

Cimmco Limited



REGISTERED OFFICE
756, ANANDAPUR
E M BYPASS,
KOLKATA- 700 107
CIN: L28910WB1943PLC168801

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WEBSITE: www.cimmco.in
E-MAIL: corp@cimmco.in

14th December, 2016

1. **National Stock Exchange of India Limited**
Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai-400 051
2. **BSE Limited**
Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400 001
3. **The Calcutta Stock Exchange Limited**
7, Lyons Range, Kolkata-700 001

Dear Sirs,

Sub: Unaudited Financial Results – Q2 FY 2016-17

Pursuant to the Regulation 33 of SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015, we enclose herewith Unaudited Financial Results of the Company for the quarter and half year ended 30th September, 2016 along with Limited Review Report for the even period.

Please take this on record

Thanking you,

Yours faithfully,
For CIMMCO LIMITED


Authorized Signatory

Enclosed: As stated above

Limited Review Report**Review Report to
The Board of Directors
Cimmco Limited**

1. We have reviewed the accompanying statement of unaudited financial results of Cimmco Limited ('the Company') for the quarter ended September 30, 2016 and year to date from April 1, 2016 to September 30, 2016 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.
2. This 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.
3. We conducted our review 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. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is 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.
4. We draw attention to note no. 5 of the financial results regarding certain claims of Rs 3,952.35 lacs (Rs 3,952.35 lacs as at June 30, 2016), which has been considered good of recovery by the management. Although the management is hopeful to recover the claims in full, pending final decision of the Court, we are unable to comment on its recoverability including consequential impact that may arise in this regard in these financial results. This had also caused us to qualify our audit opinion on the financial statements for the year ended March 31, 2016 and limited review report for the quarter ended June 30, 2016.
5. Based on our review conducted as above, except for the possible effects of our observations in paragraph 4 above, 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 prescribed under section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

S.R. BATLIBOI & Co. LLP

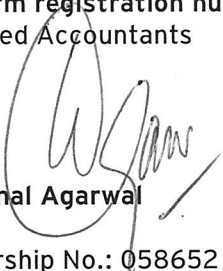
Chartered Accountants

6. We have not audited or reviewed the accompanying financial results and other financial information for the three months ended September 30, 2015 and the year to date period ended September 30, 2015, which have been presented solely based on the information compiled by Management.

For S.R. BATLIBOI & CO. LLP

ICAI Firm registration number: 301003E/E300005

Chartered Accountants



per Kamal Agarwal
Partner

Membership No.: 058652

Place: Kolkata

Date: December 14, 2016

CIMMCO LIMITED
CORPORATE & REGISTERED OFFICE- 756, ANANDAPUR, EM-BYPASS, KOLKATA - 700107
STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2016

