

November 9, 2019

To

THE CORPORATE RELATIONSHIP DEPT  
BSE Limited  
I Floor, New Trading Ring,  
Rotunda Building,  
P.J.Towers, Dalal Street,  
Fort, Mumbai - 400 001.

M/s. National Stock Exchange of India Ltd.,  
Exchange Plaza, C-1, Block G,  
BandraKurla Complex,  
Bandra (E), Mumbai – 400 051  
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**SCRIP CODE: 517059**

Symbol: **SALZERELEC**

Dear Sir,

**Sub : Outcome of the Board Meeting**

**Ref : Our letter dated September 30,2019**

This is to inform in terms of Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015 (“SEBI LODR Regulations”) and with reference to our letter referred above that our Board of Directors of the Company at their meeting held today (November 09, 2019) considered and approved the following Un-audited Financial Results as required under Regulation 33 of SEBI LODR Regulations:-

- a) Standalone Un-audited Financial Results for the First half year and Second quarter period ending September 30, 2019 including Un-audited Statement of Assets and Liabilities and Cash Flow Statement for the period ended on that date together with the Limited Review report of the Statutory Auditor M/s. JDS Associates, Chartered Accountant, Coimbatore -641002 and
- b) Consolidated Un-audited Financial Results for the Second quarter period ending September 30, 2019 including Un-audited Statement of Assets and Liabilities and Cash Flow Statement for the period ended on that date together with the Limited Review report of the Statutory Auditor M/s.JDS Associates, Chartered Accountant, Coimbatore -641002.

Enclosed herewith both Standalone and Consolidated Un-audited Financial Results along with the Limited Review Report of the statutory auditor for your records and dissemination to the stakeholders. A copy of the same will be uploaded in the Company's website [www.salzergroup.net](http://www.salzergroup.net).



# SALZER ELECTRONICS LTD.

CIN : L03210TZ1985PLC001535

salzer

Further, Pursuant to Regulation 47 of SEBI LODR Regulations an extract of the aforesaid financial results in the manner prescribed under the SEBI Listing Regulations will be published in English and Tamil newspapers within time stipulated


The Meeting commenced at 11.30 a.m and closed at 3.15 P.M

May kindly be acknowledged the receipt.

Thanking you

Yours faithfully

For Salzer Electronics Limited

  
S Baskarasubramanian  
Director (Corporate Affairs)  
& Company Secretary

Encl : As above



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E-mail : salzer@salzergroup.com Website : www.salzergroup.com

