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LLP Identity No. AAB-7509

Independent Auditor's Review Report on the Quarterly and Half year ended Unaudited Consolidated Financial Results of Kaiser Corporation Limited, pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

Review Report to
The Board of Directors
Kaiser Corporation Limited

1. We have reviewed the accompanying statement of unaudited consolidated financial results of Kaiser Corporation Limited ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as 'the Group') and its share of the net profit after tax and total comprehensive income of its associate for quarter and half year ended 30 September 2019, ("the Statement") being submitted by the Parent pursuant to the requirements of Regulation 33 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations") as amended, read with SEBI Circular No. CIR/CFD/CMD1/80/2019 dated 19 July 2019 ("the Circular"). Attention is drawn to the fact that the consolidated figures for the corresponding quarter and half year ended 30 September 2018 and consolidated figures for the net cash outflows for the corresponding half year ended 30 September 2018, as reported in these consolidated financial results have been approved by the Parent's Board of Directors, but have not been subjected to Limited review by the auditors.
2. This Statement, which is the responsibility of the Parents'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, (Ind AS 34) 'Interim Financial Reporting' prescribed under Section 133 of the Companies Act, 2013 ('the Act') as amended, read with Rule 3 of Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India read with the Circular. Our responsibility is to express a conclusion on the Statement based on our review.
3. 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.

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) Regulations, 2015 as amended, to the extent applicable.

4. The Statement includes the results of the following entities:
 - a) Kaiser Corporation Ltd. - Parent Company
 - b) Xicon International Limited - Subsidiary Company
 - c) Heat Trace Xicon Limited - Associate Company (Up to 27 September 2019)



5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration referred to in paragraph 6 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with recognition and measurement principles laid down in the applicable Indian Accounting Standards specified under Section 133 of the Act, as amended read with relevant rules issued thereunder and other recognised accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Regulations, read with the Circular, including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. We did not review the interim financial information of one subsidiary included in the consolidated unaudited financial results excluding consolidation eliminations, whose interim financial information reflect total revenue of Rs. 493.53 Lakhs and Rs. 842.68 Lakhs, total net loss after tax of Rs. 82.29 Lakhs and Rs.170.87 Lakhs and total comprehensive loss of Rs. 39.06 Lakhs and Rs. 124.11 Lakhs, for the quarter and period ended 30 September 2019 respectively, as considered in the unaudited consolidated financial results. The consolidated unaudited financial results also includes the Group's share of net profit after tax of Rs. 3.65 Lakhs and Rs. 5.46 Lakhs and total comprehensive income of Rs. 3.64 Lakhs and Rs. 5.47 Lakhs respectively for the quarter and period ended 27 September 2019 respectively, as considered in the consolidated unaudited financial results, in respect of one associate, whose interim financial information have not been reviewed by us. These unaudited interim financial information have been reviewed by other auditors whose report 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 these subsidiary and associate, is based solely on the reports of the other auditors and the procedures performed by us as stated in Para 3 above.

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

For Suresh Surana & Associates LLP
Chartered Accountants
Firm's Registration No. 121750W/W-100010

Ramesh Gupta
Partner
Membership No.: 102306
UDIN:19102306AAAACF2355
Place: Mumbai
Date: 7 November 2019