(Rs.in Lacs)						
SL.	PARTICULARS	Quarter Ended			HALF YEAR ENDED	
		Sep 30, 2016	June 30, 2016	Sep 30, 2015	Sep 30, 2016	Sep 30, 2015
		Unaudited	Unaudited	(Refer Note 8)	Unaudited	(Refer Note 8)
1	Income from operations					
	a) Gross Sales/Income from Operations	4,304.77	85.10	691.05	4,389.87	2,870.18
	b) Other Operating Income	66.17	83.02	15.00	149.19	101.80
	Total income from operations (net)	4,370.94	168.12	706.05	4,539.06	2,971.98
2	Expenditure					
	a) Consumption of Raw Materials & Components	3,577.13	20.14	635.93	3,597.27	1,024.70
	b) Cost of Raw materials and components sold	75.08	-	32.71	75.08	53.71
	c) Changes in inventories of finished goods, work-in-progress and saleable scraps	(400.91)	63.00	(241.29)	(337.91)	991.98
	d) Consumption of stores & spares	192.15	39.33	34.01	231.48	77.42
	e) Contract labour charges	244.71	98.20	79.01	342.91	171.80
	f) Power and Fuel	56.24	19.11	20.10	75.35	40.68
	g) Employee benefit expenses	105.67	86.88	77.33	192.55	154.10
	h) Excise Duty	167.96	(3.95)	85.46	164.01	26.34
	i) Depreciation and amortisation expenses	62.71	62.57	67.69	125.28	135.56
	j) Other Expenses	169.61	279.03	132.51	448.64	243.50
	Total Expenses (a to j)	4,250.35	664.30	923.47	4,914.66	2,919.80
3	Income / (Loss) from Operations before Other Income, Finance costs & Taxes (1-2)	120.58	(496.19)	(217.42)	(375.60)	52.18
4	Other Income	33.24	238.12	82.67	271.37	102.69
5	Income / (Loss) before Finance costs and Taxes (3+4)	153.83	(258.07)	(134.76)	(104.24)	154.87
6	Finance costs	268.26	278.56	264.42	546.82	487.32
	Loss before Exceptional Items and Taxes (5-6)	(114.43)	(536.63)	(399.18)	(651.06)	(332.45)
7	Exceptional Item (Refer Note 6)	325.00	-	131.54	325.00	131.54
8	Loss from Ordinary Activities before Taxes (7-8)	(439.43)	(536.63)	(530.72)	(976.06)	(463.99)
9	Tax Expenses					
	a) Current Tax (tax relating to earlier years)	-	3.34	-	3.34	-
	b) Deferred Tax Charge / (Credit)	(6.61)	(105.96)	(6.61)	(112.57)	(141.92)
10	Net Loss for the period (8-9)	(432.82)	(434.01)	(524.11)	(866.83)	(322.07)
11	Other comprehensive income (net of tax)	2.84	0.89	0.35	3.73	0.69
12	Total comprehensive income (10 + 11)	(429.98)	(433.12)	(523.76)	(863.09)	(321.38)
13	Paid-up Equity Share Capital (Face value Rs. 10/- each)	2,014.85	2,014.85	2,014.85	2,014.85	2,014.85
14	Earning Per Share (of Rs 10/- each) (Not Annualised) - Basic and Diluted	(2.15)	(2.15)	(2.60)	(4.30)	(1.60)

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CIMMCO LIMITED CORPORATE & REGISTERED OFFICE- 756, ANANDAPUR, EM-BYPASS, KOLKATA - 700107 STATEMENT OF ASSETS AND LIABILITIES		
		(Rs.in Lacs)
SL	PARTICULARS	As at Sept 30, 2016 Unaudited
A	ASSETS	
1	Non-current assets	
a)	Property, Plant and Equipment	16,022.25
b)	Investment property	482.30
c)	Intangible assets	0.46
d)	Financial Assets	
i)	Investments	1.21
ii)	Trade receivables	128.17
iii)	Loans	32.22
iv)	Others	3,952.35
e)	Other non-current assets	43.64
	Sub total - Non-current assets	20,662.60
2	Current assets	
a)	Inventories	2,654.88
b)	Financial Assets	
i)	Trade receivables	1,501.87
ii)	Cash and cash equivalents	304.84
iii)	Other Bank balances	86.32
iv)	Others	70.80
c)	Other non-financial assets	653.19
	Sub total - Current assets	5,271.90
	TOTAL - ASSETS	25,934.50
B	EQUITY AND LIABILITIES	
1	Shareholders' funds	
a)	Equity share capital	2,014.85
b)	Other Equity	9,724.50
	Sub total - Equity	11,739.35
2	Non-current liabilities	
a)	Financial Liabilities	
i)	Borrowing	5,073.94
b)	Provisions	13.54
c)	Deferred tax liabilities (net)	422.33
	Sub total - Non-current liabilities	5,509.81
3	Current liabilities	
a)	Financial Liabilities	
i)	Borrowings	1,796.75
ii)	Trade payables	4,431.19
iii)	Others	2,091.34
b)	Other current liabilities	188.04
c)	Short term provisions	178.02
	Sub total - Current liabilities	8,685.34
	TOTAL - EQUITY AND LIABILITIES	25,934.50

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CIMMCO LIMITED
CORPORATE & REGISTERED OFFICE- 756, ANANDAPUR, EM-BYPASS, KOLKATA - 700107

Notes:

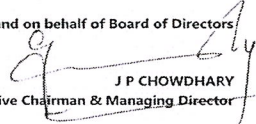
- 1 The Company has adopted Indian Accounting Standards ("Ind AS") from April 1, 2016 and accordingly these financial results have been prepared in accordance with the recognition and measurement principles laid down in the Ind AS 34 Interim Financial Reporting prescribed under section 133 of the Companies Act 2013 read with the relevant rules issued thereunder and the other accounting principles generally accepted in India. Financial results for all the periods presented have been prepared in accordance with the recognition and measurement principles of Ind AS 34.
- 2 There is a possibility that these quarterly financial results may require adjustment before constituting the final Ind AS financial statements as of and for the year ended March 31, 2017 due to changes in the financial reporting requirements arising from new or revised standards or interpretations issued by MCA or changes in the use of one or more optional exemptions from full retrospective application of certain IND AS as permitted under IND AS 101.
- 3 The Company has only one reportable operating segment i.e. Wagon & Engineering Products, hence no Separate Segment information is disclosed.
- 4 Reconciliation between financial results previously reported (referred to an "Previous GAAP") and Ind AS for the quarters presented are as under:

SL	Particulars	QUARTER ENDED	HALF YEAR ENDED
		Sep 30, 2015	Sep 30, 2015
	Net Profit under Previous GAAP (after tax):	(455.22)	(314.60)
	Add: Adjustments on account of:		
(i)	Deferred tax credit on past revaluation of land	6.61	141.92
	Sub Total	6.61	141.92
	Less: Adjustments on account of:		
(i)	Actuarial gain on employee defined benefit obligation plan recognised in "Other Comprehensive Income" as per IND AS 19	(0.35)	(0.69)
(ii)	Interest expense accrued on compound financial instrument as per IND AS 32	(75.15)	(148.70)
	Sub Total	(75.50)	(149.39)
	Net Profit under Ind AS (after tax):	(524.11)	(322.07)
	Actuarial gain on employee defined benefit obligation plan recognised in "Other Comprehensive Income" as per IND AS 19	0.35	0.69
	Total comprehensive income under Ind AS	(523.76)	(321.38)

- 5 The Auditors in their audit report for the year ended March 31, 2016 and review report for the quarter ended June 30, 2016 have commented upon the recoverability of claims of Rs. 3,952.35 lacs receivable from Indian Railways. In the aforesaid matter, the arbitration award has been upheld against the Company and the Company has filed an appeal in the Hon'ble Delhi High Court against the said arbitration award which is pending adjudication. The management is hopeful to recover these claims in full.
- 6 In relation to a pending legal dispute with a subcontractor relating to their dues amounting to Rs 2,525.85 lacs (including interest of Rs 1,721.63 lacs) on which an arbitration award has been passed against the company and was appealed against by the company, a settlement agreement has been entered into with the said party during the quarter pursuant to which an amount of Rs 325 lacs has been paid as full and final settlement of all their dues. The amount has been disclosed as an exceptional item during the quarter.
- 7 As on 31st March 2016, more than 50% of the Company's peak net worth during the four financial years immediately preceding the financial year ended 31st March 2016 has eroded. Pursuant to the provisions of Section 23(1) of the Sick Industrial Companies (Special Provisions) Act, 1985, the report for intimating the above erosion of net worth has been duly filed with the Board for Industrial and Financial Reconstruction (BIFR) after taking necessary approval from the Board of Directors on 2nd September 2016 and from the shareholders of the Company at the extraordinary general meetings held on September 29, 2016.
- 8 The Ind AS financial results and other financial information for the quarter & six months ended on 30th Sept, 2015 and for the year ended 31st March 2016 have been compiled by the management after making necessary adjustments to give a true and fair view of the results in accordance with Ind AS. This information has not been subjected to any limited review or audit.
- 9 The above Standalone financial results for the quarter ended Sept 30, 2016 have been reviewed by the Audit Committee and approved by the Board of Directors at their meetings held on December 14, 2016. The limited review of these results as required under Regulation 33 of the SEBI (Listing obligation and Disclosure requirements) Regulations 2015, have been completed by the statutory auditor of the Company.
- 10 The Board of Directors of the Company at its meeting held on September 9, 2016 has approved a Scheme of Amalgamation of its fellow subsidiary Titagarh Agrico Private Limited with the Company pursuant to the provisions of Sections 391 to 394 and other applicable provisions of the Companies Act 1956. The scheme is pending approval of the stock exchanges and the Hon'ble High Court of Calcutta, pending which no adjustment has been made in the accounts.

Place: Kolkata
Date: December 14, 2016

For and on behalf of Board of Directors


J P CHOWDHARY
Executive Chairman & Managing Director

Ans Vinod Saran