**Statement of Standalone Un-audited Financial Results for Quarter and Half year ended 30th September 2019**

Rs. In Lacs except for per share data

Particulars	Quarter ended			Half year ended		Year ended
	30-09-2019	30-06-2019	30-09-2018	30-09-2019	30-09-2018	31-03-2019
<b>I Income</b>						
a. Revenue From Operations	13,778.93	16,214.45	13,471.84	29,993.38	26,118.67	55,976.62
b. Other Income	25.59	67.37	14.54	92.96	30.17	70.7
<b>Total Income</b>	<b>13,804.52</b>	<b>16,281.82</b>	<b>13,486.38</b>	<b>30,086.34</b>	<b>26,148.84</b>	<b>56,047.32</b>
<b>II EXPENSES</b>						
a. Cost of materials consumed	10,826.57	13,022.58	9,791.04	23,849.15	19,955.19	41,933.48
b. Changes in inventories of finished goods, work-in-progress and stock-in-trade	-651.55	-371.33	62.87	-1,022.88	-493.54	-52.18
c. Employee benefit expenses	620.58	632.57	666.99	1,253.15	1096.87	2,489.37
e. Finance Cost	539.99	532.74	475.84	1,072.73	943.44	1,988.47
f. Depreciation and amortisation expense	360.21	347.11	327.02	707.32	637.80	1,215.96
g. Other expenses	1,232.73	1,262.80	1,280.03	2,495.53	2,491.94	5,241.38
<b>h TOTAL EXPENSES</b>	<b>12,928.53</b>	<b>15,426.47</b>	<b>12,603.79</b>	<b>28,355.00</b>	<b>24,631.70</b>	<b>52,816.48</b>
<b>III PROFIT BEFORE EXCEPTIONAL ITEMS AND TAX</b>	<b>875.99</b>	<b>855.35</b>	<b>882.59</b>	<b>1,731.34</b>	<b>1,517.14</b>	<b>3,230.84</b>
Exceptional items	-	-	-	-	-	-
<b>IV PROFIT BEFORE TAX</b>	<b>875.99</b>	<b>855.35</b>	<b>882.59</b>	<b>1,731.34</b>	<b>1,517.14</b>	<b>3,230.84</b>
a. Current Tax	132.53	238.21	256.45	370.74	393.2	743.09
b. Deferred Tax	149.30	37.10	64.05	186.40	107.46	92.01
<b>V PROFIT AFTER TAX</b>	<b>594.16</b>	<b>580.04</b>	<b>562.09</b>	<b>1,174.20</b>	<b>1,016.48</b>	<b>2,395.74</b>
<b>VI OTHER COMPREHENSIVE INCOME</b>						
Items that will not be reclassified to profit or loss	-36.76	-4.60	-12.37	-41.36	-24.74	-18.39
<b>VIII TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>557.40</b>	<b>575.44</b>	<b>549.72</b>	<b>1,132.84</b>	<b>991.74</b>	<b>2,377.35</b>
IX Paid up share capital - equity shares of Rs.10/ each	1,598.27	1598.27	1,594.71	1,598.27	1,594.71	1,598.27
X Reserves and Surplus (Other Equity)	-	-	-	-	-	27,101.18
<b>XI EARNINGS PER SHARE</b>						
a. - Basic after exceptional items (in Rs.)	3.72	3.63	3.56	7.35	6.54	15.21
b. - Diluted after exceptional items (in Rs.)	3.72	3.63	3.53	7.35	6.45	15.10

Date : November 09, 2019

Place : Coimbatore

For Salzer Electronics Limited

*N Rangachary*  
N Rangachary  
Chairman  
DIN: 00054437




## Notes forming part of above results

- i) The Company operates in only one segment viz., Electrical installation products;
- ii) The above Un-audited financial results were duly reviewed by the Audit Committee at its meeting held on November 09, 2019 and were taken on record and approved by the Board of Directors at their meeting held on November 09, 2019 along with the Limited Review Report issued by the Statutory Auditor on Financial Results for second quarter and First Half year Period ending September 30, 2019,
- iii) The Company has duly completed the acquisition of Equity Share and Voting Rights in Kaycee Industries Limited ("**Kaycee/Subsidiary Company**") to the extent of 76.92% comprising of 72.32% bought under Share Purchase and Transfer of Control Agreement dated May 24, 2019 from its erstwhile Promoters and another 4.60% from the Public in the Open offer made by the Company as a fulfilment of obligations arising under Regulation 3 & 4 of SEBI (Substantial Acquisition and Takeover) Regulation 2011 ("**SEBI (SAST) Regulations**"). The Company will take requisite steps to bring public shareholding in Kaycee to the stipulated minimum level within the time prescribed in the Securities Contracts (Regulation) Rules, 1957, SEBI (SAST) Regulations and in compliance with Regulation 38 of SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015.
- iv) Previous period figures have been regrouped / reclassified wherever necessary to confirm to current period's presentation.