KAISER

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STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30 SEPTEMBER 2019							
(Amount in Lakhs unless otherwise stated)							
Sr. No.	Particulars	Quarter Ended			Half Year ended		Year end
		30/09/2019 Unaudited	30/06/2019 Unaudited	30/09/2018 Unaudited	30/09/2019 Unaudited	30/09/2018 Unaudited	31/03/2019 Audited
1	Income from operations						
	Revenue from operations	511.70	365.85	178.58	877.55	416.97	2,158.08
	Other income	44.77	5.32	9.44	50.09	10.93	13.07
	Total income from operations	556.47	371.17	188.02	927.64	427.90	2,171.15
2	Expenses						
	(a) Cost of materials consumed	90.14	143.52	41.88	233.66	86.67	441.33
	(b) Purchase of stock in trade	271.79	117.88	12.15	389.67	43.05	570.52
	(c) Changes in inventories of work-in-progress	(3.90)	(48.29)	16.50	(52.19)	(14.61)	(13.99)
	(d) Employee benefits expense	52.55	52.40	49.36	104.95	98.70	221.05
	(e) Finance costs	19.62	19.61	12.48	39.23	23.16	57.06
	(f) Depreciation and amortisation expenses	7.24	6.81	8.04	14.05	15.88	32.54
	(g) Legal and professional fees	15.67	23.42	11.23	39.09	77.45	225.70
	(g) Payment to subcontractors	42.55	50.01	28.72	92.56	73.39	143.78
	(h) Other expenditures	133.23	95.10	46.52	228.33	101.90	380.21
	Total expenses	628.89	460.46	226.88	1089.35	505.59	2058.20
3	Profit before exceptional items and tax (1-2)	(72.42)	(89.29)	(38.86)	(161.71)	(77.69)	112.95
4	Exceptional items	12.94	-	-	12.94	-	-
5	Profit / (loss) before non-controlling interests/share in net profit / (loss) of associate (3-4)	(85.36)	(89.29)	(38.86)	(174.65)	(77.69)	112.95
6	Share of profit / (loss) of associate	3.65	1.81	2.94	5.46	2.10	(0.21)
7	Profit before tax (5+6)	(81.71)	(87.48)	(35.92)	(169.19)	(75.59)	112.74
8	Tax expense						
	Current tax	-	-	-	-	-	(23.40)
	Current tax (MAT)	(0.15)	-	(0.11)	(0.15)	(0.20)	(0.41)
	MAT credit entitlement	0.09	-	0.18	0.09	0.20	0.41
	Deferred tax	(0.15)	0.08	(0.06)	(0.07)	(0.02)	(0.02)
	Prior period tax adjustments	-	(1.51)	-	(1.51)	-	0.89
9	Profit/(Loss) after tax (7-8)	(81.92)	(88.91)	(35.91)	(170.83)	(75.61)	90.21
10	Other comprehensive income/(Loss)						
	Items that will not be reclassified to profit or loss						
	Gain / loss on actuarial valuation of post employment benefits	(4.39)	4.76	0.11	0.37	-	(0.58)
	Less: Income tax expense	(1.17)	1.24	-	0.07	-	0.04
	Fair value changes on equity instruments through other comprehensive income	(3.46)	-	-	(3.46)	-	0.00
	Less: Income tax expense	(0.87)	-	-	(0.87)	-	-
	Share of Other Comprehensive Income in associates to the extent not classified in profit or loss	(0.01)	0.02	0.03	0.01	0.06	0.13
9	Other comprehensive income/(Loss)	(5.82)	3.54	0.14	(2.28)	0.06	(0.41)
10	Total Comprehensive Income/(Loss) for the period (7+9)	(87.74)	(85.37)	(35.77)	(173.11)	(75.55)	89.80
	Attributable to:						
	Equity holders of the parent	(48.27)	(48.13)	(19.73)	(96.40)	(41.73)	49.40
	Non-controlling interest	(39.47)	(37.24)	(16.04)	(76.71)	(33.82)	40.40
	Of the Total Comprehensive income / (loss) included above, Profit / (loss) for the year attributable to :						
	Equity holders of the parent	(45.05)	(50.08)	(19.81)	(95.13)	(41.77)	49.68
	Noncontrolling interest	(36.87)	(38.83)	(16.10)	(75.70)	(33.84)	40.53
	Of the Total Comprehensive income / (loss) included above, Other comprehensive income / (loss) attributable to:						
	Equity holders of the parent	(3.22)	1.95	0.08	(1.27)	0.04	(0.28)
	Noncontrolling interest	(2.60)	1.59	0.06	(1.01)	0.02	(0.13)
11	Paid-up equity share capital (Face Value of Rs.1 per share)	526.21	526.21	526.21	526.21	526.21	526.21
12	Other equity (excluding revaluation reserve as per balance sheet of previous accounting year)	-	-	-	-	-	87.95
13	Earnings per equity Share (Not Annualised)						
	Basic (in Rs.)	(0.0856)	(0.0952)	(0.0376)	(0.1808)	(0.0794)	0.0944
	Diluted (in Rs.)	(0.0856)	(0.0952)	(0.0376)	(0.1808)	(0.0794)	0.0944



STATEMENT OF CONSOLIDATED ASSETS AND LIABILITIES

(Amount in Lakhs)

