) effective 1 July 2017 replacing excise duty, service tax and other indirect taxes. Accordingly, as per IND AS, Revenue for the quarters ended 31 March 2018 and 30 June 2018 are reported net of GST.
 - 4) Effective 01 April 2018, the Company has applied Ind AS 115 which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. The Company has adopted Ind AS 115 using the modified retrospective approach. The effect of initially applying this standard is recognised at the date of initial application (i.e. 01 April 2018). The standard is applied only to contracts that are not completed as at the date of initial application and the comparative information in the unaudited financial results is not restated – i.e. the comparative information continues to be reported under Ind AS 18 and Ind AS 11. The adoption of the Standard has resulted in:
 - (a) an increase of Rs. 94.47 Lakhs (net of taxes) in the opening retained earnings as on 1 April 2018.
 - (b) an increase in the Revenue from operations for the quarter ended 30 June 2018 by Rs. 192.14 Lakhs.The impact is mainly on account of the change in the Percentage of Completion method under Ind AS 115 when compared to the erstwhile revenue standard Ind AS 11.
- If Ind AS 115 was not applicable, the Company's Earnings per Share for the quarter ended 30 June 2018 would have been lower by Rs. (0.52) per share.
- 5) Provision of current tax is not made in lieu of carry forward losses. The Company has been advised that since it continues to have negative net worth for computation of income tax, in line with erstwhile BIFR order dt. 20.06.2013, provision in respect of MAT u/s 115JB of Income tax Act, 1961 is not applicable and hence the same is not provided.
 - 6) The reduction of Corporate tax rate from 30% to 25% and increase in Cess rate from 3% to 4% was substantively enacted on 29 March 2018 and effective from 1 April 2018. As a result, the relevant deferred tax balances as at 31 March 2018 were remeasured. The impact due to these changes amounting to Rs. 143.68 lakhs had been recognised as tax expense in Profit and Loss Account for the quarter ended 31 March 2018.
 - 7) The figures for the quarter ended 31 March 2018 are the balancing figures between the audited figures in respect of the financial year ended 31 March 2018 and the published unaudited year to date figures up to the period ended 31 December 2017.
 - 8) The figures of the previous periods have been regrouped / reclassified wherever necessary.

Place : Mumbai
Date : 18 July 2018

For and on behalf of the Board of Directors


(Vinayak Deshpande)
Chairman





Price Waterhouse & Co Chartered Accountants LLP

The Board of Directors
M/s. Artson Engineering Limited
Transocean House, Lake Boulevard Road,
Hiranandani Business Park, Powai,
Mumbai, Maharashtra - 400 076

1. We have reviewed the unaudited financial results of Artson Engineering Limited (the "Company") for the quarter ended June 30, 2018 which are included in the accompanying Statement of unaudited financial results for the quarter ended June 30, 2018 (the "Statement"). The Statement has been prepared by the Company pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations, 2015"), which has been initialled by us for identification purposes. The 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 the Statement based on our review.
2. 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 Statement is free of material misstatement.
3. 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 as above, nothing has come to our attention that causes us to believe that the Statement has not been prepared in all material respects in accordance with the applicable Indian Accounting Standards ('Ind AS') prescribed under Section 133 of the Companies Act, 2013, and other recognised accounting practices and policies, and has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. The financial results of the Company for the quarter ended June 30, 2017 were reviewed by another firm of chartered accountants who issued their unmodified conclusion, vide their report dated July 18, 2017. Our conclusion is not qualified in respect of this matter.

For Price Waterhouse & Co Chartered Accountants LLP
Firm Registration Number: FRN 304026E/E-300009



Sunit Kumar Basu
Partner
Membership Number: 55000

Place: Hyderabad
Date: July 18, 2018

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Price Waterhouse & Co. (a Partnership Firm) converted into Price Waterhouse & Co Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no: LLPIN AAC-4362) with effect from July 7, 2014. Post its conversion to Price Waterhouse & Co Chartered Accountants LLP, its ICAI registration number is 304026E/E-300009 (ICAI registration number before conversion was 304026E)