For SALZER ELECTRONICS LIMITED

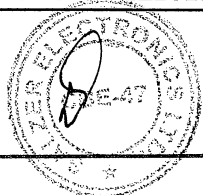
Coimbatore - 641 047.  
November 09, 2019

  
**N.RANGACHARY**  
**CHAIRMAN**  
(DIN: 00054437)



## STATEMENT OF ASSETS AND LIABILITIES AS AT SEPTEMBER 30, 2019

Particulars	30/09/2019	30/09/2018
<b>I ASSETS</b>		
<b>1 Non-current Assets</b>		
(a) Property, Plant and Equipment	17,950.77	16,928.05
(b) Capital Work in progress	1,566.03	167.76
(c) Investment Property	0.77	0.77
(d) Intangible Assets	457.22	451.81
(e) Financial Assets		
i. Investments	1,603.49	67.18
ii. Trade Receivables	861.76	1,862.49
iii. Others	1,221.28	1,545.82
(f) Other Non-Current Assets	253.14	314.89
<b>Total Non-Current Assets</b>	<b>23,914.46</b>	<b>21,338.77</b>
<b>2 Current Assets</b>		
(a) Inventories	15,294.97	13,973.04
(b) Financial Assets		
i. Investments	352.61	253.59
ii. Trade Receivables	14,221.37	12,233.97
iii. Cash and Cash equivalents	572.07	906.63
iv. Other Bank balances	654.30	941.19
v. Loans	4,017.96	3,891.93
vi. Others	50.48	51.07
(c) Other Current Assets	2,089.48	2,344.24
<b>Total Current Assets</b>	<b>37,253.24</b>	<b>34,595.66</b>
<b>TOTAL ASSETS</b>	<b>61,167.70</b>	<b>55,934.43</b>
<b>II EQUITY AND LIABILITIES</b>		
<b>1 EQUITY</b>		
(a) Equity Share Capital	1,598.27	1,594.71
(b) Other Equity	27,925.72	25,968.08
<b>Total Equity</b>	<b>29,523.99</b>	<b>27,562.79</b>
<b>2 LIABILITIES</b>		
<b>(1) Non-current Liabilities</b>		
(a) Financial Liabilities		
i. Borrowings	1,739.50	401.16
(b) Provisions	29.74	40.00
(c) Deferred tax liabilities (net)	2,138.48	2,283.79
<b>Total Non-current Liabilities</b>	<b>3,907.72</b>	<b>2,724.95</b>
<b>(2) Current Liabilities</b>		
(a) Financial Liabilities		
i. Borrowings	16,378.62	11,773.43
ii. Trade Payables	5,284.28	6,395.88
iii. Others	616.12	1,180.04
(b) Other Current Liabilities	5,273.49	5,847.06
(c) Provisions	86.73	57.08
(d) Current Tax Liabilities (Net)	96.74	393.20
<b>Total Current Liabilities</b>	<b>27,735.98</b>	<b>25,646.69</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>61,167.70</b>	<b>55,934.43</b>



Samichettipalayam, Coimbatore - 641 047, India.

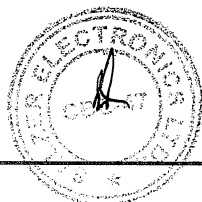
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## Cash Flow Statement for the period ended September 30, 2019

