



ARTSON ENGINEERING LIMITED

11th May 2020

Corporate Relationship Dept.
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai - 400001

Dear Sir/ Madam,

Sub: Audited Financial Results & Outcome of Board Meeting - reg.

Ref: Security Code - 522134

In compliance with Regulation 30 and 33 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, we wish to inform that, the Board of Directors at their meeting held today, i.e., Monday, 11th May 2020, among other agenda approved:

1. The Audited Financial Results for the fourth quarter and financial year ended 31st March 2020, along with the Statutory Auditors Report thereon.

The aforesaid Financial Results are enclosed and the same are also made available on the Company's website www.artson.net.

Note: Pursuant to the exemption given by SEBI, vide Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/48 dated 26th March 2020, the Company is not going to publish the aforesaid results in newspaper/s.

Kindly take the same on record.

Yours Truly,
For **Artson Engineering Limited**

Sd/-
Deepak Tibrewal
Company Secretary
FCS 8925

ARTSON ENGINEERING LIMITED

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

Corporate Identity Number: L27290MH1978PLCo20644

Tel: +91 22 6625 5600 ; Fax: +91 22 6625 5614 ; E-mail: investors@artson.net; Website: www.artson.net

Audited financial results for the quarter and year ended 31 March 2020 prepared in compliance with Indian Accounting Standards (Ind -AS)

(₹ Lakhs)

Particulars	Quarter ended			Year ended	
	31 March 2020	31 December 2019	31 March 2019	31 March 2020	31 March 2019
	(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
1 Income					
a Revenue from operations	5,109.20	3,247.25	6,087.42	16,300.21	15,801.30
b Other income	1.40	569.64	41.21	658.66	355.31
Total income	5,110.60	3,816.89	6,128.63	16,958.87	16,156.61
2 Expenses					
a Cost of materials consumed	1,630.54	1,350.06	4,048.46	6,306.73	8,636.67
b Changes in inventories of stock-in-trade and work-in-progress	245.60	(333.64)	(158.07)	210.81	(545.42)
c Employee benefits expense	390.84	310.91	341.49	1,343.85	1,150.36
d Depreciation and amortisation expense	63.75	47.02	31.48	181.23	112.92
e Project execution expenses	1,864.97	1,804.48	919.45	6,306.11	5,018.75
f Finance costs	254.42	250.39	226.86	1,002.07	685.53
g Other expenses	271.31	230.64	375.60	985.41	1,085.58
Total expenses	4,721.43	3,659.86	5,785.27	16,336.21	16,144.39
3 Profit/(loss) from operations before exceptional items and tax (1-2)	389.17	157.03	343.36	622.66	12.22
4 Exceptional Items	-	-	-	-	-
5 Profit/ (loss) before tax (3-4)	389.17	157.03	343.36	622.66	12.22
6 Tax Expense					
1) Current tax (Note 4)	-	-	-	-	-
2) Deferred tax expense	205.41	277.15	164.60	696.37	180.86
7 Net Profit/(loss) for the period/ year (5-6)	183.76	(120.12)	178.76	(73.71)	(168.64)

Particulars	Quarter ended			Year ended	
	31 March 2020	31 December 2019	31 March 2019	31 March 2020	31 March 2019
	(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
8 Other comprehensive income (i) Items that will not be reclassified subsequently to the statement of profit and loss	5.70	0.10	(1.99)	5.99	0.38
9 Total Comprehensive Income (7+8)	189.46	(120.02)	176.77	(67.72)	(168.26)
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	369.20
11 Reserves excluding revaluation reserves	-	-	-	146.71	190.25
12 Earnings Per Share (EPS) (for continuing operations, not annualised for quarterly results) (Re.) Basic and Diluted	0.51	(0.33)	0.48	(0.18)	(0.46)
See accompanying notes to the financial results					

Notes:

1) The above Financial Results for the year ended 31 March 2020 have been reviewed by the Audit Committee and approved by the Board of Directors at their meetings held on 11 May 2020 and the same have been audited 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 audit report.

2) The Company operates in only one business segment viz. Supply of Equipments, Steel Structures and Site Services for Mechanical Works.

3) Effective 01 April 2019, the Company has adopted Ind AS 116 "Leases" and applied the Standard to all lease contracts existing on 01 April 2019 using the modified retrospective method. Consequently, the Company has recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate on the date of initial application. The Company has also chosen the practical expedient provided in the standard to measure the right of use assets at the same value as the lease liability on the transition date. Comparatives as at and for the year ended 31 March 2019 have not been retrospectively adjusted and therefore, will continue to be reported under the accounting policies for year ended 31 March 2019. The adoption of the Standard has resulted in recognition of Right of Use asset and a lease liability of Rs. 116.13 Lakhs as on 01 April 2019.