Particulars	As at	As at
	30/09/2019	31/03/2019
	Unaudited	Audited
ASSETS		
Non-current assets		
Property, plant and equipment	219.82	231.63
Goodwill	210.46	210.46
Other intangible assets	3.12	1.35
Investment accounted for using the equity method	-	26.43
Financial assets		
(i) Investments	11.62	0.84
(ii) Other financial assets	6.39	6.31
Deferred tax assets (net)	6.83	6.02
Income tax assets (net)	2.24	6.22
Other non-current assets	15.24	14.22
Total non-current assets	475.72	503.48
Current assets		
Inventories	236.94	176.03
Financial assets		
(i) Trade receivables	1,298.73	1,652.16
(ii) Cash and cash equivalents	4.90	15.14
(iii) Bank balances other than (ii) above	56.79	59.56
(iv) Loans	-	1.11
(v) Other financial assets	30.64	31.24
Other current assets	168.49	119.87
Total current assets	1,796.49	2,055.11
TOTAL ASSETS	2,272.21	2,558.59
EQUITY AND LIABILITIES		
EQUITY		
Equity share capital	526.02	526.02
Other equity	(6.37)	87.95
TOTAL EQUITY	519.65	613.97
Non-controlling interest	195.32	274.06
	714.97	888.03
LIABILITIES		
Non-current liabilities		
Financial liabilities		
(i) Borrowings	4.13	-
Provisions	-	4.18
Total non-current liabilities	4.13	4.18
Current liabilities		
Financial liabilities		
(i) Borrowings	612.06	515.25
(ii) Trade payables		
Outstanding dues of micro enterprises and small enterprises	3.82	169.84
Outstanding dues of creditors other than micro enterprises and small enterprises	857.04	938.75
(iii) Other financial liabilities	53.49	20.54
Other current liabilities	15.65	12.19
Provisions	11.05	9.81
Current tax liabilities (net)		
Total current liabilities	1,553.11	1,666.38
TOTAL LIABILITIES	1,557.24	1,670.56
TOTAL EQUITY AND LIABILITIES	2,272.21	2,558.59



STATEMENT OF CONSOLIDATED CASH FLOWS

Sr. No.	Particulars		For the half year ended 30 September 2019	For the half year ended 30 September 2018
A.	CASH FLOW FROM OPERATING ACTIVITIES			
	Profit /(Loss) before tax		(169.19)	(75.59)
	Adjustments for			
	Depreciation and amortisation expenses		14.05	15.88
	loss on sale of investments		12.49	-
	Interest income		(1.84)	(1.01)
	Finance cost		39.22	23.16
	Excess provision / sundry balances written back (net)*		0.00	-
	Dividend income on investments		(0.01)	(0.01)
	Share of profit of associate		(5.47)	(2.10)
	Operating profit before working capital adjustments		(110.75)	(39.67)
	Adjustments for			
	(Increase)/decrease in inventories		(60.91)	(18.14)
	(Increase)/decrease in trade and other receivables		304.32	114.65
	Increase/(decrease) in trade and other payables		(227.60)	(72.31)
	Cash generated/(used) in operations		(94.94)	(15.47)
	Income tax paid / refund (net)		2.32	(3.45)
	Cash generated/(used) in operations	[A]	(92.62)	(18.92)
B.	CASH FLOW FROM INVESTING ACTIVITIES			
	Purchase of property, plant and equipments (including capital work in progress)		(1.67)	(4.45)
	Purchase of intangible assets		(2.33)	(0.67)
	Sale of investment		5.18	-
	(Investment in) / proceeds from fixed deposits of more than three months of original maturity		2.78	11.50
	Loan given		1.11	(6.94)
	Interest income		1.84	1.01
	Dividend income		0.01	0.01
	Cash generated/(used) in investing activities	[B]	6.92	0.46
C.	CASH FLOW FROM FINANCING ACTIVITIES			
	Proceeds from long term borrowings		17.87	19.91
	Proceeds / (repayment) of short term borrowings (net)		96.82	(7.26)
	Finance cost		(39.23)	(23.16)
	Interest and finance charges			
	Cash generated/(used) in financing activities	[C]	75.46	(10.51)
	Net increase/(decrease) in cash and cash equivalents	(A+B+C)	(10.24)	(28.97)
	Cash and cash equivalents at the beginning of the year		15.14	35.15
	Cash and cash equivalents at the end of the year		4.90	6.18