PARTICULARS	Priond ended 30.09.2019	Year ended March 31 ,2019
<b>A.CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Profit/(Loss) after tax</b>	<b>1,174.19</b>	<b>2,377.35</b>
Adjustments for:		
Tax expenses	557.14	835.10
Depreciation and Amortisation	707.32	1,215.96
Interest Income	-25.51	-43.42
Finance Costs	1,072.73	1,988.47
(Gain)/Loss on Foreign Exchange Fluctuations (Net)	-55.70	73.59
Dividend Income	-1.71	-12.60
Profit on Sale of Investments	-0.56	-0.32
(Profit)/Loss on Sale of Assets (Net)		-0.45
Fair Valuation of Investments		
Other Non-operating Income	-9.49	-13.91
<b>Operating Profit before working capital changes</b>	<b>3,418.41</b>	<b>6,419.77</b>
Adjusted for working capital changes		
Inventories	-1,028.44	-412.43
Trade and Other receivables	-1,108.41	-2,272.47
Trade and Other Payables	-842.88	960.75
Other Current Assests		1,414.19
Other Liabilities		-2.94
<b>Cash Generated from Operations</b>	<b>438.68</b>	<b>6,106.87</b>
Direct Taxes Paid	-370.74	-598.03
<b>Net Cash Flow from Operating Activities</b>	<b>67.94</b>	<b>5,508.84</b>
<b>B.CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	-816.40	-2,880.38
Reduction in Capital Work in Progress	-959.94	37.23
Non-operating Income	9.49	13.91
Profit on Sale of Investments	-	0.32
Investment in Mutual Funds and Equities-NETT	-1,589.17	-57.63
Proceeds from Sale of Fixed Assets	-	1.08
Profit/(Loss) on Sale of Assets	-	0.45
Other Non-current Assets	-	-342.50
Dividend Income	1.71	12.60
Interest Income	25.51	43.42
<b>Net Cash Used in Investing Activities</b>	<b>-3,328.80</b>	<b>-3,171.50</b>
<b>C.CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from Short Term Borrowings	2,818.62	782.22
Share Application/Allotment Money Received	-	6.38
Long term Borrowings	1,318.42	
Repayment of Long Term Borrowings	-	-344.15
Interest and Finance Charges	-1,072.73	-1,988.47
(Gain)/Loss on Foreign Exchange Fluctuations (Net)	55.70	-73.59
Dividend and Dividend Tax Paid	-	-307.60
<b>Net Cash Generated from Financing Activities</b>	<b>3,120.01</b>	<b>-1,925.21</b>
<b>Net Increase in Cash and Cash Equivalent</b>	<b>-140.85</b>	<b>412.13</b>
Cash and Bank balances at the Beginning of the Year	712.92	999.74
Less: Bank Balances not considered as Cash and Cash equivalent	654.30	698.95
<b>Cash and Bank balances at the End of the Year</b>	<b>572.07</b>	<b>712.92</b>

The above cash flow has been prepared under the "Indirect Method" as set out in Indian Accounting Standard (Ind AS) 7- Statement of Cash Flows.



# J D S ASSOCIATES

## CHARTERED ACCOUNTANTS

### LIMITED REVIEW REPORT

To

**The Board of Directors,  
Salzer Electronics Limited  
Coimbatore -641 047**

Dear Sirs,

1. We have reviewed the accompanying statement of standalone unaudited financial results of Salzer Electronics Limited (CIN: L03210TZ1985PLC001535) having its Registered Office at Samichettipalayam, Coimbatore -641047 for the quarter ended September 30, 2019 and year to date results for the period from April 01, 2019 to September 30, 2019 being submitted by the company pursuant to the requirement of Regulation 33 SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 ("SEBI LODR Regulations") as modified by circular SEBI No.CIR/CFD/FAC/62/2016 dated July 05, 2016;
2. This statement which is the responsibility of the Company's Management and approved by the Board of Directors at their meeting held on November 09,2019, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" (IND AS 34) prescribed under section 133 of the Companies Act, 2013 read with relevant Rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on these financial statements based on our review;
3. We conducted our review of the statement 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 provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion and

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**B. JAYARAM**

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Ramanathapuram

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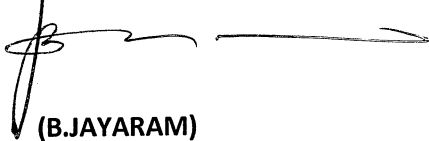
E-mail : jfranklin@yahoo.com

# J D S ASSOCIATES

## CHARTERED ACCOUNTANTS

4. 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 the aforesaid Indian accounting standards and other accounting principles generally accepted in India has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as modified by circular No.CIR/CFD/FAC/62/2016 dated July 05, 2016 including the manner in which it is to be disclosed or that it contains any material Misstatement.

