

November 13, 2017

To,
The Department of Corporate Services,
BSE Limited
P J Towers,
Dalal Street, Fort
Mumbai - 400001

To,
National Stock Exchange of India Ltd.
Exchange Plaza,
Bandra - Kurla Complex,
Bandra (East), Mumbai 400 051

BSE: Security Code: 504008(Equity)

NSE: EMCO

Sub: Outcome of the Board Meeting

Dear Sir,

This is to inform you that the Board of Directors at their meeting held today i.e. on 13th November, 2017, has, inter-alia, considered and approved/ adopted Un-audited Financial Results of the Company for the Second Quarter and Half Year ended September 30, 2017 and Statements of Assets and Liabilities as on September 30, 2017 along with Limited Review Report issued by Statutory Auditors on the same. (Copy is enclosed)

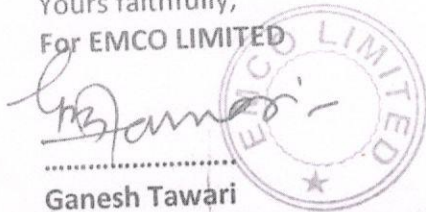
The Meeting of Board of Directors commenced at 2:00 p.m. and concluded at 3:45 P.M.

Kindly take on record the aforesaid information and acknowledge receipt of the same.

Thanking you,

Yours faithfully,

For EMCO LIMITED



Ganesh Tawari

Company Secretary & Compliance Officer

Encl.: as above

EMCO LIMITED

Registered Office : N-104, MIDC Area, Village - Mehrun, Jalgaon - 425 003, Maharashtra, India

Tel: 257 2272 462, Email : emco.corporate@emco.co.in

Corporate Office : 1st Floor, Pearl Tower, Peninsula Corporate Park, G. K. Kadam Marg, Lower Parel, Mumbai - 400 013, Maharashtra, India

STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH SEPTEMBER 2017

CIN:L31102MH1964PLC013011

(₹ in Lakhs)

Sr. No.	PARTICULARS	STANDALONE					
		Quarter ended			Half Year ended		Year ended
		30-Sep-2017	30-Jun-2017	30-Sep-2016	30-Sep-2017	30-Sep-2016	31-Mar-2017
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Income						
	(a) Gross Sales/ Income from Operations	8,581.31	12,855.95	22,500.97	21,437.26	43,586.34	86,737.84
	(b) Other Income	-	-	0.78	-	48.26	54.31
	Total Income (a + b)	8,581.31	12,855.95	22,501.75	21,437.26	43,634.60	86,792.15
2	Expenses						
	(a) Cost of materials consumed	3,792.53	8,286.87	10,637.74	12,079.40	19,835.52	35,492.84
	(b) Purchases of Stock in Trade	4,209.89	-	5,499.79	4,209.89	12,155.59	25,004.08
	(c) Changes in inventories of finished goods and work-in-progress	(903.86)	543.04	1,529.13	(360.82)	2,020.43	3,883.37
	(d) Excise duty recovered	-	394.97	697.40	394.97	1,450.26	2,603.09
	(e) Employee benefits expense	972.43	974.14	1,128.22	1,946.57	2,284.28	4,366.12
	(f) Finance costs (Net)	3,392.84	3,394.54	2,483.40	6,787.38	4,399.15	12,056.77
	(g) Depreciation and amortisation expense	421.18	416.18	488.50	837.36	972.92	1,806.83
	(h) Other expenses	1,045.89	1,232.97	1,765.73	2,278.86	2,809.16	7,431.75
	Total Expenses (a-h)	12,930.90	15,242.72	24,229.90	28,173.62	45,927.32	92,644.85
3	Profit / (Loss) before exceptional item and tax (1-2)	(4,349.59)	(2,386.77)	(1,728.15)	(6,736.36)	(2,292.72)	(5,852.71)
4	Exceptional Items (Note -9)	-	-	-	-	-	(3,919.58)
5	Profit / (Loss) before tax	(4,349.59)	(2,386.77)	(1,728.15)	(6,736.36)	(2,292.72)	(9,772.29)
6	Tax Expenses	(1,322.42)	(860.15)	(341.22)	(2,182.57)	(700.57)	(2,887.47)
7	Net Profit / (Loss) for the period /year	(3,027.17)	(1,526.63)	(1,386.93)	(4,553.79)	(1,592.15)	(6,884.83)
8	Other Comprehensive Income (OCI) (Net of tax)	-	-	-	-	-	(4.25)
9	Total Comprehensive Income (TCI)	(3,027.17)	(1,526.63)	(1,386.93)	(4,553.79)	(1,592.15)	(6,889.08)
10	Paid-up Equity Share Capital	1,355.52	1,355.52	1,351.52	1,355.52	1,351.52	1,355.52
11	Other Equity (excluding Revaluation Reserves)	-	-	-	-	-	45,277.77
12	Earnings Per Share (EPS)*						
	(a) 1. Basic EPS before exceptional items	(4.47)	(2.24)	(2.05)	(6.72)	(2.36)	(4.38)
	2. Diluted EPS before exceptional items	(4.47)	(2.24)	(2.05)	(6.72)	(2.36)	(4.38)
	(b) 1. Basic EPS after exceptional items (₹/share)	(4.47)	(2.24)	(2.05)	(6.72)	(2.36)	(10.18)
	2. Diluted EPS after exceptional items (₹/share)	(4.47)	(2.24)	(2.05)	(6.72)	(2.36)	(10.18)
	(* Not Annualized for the Quarter)						