The incremental borrowing rate of 10% has been applied to lease liabilities recognised in the Balance Sheet at the date of initial application.

On application of Ind AS 116, the nature of expenses has changed from lease rent in previous periods to amortisation cost for the right-to-use asset and finance cost for interest accrued on lease liability. Had the Company not applied IND AS 116, the profit before tax for the current year ended and current quarter would have been higher by Rs 5.37 Lakhs and Rs 0.87 Lakhs respectively.

4) 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.

5) The figures for the last quarter are the balancing figures between the audited figures in respect of the financial year and the published unaudited year to date figures up to the third quarter of the financial year.

6) Covid-19 which continues to spread across the globe, including India, has contributed to a significant decline in economic activities and volatility in the businesses. Post announcement by WHO as a global pandemic, numerous steps have been taken by the Government and companies to contain the spread of the virus. The extent to which the business/operations of the Company will be impacted will depend on future developments which are highly uncertain. Whilst the Company has a committed order book of Rs.15,135 Lakhs as at 31 March 2020, there is considerable uncertainty regarding the extent that Covid-19 will affect the business and operations of the Company. Further, the Company has carried out an assessment of "going concern" recoverability and carrying value of assets, etc. based on certain assumptions, cumulative knowledge and understanding of the business and current indications of future economic conditions and has made adjustments, wherever necessary. However, the actual impact may be different from that estimated as at the date of approval of the financial statements.

Additionally as per the management's plan for physical verification of stocks at locations that had to be covered as at the year end, the inventory verification at each of these locations has been carried out at a date subsequent to the year end in the presence of its stock auditors to obtain comfort over the existence and condition of inventories as at March 31, 2020 including roll back procedures etc.

7) It may please be noted that, pursuant to the exemption given by SEBI, vide its Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/48 dated 26th March 2020, the Company has decided not to publish the aforesaid results in newspaper. The results are made available on the website of the Company www.artson.net and bseindia.com

8) The Board meeting for consideration and approval of the above financials was conducted through Video Conference and all the Directors have consented for the same.

9) The figures of the previous periods have been regrouped / reclassified wherever necessary.

For and on behalf of the Board of Directors



(Vinayak Kashinath Deshpande)
Chairman

Place: Pune
Date: 11 May 2020

Balance Sheet as at 31 March, 2020

(All amounts are in ₹ Lakhs unless otherwise stated)

Particulars	As at 31st March, 2020	As at 31st March, 2019
ASSETS		
Non-current assets		
(a) Property, plant and equipment	871.49	451.90
(b) Capital work-in-progress	24.78	20.98
(c) Intangible assets	13.61	6.67
(d) Right of use assets	92.80	-
(e) Financial assets		
(i) Trade receivables	307.85	76.17
(ii) Other financial assets	8.53	8.53
(f) Deferred tax assets (net)	505.31	1,307.23
(g) Non-current tax assets (net)	352.98	331.36
(h) Other non-current assets	244.15	288.96
Total non-current assets	2,421.50	2,491.80
Current assets		
(a) Inventories	1,720.84	1,836.71
(b) Financial assets		
(i) Trade receivables	3,163.90	3,516.70
(ii) Cash and cash equivalents	66.77	219.83
(iii) Bank balances other than (ii) above	108.99	118.02
(iv) Other financial assets	7,100.91	5,086.02
(c) Other current assets	1,392.84	1,111.35
Total current assets	13,554.25	11,888.63
Total assets	15,975.75	14,380.43
EQUITY AND LIABILITIES		
Equity		
(a) Equity share capital	369.20	369.20
(b) Other equity	146.71	190.25
Total equity	515.91	559.45
Liabilities		
Non-current liabilities		
(a) Financial liabilities		
(i) Borrowings	1,814.77	278.68
(ii) Lease liabilities	68.18	-
(b) Provisions	76.98	56.87
Total non-current liabilities	1,959.93	335.55
Current liabilities		
(a) Financial liabilities		
(i) Borrowings	3,916.85	1,471.42
(ii) Lease liabilities	29.99	-
(iii) Trade payables		
- total outstanding dues of micro enterprises and small enterprises	595.10	466.72
- total outstanding dues of creditors other than micro enterprises and small enterprises	6,187.83	7,515.15
(iv) Other financial liabilities	333.54	1,692.33
(b) Provisions	9.70	6.38
(c) Other current liabilities	2,426.90	2,333.43
Total current liabilities	13,499.91	13,485.43
Total liabilities	15,459.84	13,820.98
Total equity and liabilities	15,975.75	14,380.43

