

MIC Electronics Limited

UN-AUDITED FINANCIAL RESULTS FOR THE FIRST QUARTER ENDED ON 30TH JUNE 2017

(Rs.in crores)

STAND-ALONE				SR. NO.	Particulars	CONSOLIDATED			
3 months ended	Previous 3 months ended	Corresponding 3 months ended in the previous year	Previous Accounting Year ended(12 Months)			3 months ended	Previous 3 months ended	Corresponding 3 months ended in the previous year	Previous Accounting Year ended(12 Months)
30.06.2017	31.03.2017	30.06.2016	31.03.2017			30.06.2017	31.03.2017	30.06.2016	31.03.2017
Un-audited	Audited	Un-audited	Audited		Un-audited	Audited	Unaudited	Audited	
				1	Income				
74.42	72.15	55.44	250.87		Revenue from Operations	74.42	72.15	55.44	250.87
0.14	0.88	0.64	2.09		Other Income	0.14	0.88	0.64	2.09
74.56	73.03	56.08	252.96		Total Income	74.56	73.03	56.08	252.96
				2	Expenses				
51.34	52.30	32.33	166.26		a. Cost of Material Consumed	51.34	52.30	32.33	166.27
11.78	9.72	11.71	44.22		b. Purchase of stock-in-trade	11.78	9.72	11.71	44.22
(6.51)	(15.46)	(4.40)	(38.12)		c. Changes in inventories of finished goods, work-in-progress and stock-in-trade	(6.51)	(15.46)	(4.40)	(38.12)
1.17	1.73	0.98	5.11		e. Employee benefits expense	1.17	1.73	0.98	5.11
0.54	7.15	0.05	9.85		f. Finance Costs	0.54	7.15	0.07	9.85
1.93	2.24	1.86	7.81		g. Depreciation and Amortisation expense	1.93	2.24	1.86	7.81
10.74	12.54	9.39	42.09		h. Other Expenses	10.79	11.94	9.38	42.21
70.99	70.22	51.92	237.22		Total Expenses	71.04	69.62	51.93	237.35
3.57	2.81	4.16	15.74	3	Profit / (Loss) from ordinary activities before exceptional Items	3.52	3.41	4.15	15.61
-	13.19	-	13.19	4	Exceptional Items - Expenditure / (Income)	-	13.19	-	13.19
3.57	(10.38)	4.16	2.55		Profit / (Loss) before tax	3.52	(9.78)	4.15	2.42
0.75	0.52	-	2.89	5	Tax Expense	0.75	0.52	-	2.89
2.82	(10.90)	4.16	(0.34)	6	Profit for the period	2.77	(10.30)	4.15	(0.47)
-	-	-	-	7	Other Comprehensive Income	-	-	-	-
2.82	(10.90)	4.16	(0.34)	8	Total comprehensive income for the period	2.77	(10.30)	4.15	(0.47)
44.05	44.05	35.39	44.05	9	Paid up Equity Share capital, equity shares of Rs.2/- each	44.05	44.05	35.39	44.05
-	277.85	-	277.85	10	Other equity excluding revaluation reserve	-	276.12	-	276.12
				11	Earning Per Share (face value of Rs.2/- each)				
0.13	(0.62)	0.24	(0.02)		(a) Basic	0.13	(0.59)	0.24	(0.03)
0.11	(0.52)	0.20	(0.02)		(b) Diluted	0.11	(0.49)	0.20	(0.02)

Notes:

- Result for the quarter ended 30th June 2017 are in compliance with Indan Accounting Standards notified by the Ministry of Corporate Affairs. Consequently result for the quarter ended 31st March 2017, 30th June 2016 and previous year ended 31st March 2017 have been restated to comply with Ind AS to make them comparable
- Transition to Ind-AS :**
The company has adopted Ind AS with effect from 1st April 2017 with comparatives being restated. Accordingly the impact of transition has been provided in the opening results as at 1st April 2016 and all the periods presented have been restated accordingly.
- While calculating diluted EPS, outstanding 3,30,00,000 convertible share warrants issued on preferential basis have been considered.
- The consolidated financial results include the unaudited financial results of the wholly owned subsidiaries , M/s MIC Green Energy Solutions Pvt Ltd and M/s MIC Electronics Inc.
- The company has not provided for interest expense of Rs.0.29 Crores on term loans for the current quarter since the matter is in litigation. This has resulted in current quarter profit being overstated by Rs.0.29 crores.
- The company has not provided for interest expense of Rs.1.49 crores on SBI Working capital for the current quarter which arised due to cancellation of earlier OTS scheme approved by the bank. The company has also not provided prior period interest arised due to such cancellation since it is still negotiating with the bank for one time settlement. This has resulted in current quarter profit being overstated by these amounts.
- The Company has only one segment i.e., LED Products.
- Figures have been rearranged wherever necessary.



