



**Innoventive Industries Ltd.**

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Tele/Fax : +91 20 66203549 Website: www.innoventive.in

Factory : Gat No. 56/3, 4, 5, Village Pimple Jagtap, Tal. Shirur, Dist. Pune - 412 208.  
Maharashtra (INDIA) Tel : +91 2137617042. CIN L29309 PN 1991 PLC 063045

Date: September 13, 2017

BOMBAY STOCK EXCHANGE LIMITED, Phiroze Jeejeebhoy Tower, Dalal Street, Fort, Mumbai-400001 Ref: Scrip Code:533402	NATIONAL STOCK EXCHANGE OF INDIA LIMITED, Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai-400051 Ref: Symbol: INNOIND
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Dear Sir/Madam,

Pursuant to the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 that the Resolution Professional ('RP') on September 13, 2017 has considered and taken on record the un-audited financial results and limited review report for the quarter ended June 30, 2017.

The Un-audited financial statements and limited review report is enclosed herewith.

Please acknowledge receipt.

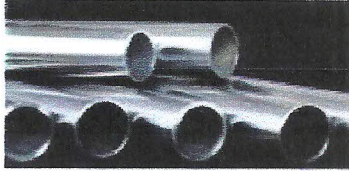
Thanking you.

**For Innoventive Industries limited**

A handwritten signature in blue ink, appearing to read 'Rupesh Kuche', with a stylized flourish at the end.

**Rupesh Kuche**  
Company Secretary





**INNOVENTIVE INDUSTRIES LIMITED**

(Company under Corporate Insolvency Resolution Process by NCLT order dated 17th January, 2017)

Registered Office : Gat No. 56/4/5, Pimple jagtap, Taluka - Shirur, Pune

District - Pune 412208

CIN: L29309PN1991PLC063045

**Unaudited Financial Results For The Quarter Ended June 30, 2017**

(Rs. in Lacs)

Particulars		Standalone	
		Quarter Ended	
		30.06.2017 (Un-Audited)	30.06.2016 (Un-Audited)
I	Revenue from operations	4,741.54	7,847.36
II	Other Income	601.42	700.03
III	<b>Total income (I+II)</b>	<b>5,342.97</b>	<b>8,547.39</b>
IV	Expenses		
	Cost of materials consumed	2,837.60	5,679.14
	Purchases of stock-in-trade	289.60	7.02
	Changes in inventories of finished goods, work-in-progress and stock-in-trade	26.46	(155.02)
	Employee benefits expense	546.37	522.53
	Excise Duty Paid	560.75	772.70
	Finance cost	16,314.55	3,420.58
	Depreciation & Amortization Expense	1,556.68	1,568.92
	Provision for diminution in long term investment	-	2,160.00
	Other expenses	1,207.68	1,708.85
IV	<b>Total expenses (IV)</b>	<b>23,339.70</b>	<b>15,684.72</b>
V	<b>Profit/(loss) before exceptional items and tax (III-IV)</b>	<b>(17,996.73)</b>	<b>(7,137.33)</b>
VI	Exceptional items	-	-
VII	<b>Profit/(loss) before tax (V-VI)</b>	<b>(17,996.73)</b>	<b>(7,137.33)</b>
VIII	Tax expense:		
	(1) Current tax	-	-
	(2) Deferred tax	-	-
IX	<b>Profit (Loss) for the period from continuing operations (VII-VIII)</b>	<b>(17,996.73)</b>	<b>(7,137.33)</b>
X	Profit/(loss) from discontinued operations	-	-
XI	Tax expense of discontinued operations	-	-
XII	Profit/(loss) from Discontinued operations (after tax) (X-XI)	-	-
XIII	<b>Profit/(loss) for the period (IX+XII)</b>	<b>(17,996.73)</b>	<b>(7,137.33)</b>
XIV	<b>Other Comprehensive Income</b>		
	A (i) Items that will not be reclassified to profit or loss	-	-
	(ii) Income tax relating to items that will not be reclassified to profit or loss	-	-
	B (i) Items that will be reclassified to profit or loss	-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss	-	-
XV	<b>Total Comprehensive Income for the period (XIII+XIV) (Comprising Profit (Loss) and Other Comprehensive Income for the period)</b>	<b>(17,996.73)</b>	<b>(7,137.33)</b>
XVI	Earnings per equity share :		
	(1) Basic	(30.17)	(11.97)
	(2) Diluted	(30.17)	(11.97)

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## Segment-wise revenue, results, segmental assets &amp; segmental liabilities-

(Rs. in Lacs)