*Excess provision written back Rs. 7 for the 30 September 2019



CONSOLIDATED SEGMENT WISE REVENUE, RESULTS AND CAPITAL EMPLOYED

Particulars	Quarter Ended					(Amount in Lakhs)
	30-09-2019	30/06/2019	30-09-2018	30-09-2019	30-09-2018	Year end 31/03/2019
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1. Segment Revenue						
a) Printing	18.17	16.70	18.80	34.87	35.23	65.87
b) Infrastructure projects	493.53	349.15	159.78	842.68	381.74	2,092.21
Gross revenue	511.70	365.85	178.58	877.55	416.97	2,158.08
Less: Inter segment revenue	-	-	-	-	-	-
Net revenue	511.70	365.85	178.58	877.55	416.97	2,158.08
2. Segment results: profit before tax, interest and share of profit from associates						
a) Printing	0.68	(0.58)	0.06	0.10	0.04	(0.07)
b) Infrastructure projects	(66.42)	(69.10)	(26.43)	(135.52)	(54.57)	170.08
Less: Finance cost	(19.62)	(19.61)	(12.48)	(39.23)	(23.16)	(57.06)
Add/less: Share of profit/(loss) of associate	3.65	1.81	2.94	5.46	2.10	(0.21)
Profit / (loss) before tax	(81.71)	(87.48)	(35.91)	(189.19)	(75.59)	112.74
3. Segment Assets						
a) Printing	44.88	41.42	40.03	44.88	40.03	33.49
b) Infrastructure projects	2,009.54	2,112.32	1,270.87	2,009.54	1,270.87	2,306.17
Add: Unallocated common assets	2,054.42	2,153.74	1,310.90	2,054.42	1,310.90	2,339.66
Total segment Assets	2,272.21	2,369.85	1,548.52	2,272.21	1,548.52	2,558.59
4. Segment Liabilities						
a) Printing	11.29	10.21	12.70	11.29	12.70	9.32
b) Infrastructure projects	916.03	940.23	454.97	916.03	454.97	1,126.58
Add: Unallocated common liabilities	927.32	950.44	467.67	927.32	467.67	1,135.90
Total segment Liabilities	927.32	950.44	467.67	927.32	467.67	1,135.90
Total capital employed	1,344.89	1,419.41	1,080.85	1,344.89	1,080.85	1,422.69

Notes :

- The above financial results were reviewed by the Audit Committee and approved by the Board of Directors of the Company at its Meeting held on 7 November 2019 and a limited review of the same has been carried out by the statutory auditors of the Company.
- The above financial results have been prepared in accordance with Indian Accounting Standards as prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Indian Accounting Standards) Amendment Rules, 2016.
- From April 01, 2019, the Indian Accounting Standard i.e. IND-AS 116 "Leases" became effective, the Group has adopted the standard with modified retrospective approach as per Para C8 (c) (ii) of IND AS 116. However, based on the assessment done by management, there is no material impact of the such amendment, hence "Right of use asset", (representing its right of use the leased asset over the lease term) and also liability towards the present value of the balance of future lease payments for the leases has not been recognised.
- Consolidated figures for the corresponding quarter and half year ended 30 September 2018 and Statement of cash flows for the corresponding half year ended 30 September 2018, have been approved by the Board of Directors, but have not been subjected to Limited review by the auditors.
- A new Section 115BAA was inserted in the Income Tax Act, 1961, by The Government of India on 20 September 2019 vide the Taxation Laws (Amendment) Ordinance 2019 which provides an options to Companies for paying income tax at reduced rates in accordance with the provisions/conditions defined in the said Section. The Group is in the process of evaluating the impact of this Ordinance and has continued to apply the original provisions as at 30 September 2019.
- The previous period figures have been rearranged / regrouped / reclassified, to make these comparable with figures of the current quarter.
- The financial result of the Company will be available on our website www.kaiserpress.com.

On behalf of the Board of Directors
For Kaiser Corporation Limited

Bhushanlal Arora
Managing Director
DIN : 00416032



Place: Mumbai
Dated: 07 November 2019