**RECONCILIATION OF PROFIT AND RESERVE BETWEEN INDAS AND PREVIOUS INDIAN GAAP FOR EARLIER PERIOD AND AS AT
MARCH 31, 2017**

(Rs.in crores)

Sr. No.	Nature of adjustments	Note ref.	Profit reconciliation			Reserve reconciliation
			Quarter ended	Quarter ended	Year ended	As at
			31-Mar-17	30-Jun-16	31-Mar-17	31-Mar-17
	Net Profit/Reserves as per Previous Indian GAAP		(8.03)	4.16	2.53	279.58
1	Fair valuation as deemed cost for property, plant and Equipment	a	-	-	-	28.97
2	Fair valuation for financial assets	b	-	-	-	(27.83)
3	Deferred Tax	c	-	-	-	(2.04)
4	Others	d	(0.83)	-	(0.83)	(0.83)
	Total		(0.83)	-	(0.83)	(1.73)
	Net profit before OCI / Reserves as per Ind AS		(8.86)	4.16	1.70	277.85

Notes :

a Fair Valuation as deemed cost of property, plant and equipment :

The company have considered fair value for property, viz land situated in India with impact of Rs.21.51 crores and building with impact of Rs.7.46 crores in accordance with stipulations of Ind AS 101 with the resultant impact being accounted for in the reserves.

b Fair Valuation of financial assets :

The company has valued financial assets (other than investment in subsidiaries which are accounted at cost), at fair value, impact of fair value changes as on the date of transition, is recognised in opening reserves and changes thereafter are recognised in profit and loss account or other comprehensive income, as the case may be.

c Deferred Tax :

The impact of transition adjustments together with Ind AS mandate of using balance sheet approach (against profit and loss approach in the previous GAAP) for computation of deferred taxes has resulted in charge to the Reserves on the date of transition, with consequential impact to the Profit and Loss account for the subsequent periods.

d Others :

Other adjustments primarily comprise of depreciation and foreign exchange fluctuation adjustments.

e The above results have been reviewed by the Audit Committee at its meeting held on 9th September 2017 and approved by the Board of Directors of the Company at its meeting held on 9th September 2017. The results have been subjected to limited review by the statutory auditors.

Place : Hyderabad

Date : 09.09.2017


Dr. M V Ramana Rao
 Managing Director





PAVULURI & Co.

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Limited Review Report

**Review Report to
The Board of Directors,
MIC ELECTRONICS LIMITED**

- a) We have reviewed the accompanying statement of unaudited financial results of **M/s. MIC ELECTRONICS LIMITED** ("the company") for the quarter ended **30th June, 2017** pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, read with circular No CIR/CFD/CMD/15/2015 dated 30th November 2015 and CIR/CFD/FAC/62/2016 dated 5th July 2016.
- b) The preparation of the statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim financial reporting (Ind AS 34) specified under section 133 of the Companies Act 2013 read with Rule 3 of Companies (Indian Accounting Standards) Rules, 2015 and SEBI circular No CIR/CFD/CMD/15/2015 dated 30th November 2015 and CIR/CFD/FAC/62/2016 dated 5th July 2016 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 these financial statements based on our review.
- c) 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 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 provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
- d) Reference is invited to note 5 of the unaudited financial results. The company has not provided interest on loans to the tune of Rs 0.29 crores for the quarter ended 30th June since the matter is in litigation. Under accounting principles generally accepted in India, the company should have made a provision for interest expense of Rs 0.29 crores. Had the company made a provision for the same, the profit for the period would have been lower by the said amount.
- e) Reference is invited to note 6 of the unaudited financial results. The company has not provided interest on SBI loan of Rs 1.49 crores for the quarter ended 30th June due to OTS cancellation. The company has also not provided prior period interest raised due to such cancellation. Under accounting principles generally accepted in India, the company should have made a provision for these interests. Had the company made a provision for the same, the profit for the period would have been lower by the said amount.



Branches :

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- f) The company has not used any provision matrix to determine impairment loss on portfolio of its trade receivables. The provision matrix should be based on historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. As per Ind-AS provisions, the company should have made a provision for doubtful debts for the current quarter as well as previous financial year. Accordingly we are unable to determine the impact of no such provision on the financials of the company. Had the company made a provision for the same, the profit for the respective periods would have been lower by those amounts.
- g) Based on our review conducted as above and subject to point numbers 'd' , 'e' and 'f' above nothing has come to our attention that causes us to believe that the accompanying statement of un-audited financial results for the Quarter ended **30th June, 2017** prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim financial reporting (Ind AS 34) specified under section 133 of the Companies Act 2013 read with relevant rules issued thereafter and other recognized accounting practices and policies has disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, read with circular No CIR/CFD/CMD/15/2015 dated 30th November 2015 and CIR/CFD/FAC/62/2016 dated 5th July 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

Place: Hyderabad
Date: 09.09.2017

For PAVULURI & Co.
Chartered Accountants
Firm Regn. No: 012194S


(CA. N. RAJESH)
PARTNER
M.No: 223169