Particulars	Standalone	
	Quarter Ended	
	30.06.2017 (Un-Audited)	30.06.2016 (Un-Audited)
<b>1 Segment revenue (including export benefits)</b>		
Motor Vehicle parts	3,000.47	6,034.27
Tubes & Products	1,741.07	1,733.34
Others	-	79.75
<b>Total</b>	<b>4,741.54</b>	<b>7,847.36</b>
<b>2 Segment profit / (Loss) before tax and finance cost</b>		
Motor Vehicle parts	170.35	329.45
Tubes & Products	(1,774.06)	(1,496.77)
Others	-	(6.77)
<b>Total</b>	<b>(1,603.71)</b>	<b>(1,174.09)</b>
<b>3 Profit / (Loss) before finance costs</b>	<b>(1,603.71)</b>	<b>(1,174.09)</b>
Less: Finance cost	16,314.55	3,420.58
Less: Exceptional items	-	-
Less: Other Un-allocable (Net)	78.48	2,542.66
<b>Profit / (Loss) before tax</b>	<b>(17,996.73)</b>	<b>(7,137.33)</b>
<b>4 Segmental Assets</b>		
Motor Vehicle parts	7,856.91	9,887.43
Tubes & Products	47,177.64	59,393.04
Others	-	15,393.94
Unallocable	7,038.39	11,829.83
<b>Total Segmental Assets</b>	<b>62,072.94</b>	<b>96,504.24</b>
<b>5 Segmental Liabilities</b>		
Motor Vehicle parts	6,425.52	737.60
Tubes & Products	48,609.02	632.20
Others	-	5,096.15
Unallocable	7,038.39	90,038.29
<b>Total Segmental Liabilities</b>	<b>62,072.94</b>	<b>96,504.24</b>

- 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. Beginning April 1, 2017, the Company has adopted Ind AS with a transition date of April 1, 2016 and accordingly, restated results for the quarter ended June 30, 2016.
- The statement does not include Ind AS compliant results for the preceding quarter and previous year ended March 31, 2017 as it is not mandatory as per SEBI's circular dated July 5, 2016.
- The reconciliation of net profit reported for quarter ended June 30, 2016 in accordance with Indian GAAP to total comprehensive income in accordance with Ind AS is given below :-

Particulars	(Rs. in Lacs)
	Quarter Ended 30.06.2016 (Un-Audited)
<b>Net Profit after Tax as reported under Indian GAAP</b>	<b>(7,014.60)</b>
Ind AS adjustments increasing/(decreasing) net profit as reported under Indian GAAP	
- Amortised cost for financial liabilities under effective interest method	(122.73)
Other Adjustments	
<b>Net profit after tax as per Ind AS</b>	<b>(7,137.33)</b>

- The limited review of unaudited financial results for the quarter ended June 30, 2017 as required in terms of Clause 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been carried out by statutory auditors. The Ind AS compliant corresponding figures for the quarter ended June 30, 2016 has not been subjected to review or audit. However, the Company's management have taken best efforts to ensure that such financial results provide a true and fair view of its affairs.

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- 5 On December 22 2016, ICICI Bank Limited in its capacity of financial creditor had filed a petition under Insolvency and Bankruptcy Code 2016 with National Company Law Tribunal (NCLT) against Innoventive Industries Limited. The Case was admitted by NCLT and it had ordered for commencement of Corporate Insolvency Resolution Process (CIRP) with effect from January 17, 2017 and had appointed Mr. Dhinal Shah as Interim Resolution Professional for the Company.  
Under the IBC proceedings the powers of the Board were suspended with effect from January 17, 2017.

Pursuant to NCLT order on the company a public announcement was made on January 21, 2017 and a committee of creditors was formed under section 21 of the act. The Committee of Creditors held their first meeting on February 15, 2017 and approved appointment of interim Resolution Professional, Mr. Dhinal Shah as the Resolution Professional. NCLT has granted extension upto October 14, 2017 for completion of CIRP.

- 6 Under the current CIR process, a resolution plan needs to be presented and approved by the Committee of Creditors (CoC) and thereafter will need to be approved by the National Company Law Tribunal (NCLT) to keep the Corporate Debtor (i.e. Innoventive Industries Limited) as a going concern. Currently, the resolution plan is under formulation and yet to be presented for approval of CoC, hence the Financial statements of the company are continued to be prepared on the going concern basis.

Various options are being explored as a part of the resolution plan and steps have been taken to improve its product offering and enhancing customer base. As a part of the plan various measures are proposed to be implemented to optimize plant utilization, improvising operational efficiencies, renegotiation of contracts and other cost control measures to improve the company's operating results and cash flows and review of its current network to maximize the profitability and improve efficiency in its operations.