For and on behalf of the Board of Directors



(Vinayak Kashinath Deshpande)

Chairman

Place: Pune

Date: 11 May 2020

Artson Engineering Limited

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

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Statement of Cash Flows for the year ended 31st March, 2020

(All amounts are in ₹ Lakhs unless otherwise stated)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Cash flows from operating activities		
Profit before tax for the year	622.66	12.22
Adjustments for :		
Finance costs	1,002.07	685.53
Interest income	(193.88)	(71.22)
(Gain)/Loss on disposal of property, plant and equipment	(0.33)	17.89
Depreciation and amortisation expense	181.23	112.92
Liabilities/provisions no longer required written back	(411.82)	(176.38)
Provision for doubtful debts no longer required written back	(34.60)	(4.59)
Provision for doubtful debts on trade receivables	33.47	17.54
Provision for doubtful debts on unbilled revenue	5.53	9.95
Provision for expected claims	-	50.00
Actuarial gain on defined benefit plan (Net)	5.99	0.38
Unrealised (gain)/loss on foreign currency transactions	(10.64)	13.12
	1,199.68	667.36
Movements in working capital		
(Increase)/decrease in Trade Receivables	157.08	(762.02)
(Increase)/decrease in Inventories	115.87	(670.94)
(Increase)/decrease in Other Financial Assets	(1,415.10)	(2,358.54)
(Increase)/decrease in Other Assets	(231.63)	296.89
Increase/(decrease) in Trade Payables	(1,243.97)	2,071.58
Increase/(decrease) in Provisions	17.82	3.34
Increase/(decrease) in Other Financial Liabilities	15.16	78.72
Increase/(decrease) in Other Liabilities	93.47	774.95
Cash (used in)/generated from operations	(1,291.62)	101.34
Less: Income Taxes (refund)/paid	(4.52)	(179.35)
Net cash (used in)/generated from operating activities	(1,287.10)	280.69
Cash flows from investing activities		
Payments for property, plant and equipment and Intangible assets	(489.55)	(139.32)
(Increase)/Decrease in other bank balances	9.03	(117.01)
Proceeds from disposal of property, plant and equipment	1.56	13.61
Interest received	4.42	2.31
Net Cash used in investing activities	(474.54)	(240.40)
Cash flows from financing activities		
Proceeds from Long Term Borrowings	1,500.00	-
Repayment of Long Term Borrowings	(1,500.00)	-
Finance Costs paid	(808.08)	(499.94)
Principal Payment of lease liabilities	(17.96)	-
Interest Payment of lease liabilities	(10.82)	-
Net Cash used in financing activities	(836.86)	(499.94)
Net decrease in cash and cash equivalents	(2,598.50)	(459.66)
Cash and cash equivalents at the beginning of the year	(1,251.59)	(794.60)
Effects of exchange rate changes on the balance of cash and cash equivalents held in foreign currencies	0.01	2.67
Cash and cash equivalents at the end of the year	(3,850.08)	(1,251.59)
Cash and cash equivalents at the end of the year	66.77	219.83
Bank overdraft	(3,916.85)	(1,471.42)
Cash and cash equivalents (including Bank overdraft) at the end of the year	(3,850.08)	(1,251.59)

For and on behalf of the Board of Directors



(Vinayak Kashinath Deshpande)
Chairman

Place: Pune

Date: 11 May 2020



ARTSON ENGINEERING LIMITED

11th May 2020

To

BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai - 400001

Dear Sir,

Sub: Declaration as per Regulation 33(3)(d) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 with respect to Audit Report with unmodified opinion.

Ref: Security Code: 522134

In compliance with Regulation 33(3)(d) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, and SEBI circular No. CIR/CFD/CMD/56/2016, we hereby declare that, M/s. Price Waterhouse & Co Chartered Accountants, LLP, (PwC) (Firm Registration Number - 304026E/E-300009), the Statutory Auditors of the Company have issued Audit Report with unmodified opinion in respect with the Financial Statements of the Company for the financial year ended 31st March 2020.

This is for your information and records.

Thanking You

Yours Truly
For **Artson Engineering Limited**

Sd/-
Deepak Tibrewal
Company Secretary
FCS 8925