For JDS ASSOCIATES  
Chartered Accountants  
FRN :008735S



(B.JAYARAM)  
Partner  
Memb.No : 028346

Date : November 09,2019

Place : Coimbatore

UDIN : 19028346 AAAAJV5209

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## CONSOLIDATED STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE SECOND QUARTER ENDED 30TH SEPTEMBER, 2019

<b>I</b>	<b>INCOME</b>	<b>Rs. In Laks</b>
a.	Revenue From Operations	14388.98
b.	Other Income	30.55
	<b>TOTAL INCOME</b>	<b>14419.53</b>
<b>II</b>	<b>EXPENSES</b>	
a.	Cost of materials consumed	11130.42
b.	Changes in inventories of finished goods and work-in-progress	-680.87
c.	Employee benefit expenses	737.20
d.	Finance Cost	543.47
e.	Depreciation and amortisation expense	370.66
f.	Other expenses	1361.45
	<b>TOTAL EXPENSES</b>	<b>13462.33</b>
	Exceptional items	-
<b>IV</b>	<b>PROFIT BEFORE TAX</b>	<b>957.20</b>
	Current Tax	93.20
	Deferred Tax	220.05
<b>V</b>	<b>PROFIT AFTER TAX</b>	<b>643.95</b>
	Attributable to : Owners of the Company	632.45
	Non-controlling Interest	11.50
<b>VI</b>	<b>OTHER COMPREHENSIVE INCOME</b>	
	Items that will not be reclassified to profit or loss	
a.	Re-measurement of post -employment benefit obligations	30.05
b.	Change in fair value of FVOCI equity instruments	-89.34
c.	Net gain/ (loss) on sale of investments designated through OCI	
d.	Income Tax expenses on above	20.55
<b>VII</b>	<b>TOTAL OTHER COMPREHENSIVE INCOME FOR THE PERIOD NET OF TAX</b>	<b>-38.74</b>
<b>VIII</b>	<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>605.21</b>
	Attributable to : Owners of the Company	594.18
	Non-controlling Interest	11.04
<b>IX</b>	<b>EARNINGS PER SHARE</b>	
	- Basic after exceptional items	3.96
	- Diluted after exceptional items	3.96

Date : November 09, 2019

Place : Coimbatore

For Salzer Electronics Limited

*N Rangachary*  
N Rangachary  
Chairman  
DIN: 00054437



Samichettipalayam, Coimbatore - 641 047, India.  
Phone : + + 91 422 4233600 Fax : + + 91 422 2692170  
E-mail : salzer@salzergroup.com Website : www.salzergroup.com

**Notes :**

- 1) The Company has acquired controlling interest upon acquisition of Equity shares on July 11, 2019 in Kaycee Industries Limited which consequently became Subsidiary to the Company in terms of Provisions of Section 2(87) of the Companies Act 2013. As on 30/09/2019, the Company holds 76.92% stake in aforesaid Subsidiary Company after consequent completion of open offer under SEBI (Substantial Acquisition and Takeover) Regulation 2011. Accordingly, the revenue and expenses of Subsidiary only for the quarter ended September, 30<sup>th</sup> 2019 have been consolidated and included in the above Financial Results.
- 2) Since figures for the current second quarter are not strictly comparable with the previous corresponding period and immediate previous quarter, the consolidated financial figures for the First half year period ending 30/09/2019 and figures for corresponding Quarter as well as immediate previous quarter have not been furnished.
- 3) This Statement has been prepared in accordance with the Companies (Indian Accounting Standards) Rules 2015 (IND AS) prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable.