- 7 During the 1st CoC meeting of the Company held on February 15, 2017, the CoC members unanimously agreed to submit claims basis the Pre CDR terms and any facilities released post CDR were submitted as per the CDR terms. RP has finalised the claims of the financial creditors at Rs. 1,413.50 crores as at January 17, 2017. The same has been verified and reviewed by an independent consultant and approved by the CoC. The company has recorded for the same in the books of accounts for the quarter ended along with estimated accumulated interest based on the financial claims submitted. The difference aggregating Rs 125.46 crores has been provided in the books and included within the finance cost in the current quarter.
- 8 The above financial claims include External Commercial Borrowings (ECBs) from banks. Company had been availing option under para 46/46A of the Accounting standard 11 as on March 31, 2017 to capitalize any foreign currency fluctuation. Post the initiation of insolvency and bankruptcy proceeding under the IBC, the bankers have proposed to convert all such Loans in Rupee denominated term loans. Accordingly, the company has considered the balance as on January 17, 2017 as finalised by the RP as Rupee Term loan and provided for interest on the basis mentioned above. The compliance with respect to intimation/approval with RBI shall be performed in due course under the Foreign Exchange Management Act, 1999.
- 9 The Auditors in their report has made the following qualification in respect of Standalone Financial Statements:  
a. The carrying cost of tangible / intangible assets as per books has not been subjected to impairment under Indian Accounting Standard -36 "Impairment of the Assets" as there is no estimate of recoverable amount made as defined in standard.  
In view of the above and ongoing CIRP, we are unable to comment on the adjustments/disclosures which may become necessary and consequential impact, if any, on these financial statements.
- 10 The company's Reply to above qualifications are as under :  
The company has not made any estimate of recoverable amount of assets during the year. However, no condition exist that may materially impact the valuation of fixed assets. Accordingly, no impairment loss has been recognized.
- 11 Previous quarter's figures have been regrouped wherever required.

For Innoventive Industries Limited



Dhinal A Shah  
IP Registration No-  
IBBI/IPA-01/2017-18/10190  
Resolution Professional

Place : Mumbai  
Date : Sept 13, 2017





**To Resolution Professional  
Innoventive Industries Limited  
IP Registration No. IBBI/IPA-01/2017-18/10190**

The Hon'ble National Company Law Tribunal, Mumbai ("NCLT") admitted the Corporate Insolvency Resolution Process ("CIRP") application filed against Innoventive Industries Limited ("The Company") and appointed Mr. Dhinal Shah as the Interim Resolution Professional in terms of the Insolvency and Bankruptcy Code, 2016 ("Code"). Further, the committee of creditors constituted during the CIRP has confirmed appointment of Mr. Dhinal Shah as the Resolution Professional ("RP") on February 15, 2017 to manage the affairs of the company as per provisions of Insolvency and Bankruptcy Code 2016.

As per Section 134 of the Companies Act, 2013, the financial statements of a company are required to be authenticated by the chairperson of the board of directors, where authorised by the Board or at least two directors, of which one shall be the managing director or the CEO (being a director), the CFO and the Company secretary where they are appointed. In view of the pendency of the CIRP, these powers are now vested with Mr. Dhinal Shah in his capacity as the RP from January 17, 2017 ("CIR Commencement Date").

We have reviewed the accompanying statement of unaudited financial results of the company for the quarter ended June 30, 2017, being submitted pursuant to the requirement 33 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 as modified by circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.

These quarterly financial results have been prepared on the basis of the interim financial statements, which are the responsibility of the company's management, which have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 for 'Interim Financial Reporting' ("Ind AS 34"), prescribed, under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder; or by the Institute of Chartered Accountants of India, as applicable and other accounting principles generally accepted in India.

Our responsibility is to issue a report on these financial statements based on our review. 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 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 provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Based on our review conducted as above, except for the matters stated in Paragraphs 1 and 2 below and the possible cumulative effect of the same on the financial results for the quarter ended June 30, 2017 which is material, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable





accounting standards and other recognized 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 as modified by 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.

1. *The Company has accumulated losses and its net worth has been fully eroded, the Company has incurred a net loss during quarter ended June 30, 2017 aggregating Rs. 17,996.73 Lacs. Further, as highlighted the lenders have initiated corporate insolvency proceedings against the company on account of default in payment of dues under Insolvency and Bankruptcy Code, 2016. According to section 12 of Insolvency and Bankruptcy Code, 2016 corporate insolvency resolution process shall be completed within a period of one hundred and eighty days from the date of admission of the application to initiate such process which can be maximum extended for another ninety days failing which the company can be liquidated. As explained, NCLT has granted an extension up to October 14, 2017 for completion of the CIRP.*

*These conditions indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. However, the financial statements of the Company have been prepared on a going concern basis.*

2. *The carrying cost of tangible / intangible assets as per books has not been subjected to impairment under Indian Accounting Standard -36 "Impairment of the Assets" as there is no estimate of recoverable amount made as defined in standard.*

*In view of the above and ongoing CIRP, we are unable to comment on the adjustments/disclosures which may become necessary and consequential impact, if any, on these financial statements.*

#### **Emphasis of Matters**

We draw attention to Note No 8 of the financial results stating that the ECBs taken by the company have been accounted for as converted into Rupee Term Loan based on confirmations made by the banks in the Committee of Creditors (CoC) meeting post the initiation of insolvency proceedings. However, the compliance under Foreign Exchange Management Act (FEMA),1999 Act of intimation/approval from RBI is yet to be made.

Our Opinion is not modified in respect of the above matter.

For **Bharat J Rughani & Co.**

Chartered Accountant

FRN :101220W

  
**CA Akash Rughani**

Partner

M No :139664

Date: September 13, 2017

Place: Pune