Statement of Assets & Liabilities as on

(₹ in Lakhs)

Particulars	Standalone	
	30-Sep-17	31-Mar-17
	Unaudited	Audited
A. ASSETS		
1 Non-Current Assets		
(a) Property Plant & Equipment	21,043.15	21,405.33
(b) Capital work in progress	359.64	352.82
(c) Intangible assets	1,372.44	1,608.41
(d) Financial Assets		
(i) Investments in Subsidiaries	11,137.29	11,137.29
(ii) Investments	987.13	987.14
(iii) Loans	8.57	7.48
(iv) Others	281.50	282.57
(e) Deferred Tax Asset(Net)	5,519.53	3,336.96
(f) Other Non-Current Assets	91.70	133.66
Sub-Total of Non Current Assets	40,800.95	39,251.66
2 Current assets		
(a) Inventories	14,368.36	14,022.11
(b) Financial Assets		
(i) Trade receivables	63,842.60	64,038.18
(ii) Cash & Cash equivalents	1,194.82	1,836.84
(iii) Other bank balances	340.30	1,252.78
(iv) Loans	14,300.90	13,631.49
(v) Others	139.65	338.34
(c) Tax Asset (net)	1,974.78	1,789.49
(d) Other Current Assets	32,070.37	31,469.13
Sub-Total Current Assets	128,231.78	128,378.36
Total - ASSETS	169,032.73	167,630.02



B	EQUITY AND LIABILITIES		
1	EQUITY		
	(a) Equity Share Capital	1,355.52	1,355.52
	(b) Other Equity	40,718.99	45,280.03
	Sub-Total Equity	42,074.51	46,635.55
2	Non-Current Liabilities		
	(a) Financial Liabilities		
	Borrowings	3,993.14	7,795.79
	(b) Provisions	94.62	94.62
	Sub-Total Non Current Liabilities	4,087.76	7,890.41
3	Current Liabilities		
	(a) Financial Liabilities		
	(i) Borrowings	83,240.30	83,435.32
	(ii) Trade Payables	19,715.17	17,797.41
	(iii) Other Financial liabilities	9,711.37	3,495.19
	(b) Provisions	351.07	379.83
	(c) Other Current Liabilities	9,852.55	7,996.31
	Sub-Total Current Liabilities	122,870.46	113,104.06
	Total - EQUITY AND LIABILITIES	169,032.73	167,630.02