**STATEMENT OF ASSETS AND LIABILITIES AS AT 30/09/2019**

		<b>Rs. In Lakhs</b>
Particulars		30/09/2019
I	<b>ASSETS</b>	
1	<b>Non-current Assets</b>	
(a)	Property, Plant and Equipment	18900.21
(b)	Capital Work in progress	1566.03
(c)	Investment Property	0.77
(d)	Intangible Assets (Including Goodwill)	457.22
(e)	Financial Assets	0.00
	i. Investments	1.24
	ii. Trade Receivables	861.76
	iii. Others	1224.45
(f)	Other Non-Current Assets	319.86
	<b>Total Non-Current Assets</b>	<b>23331.55</b>
2	<b>Current Assets</b>	
(a)	Inventories	15622.43
(b)	Financial Assets	
	i. Investments	352.61
	ii. Trade Receivables	15034.87
	iii. Cash and Cash equivalents	636.27
	iv. Other Bank balances	866.65
	v. Loans	4017.96
	vi. Others	50.48
(c)	Other Current Assets	2201.53
	<b>Total Current Assets</b>	<b>38782.80</b>
	<b>TOTAL ASSETS</b>	<b>62114.35</b>



# SALZER ELECTRONICS LTD.

CIN : L03210TZ1985PLC001535

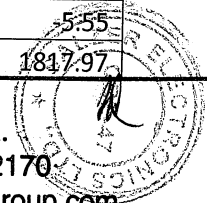
II	EQUITY AND LIABILITIES	
1	EQUITY	
(a)	Equity Share Capital	1598.27
(b)	Other Equity	27957.64
	Equity attributable to the Owners of the Company	29555.91
	Non- Controlling Interest	378.63
	Equity Total	29934.54
2	LIABILITIES	
(1)	Non-current Liabilities	
(a)	Financial Liabilities	
	i. Borrowings	1739.50
(b)	Provisions	62.66
(c)	Deferred tax liabilities (net)	2128.11
(d)	Other Non-Current Liabilities	28.84
	Total Non-current Liabilities	3959.11
(2)	Current Liabilities	
(a)	Financial Liabilities	
	i. Borrowings	16489.36
	ii. Trade Payables	5532.63
	iii. Others	621.33
(b)	Other Current Liabilities	5322.30
(c)	Provisions	125.31
(d)	Current Tax Liabilities (Net)	129.78
	Total Current Liabilities	28220.71
	TOTAL EQUITY AND LIABILITIES	62114.35

## Consolidated Cash Flow Statement for the second quarter ended 30.09.2019

PARTICULARS	Rs. In Lakhs
	30/09/2019
<b>A.CASH FLOW FROM OPERATING ACTIVITIES</b>	
Profit/(Loss) after tax	605.21
Adjustments for:	
Tax expenses	313.25
Depreciation and Amortisation	370.66
Interest Income	-15.29
Finance Costs	543.47
(Gain)/Loss on Foreign Exchange Fluctuations (Net)	-8.29
Dividend Income	-1.10
Profit on Sale of Investments	-0.56
(Profit)/Loss on Sale of Assets (Net)	1.43
Fair Valuation of Investments	14.74
Other Non-operating Income	5.55
Operating Profit before working capital changes	1817.97



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# SALZER ELECTRONICS LTD.

CIN : L03210TZ1985PLC001535

Adjusted for working capital changes:	
Inventories	-1107.91
Trade and Other receivables	-551.14
Trade and Other Payables	849.97
Cash Generated from Operations	1008.89
Direct Taxes Paid	0.00
Net Cash Flow from Operating Activities	1008.89
<b>B.CASH FLOW FROM INVESTING ACTIVITIES</b>	
Investment in Subsidiary (Including Goodwill)	-2214.15
Purchase of Fixed Assets	-516.59
Increase in Capital Work in Progress	-948.56
Non-operating Income	5.55
Investments	-14.74
Profit on Sale of Investments	0.56
Proceeds from Sale of Investments	83.91
Proceeds from Sale of Fixed Assets	42.58
Post -Acquisition Profit from Subsidiary	36.80
Dividend Income	1.10
Interest Income	15.29
Net Cash Used in Investing Activities	-3508.25
<b>C.CASH FLOW FROM FINANCING ACTIVITIES</b>	
Proceeds from Short Term Borrowings	
Other non-Current Assets	551.05
Long term Borrowings - receipts	996.37
Repayment of non -current liabilities	12.11
Interest and Finance Charges	-543.47
(Gain)/Loss on Foreign Exchange Fluctuations (Net)	8.29
Dividend and Dividend Tax Paid	-308.29
Net Cash Generated from Financing Activities	716.06
Net Increase in Cash and Cash Equivalents	-1783.31
Cash and Bank balances at the Beginning of the Year	3286.22
Less: Bank Balances not considered as Cash and Cash equivalents	866.65
Cash and Bank balances at the End of the Year	636.27