Notes

- The unaudited financial statement for the period ended 30th September, 2017 have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 13th November, 2017 and have been subjected with limited review by the statutory auditors of the company.
- This statement has been prepared in accordance with 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.
- The Company has only one reportable Segment i.e. Transmission and Distribution Segment within Power Sector as per Ind AS- 108.
- The Joint Lenders forum (JLF) of the company agreed to proceed with the Scheme for Sustainable Structuring of Stressed Assets (S4A Scheme) with the reference date of November 16, 2016. The proposal was submitted to the Overseeing Committee (OC) (constituted by the Reserve Bank of India) on June 3, 2017, which suggested certain changes in S4A scheme, which was not acceptable to the Company and hence withdrew the S4A proposal. The Company has submitted a revised proposal of restructuring the loans to the Bankers. The Management is confident that the revised proposal will be acceptable to the bankers and believes its implementation together with realisations from the sale of non-core assets will reduce the debt, thereby reducing the finance cost, improve the liquidity and profitability of the company's operations in future and therefore, these financial statements have been prepared on going concern basis.
- Trade receivables include ₹ 7,549.17 lakhs due from customers on account of outstanding dues and liquidated damages and other deductions withheld by them. The company has taken legal action for recovery of above amounts. Management considers these amounts as good of recovery based on the legal advice.
- As at 31st March, 2017, trade receivables include ₹ 21,285.72 lakhs in respect of the supplies or projects which have been closed or substantially completed. These receivables are due to retentions and claims arising mainly in respect of cost over-run due to client caused delays, suspension of projects, deviation in design and change in scope of work; for which Company is at various stages of negotiation/discussion with the clients. Considering the contractual tenability, progress of negotiation/ discussion with the client, the management is confident of recovery of these receivables.
- Other Current Assets as at 30th September, 2017 includes revenues of ₹ 11,058.01 lakhs recognised in earlier years under percentage completion method which are yet to be billed as per the contractual terms. These projects are almost completed and at final reconciliation stage with customers. In view of the management, the invoices would be raised on the customers as per contractual terms on hand over of the projects, completion of reconciliation procedures and amendment in contract wherever required.
- Inventories as at 30th September, 2017 includes ₹ 4,633.63 lakhs lying at project sites which has been commissioned in past and are lying unused from a considerable period of time. Based on the inspection carried out by technical personnel, Management is of the opinion that these inventories are in good conditions and can be utilised in upcoming projects in near time.
- Exceptional items for the year ended 31st March 2017, represent write off of Project Development Expenditure amounting to ₹ 3,060.15 Lakhs and write off of non-current loan in wholly owned subsidiary amounting to ₹ 859.43 Lakhs.
- Previous period figures have been regrouped, re-arranged and re-classified wherever necessary to conform to current quarter's classification.



Place : Mumbai
Date : 13th November, 2017

www.emco.co.in

For EMCO LIMITED

Rajesh S. Jain
Chairman
DIN:00005829



INDEPENDENT AUDITOR'S REVIEW REPORT

To,
The Board of Directors of
EMCO Limited

1. We have reviewed the accompanying Statement of Unaudited Standalone Financial Results of **EMCO Limited** ("the Company") for the quarter and half year ended 30th September, 2017 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Circular No. CIR/CFD/FAC/62/2016 dated 5th July, 2016. This Statement is the responsibility of the Company's Management and approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. 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. 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 provide less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.
3. Without qualifying our review opinion : -
 - a) We draw attention to Note no. 4, regarding the overdrawn credit facilities including interest of Rs. 45,755.86 lakhs and other borrowings of Rs. 4,285.37 lakhs that are due for repayment along-with interest payable on such borrowings of Rs. 252.79 lakhs. Company has approached its lenders to restructure the debts, which along-with sale of non-core assets will result in to improved liquidity and profitability and therefore, the financial statements are prepared on going concern basis.
 - b) We draw attention to Note No. 5 in accompanying financial result in respect of the outstanding dues and liquidated damages / deduction made by customers aggregating to Rs. 7,549.17 lakhs, which are carried as Trade Receivables. The company has filed legal case against the customers for the recovery of the same. Pending outcome of the matter which is presently unascertainable, no adjustments have been made in accompanying financial results.
 - c) We draw attention to Note no. 6 of accompanying financial result relating to uncertainties relating on recoverability of trade receivables Rs. 21,285.72 lakhs as at 31st March 2017, raised in the earlier years in respect of supplies or projects closed or substantially completed and where the claims are currently under negotiations and discussions with the customers. Pending the ultimate outcome of these matters, which is presently unascertainable, no adjustments have been made in accompanying financial results.

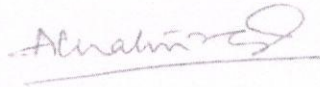


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- d) We draw attention to Note no. 7 of accompanying financial result relating to revenues of Rs. 11,058.01 lakhs recognised in earlier years under the percentage completion method which are yet to be billed as per the contractual terms and are considered as good of recovery as stated in the note.
- e) We draw attention to Note no. 8 of accompanying financial result relating to inventory of Rs. 4,633.63 lakhs as at 30th September, 2017, which are lying unutilised at the commissioned sites from a considerable period of time. Management is confident of utilizing the same against upcoming projects in due course of time.
4. Based on our review conducted as stated above nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the applicable Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting practices and principles generally accepted in India, has not disclosed the information required to be disclosed the information required to 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 5th July, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For Chaturvedi & Shah
Chartered Accountants
Firm Registration No. 101720W



Amit Chaturvedi
Partner
Membership No. 103141
Mumbai, 13th November, 2017