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# J D S ASSOCIATES

## CHARTERED ACCOUNTANTS

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### LIMITED REVIEW REPORT

To

**The Board of Directors,  
Salzer Electronics Limited  
Coimbatore -641 047**

Dear Sirs,

1. We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results of Salzer Electronics Limited ("**the Parent**") and its subsidiary (the Parent and its subsidiary together referred to as "**the Group**"), for the quarter ended September 30, 2019 ("**the Statement**"); being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended;
2. During second quarter ended September 30,2019, the parent acquired 76.92% Equity Shares and voting Rights in Kaycee Industries Limited by means of purchase of 72.32% under Share Purchase and Transfer of Control Agreement dated May 24, 2019 from its erstwhile Promoters- Universal Trustees Private Limited and another 4.60% from the Public in the Open offer made by the Company as a fulfilment of obligations arising under Regulation 3 & 4 o SEBI (Substantial Acquisition and Takeover) Regulation 2011 ("**SEBI (SAST) Regulations**"). Accordingly, Kaycee Industries Limited has become subsidiary to the parent within the meaning of Section 2(87)(ii) of the Companies Act 2013;
3. Since the Parent has effectively started exercising control over the affairs of the Subsidiary only from Second quarter of this Financial year, consolidated figures for second quarter have only been prepared without any relevant comparative figures which have been approved by the Board of Directors of Parent at its meeting held on November 09,2019, but have not been subjected to review;

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4. This Statement, which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("IND AS 34" ), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review;
5. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion;
6. We also performed procedures in accordance with the Circular issued by the SEBI under Regulation 33(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015, ("SEBI LODR Regulations") to the extent applicable;
7. The Statement includes the results of the following entity:
  - a) Kaycee Industries Limited
8. Based on our review conducted and procedures performed as stated in paragraph 5 above and based on the consideration of the review reports of the other auditors referred to in paragraph 9 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement and

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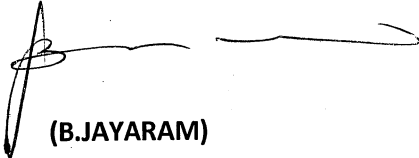
# J D S ASSOCIATES

## CHARTERED ACCOUNTANTS

9. We did not review the interim financial statements/ financial information/ financial results of the subsidiary Kaycee Industries Limited included in the consolidated unaudited financial results, whose interim financial statements / financial information/ financial results reflect total assets of Rs. 1921.26 lakhs as at September 30, 2019 and total revenues of Rs. 615.02 lakhs, total net profit after tax of Rs. 49.81 Lakhs and total comprehensive income / loss of Rs. 47.85 for the quarter ended September 30, 2019, and cash and Cash Equivalents Opening Balance Rs.313.83 Lakhs and cash and Cash Equivalents Closing Balance Rs.282.89 Lakhs for the period from April 01, 2019 to September 30, 2019, as considered in the consolidated unaudited financial statements. These interim financial statements / financial information / financial results have been reviewed by other auditors whose reports have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, is based solely on the reports of the other auditors and the procedures performed by us as stated in paragraph 5 above.

Our conclusion on the Statement is not modified in respect of the above matters.

For JDS ASSOCIATES  
Chartered Accountants  
FRN :008735S



(B.JAYARAM)  
Partner  
Memb.No : 028346

Date : November 09, 2019

Place : Coimbatore

UDIN : 19028346 AAAAJU 2809

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