

**INNOVENTIVE INDUSTRIES LIMITED**  
Registered Office : Gat No. 1261, Village - Sanaswadi,  
District - Pune 412208

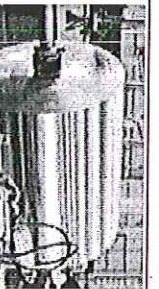
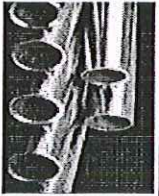


**Unaudited Standalone Financial Results For The Quarter Ended September 30, 2015**

Particulars	Standalone					
	Quarter ended			Half Year Ended		
	30.09.2015 (Unaudited)	30.06.2015 (Unaudited)	30.09.2014 (Unaudited)	30.09.2015 (Unaudited)	30.09.2014 (Unaudited)	Year ended 31.03.2015 (Audited)
<b>1</b> Income from operations						
(a) Net sales	8,912.35	7,478.68	9,308.10	16,391.03	16,947.18	34,083.53
(b) Other operating income	4.26	8.56	9.89	12.82	32.47	113.43
<b>Total income from operations (net)</b>	<b>8,916.62</b>	<b>7,487.24</b>	<b>9,317.98</b>	<b>16,403.84</b>	<b>16,979.65</b>	<b>34,196.96</b>
<b>2</b> Expenses						
(a) Cost of materials consumed	6,134.56	5,446.67	6,862.13	11,581.23	11,811.47	22,752.90
(b) Purchases of stock-in-trade	-	(367.66)	1,457.46	(199.04)	1,590.77	1,305.45
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	168.63	690.83	631.00	1,429.80	1,312.01	2,708.68
(d) Employee benefits expense	738.97	1,568.94	1,508.57	3,154.66	3,671.17	6,847.43
(e) Depreciation	1,585.72	163.41	133.73	(51.37)	(11.17)	33.25
(f) Foreign exchange loss / (gain) (net)	(214.78)	1,326.20	6,094.93	2,767.66	9,009.45	7,205.49
(g) Other expenses	1,441.46	8,828.38	16,687.82	18,682.94	27,383.70	42,179.47
<b>Total expenses</b>	<b>9,854.57</b>	<b>(937.95)</b>	<b>(7,369.83)</b>	<b>(2,279.09)</b>	<b>(10,404.05)</b>	<b>(7,982.50)</b>
<b>3</b> Profit / (Loss) from operations before other income, finance costs and exceptional items (1-2)	<b>9.05</b>	<b>6,425.19</b>	<b>16,687.82</b>	<b>18,682.94</b>	<b>27,383.70</b>	<b>42,179.47</b>
4 Other income	9.87	60.66	16.45	70.53	30.65	370.64
<b>5</b> Profit / (Loss) from ordinary activities before finance costs and exceptional items (3+4)	<b>(928.08)</b>	<b>(1,280.48)</b>	<b>(7,353.38)</b>	<b>(2,208.56)</b>	<b>(10,373.40)</b>	<b>(7,611.86)</b>
6 Finance costs (Refer no.3)	3,471.00	3,065.93	7,152.30	6,536.93	8,310.97	14,905.05
<b>7</b> Profit / (Loss) from ordinary activities after finance costs but before exceptional items (5-6)	<b>(4,399.08)</b>	<b>(4,346.41)</b>	<b>(14,505.67)</b>	<b>(8,745.49)</b>	<b>(18,684.36)</b>	<b>(22,516.92)</b>
8 Exceptional items	-	-	-	-	-	-
<b>9</b> Profit / (Loss) from ordinary activities before tax (7+8)	<b>(4,399.08)</b>	<b>(4,346.41)</b>	<b>(14,505.67)</b>	<b>(8,745.49)</b>	<b>(18,684.36)</b>	<b>(22,516.92)</b>
10 Tax expense	0.11	2.09	-	2.20	-	(1,168.66)
<b>11</b> Net Profit / (Loss) from ordinary activities after tax (9-10)	<b>(4,399.19)</b>	<b>(4,348.49)</b>	<b>(14,505.67)</b>	<b>(8,747.69)</b>	<b>(18,684.36)</b>	<b>(21,348.27)</b>
12 Paid-up equity share capital (Face value of ₹ 10 each)	5,964.40	5,964.40	5,964.40	5,964.40	5,964.40	5,964.40
13 Reserves excluding Revaluation Reserves	-	-	-	-	-	(22,589.23)
14 Basic and Diluted Earnings per share (₹) (not annualised) before and after extraordinary items	<b>(7.38)</b>	<b>(7.29)</b>	<b>(24.32)</b>	<b>(14.67)</b>	<b>(31.33)</b>	<b>(35.79)</b>

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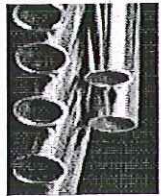


Particulars		Quarter ended		HALF YEAR ENDED		Year ended
		30.09.2015	30.06.2015	30.09.2014	30.09.2015	31.03.2015
<b>A</b>	<b>Particulars of shareholding</b>					
1	Public shareholding					
	Number of shares	3,31,58,676	3,27,86,760	3,25,68,247	3,31,58,676	3,25,68,247
	Percentage of shareholding	55.59%	54.97%	54.60%	55.59%	54.60%
2	Promoters & Promoter Group Shareholding					
	(a) Pledged / Encumbered *					
	Number of shares	2,35,20,971	2,35,20,971	2,35,20,971	2,35,20,971	2,35,20,971
	Percentage of shares (as a % of the total shareholding of promoters and promoter group)	88.81%	87.58%	86.87%	88.81%	86.87%
	(b) Non-encumbered	39,44%	39,44%	39,44%	39,44%	39,44%
	Number of shares	29,64,352	33,36,268	35,54,761	29,64,352	35,54,781
	Percentage of shares (as a % of the total shareholding of promoters and promoter group)	11.19%	12.42%	13.12%	11.19%	13.13%
	Percentage of shares (as a % of the total share capital of the company)	4.97%	5.59%	5.96%	4.97%	5.96%
* The term "encumbrance" has the same meaning as assigned to it in regulation 28(3) of the SAST Regulations, 2011						
<b>B</b>	<b>Investor complaints</b>	30.09.2015				
	Pending at the beginning of the quarter					
	Received during the quarter					
	Disposed of during the quarter					
	Remaining unresolved at the end of the quarter					

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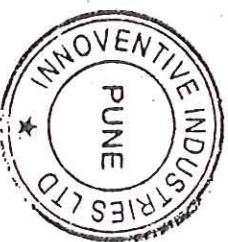


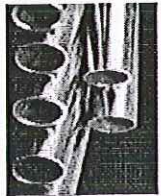
Segment-wise revenue, results and capital employed

(Rs. in Lacs)

Particulars	Standalone					
	Quarter ended		HALF YEAR ENDED		Year ended	
	30.09.2015 (Unaudited)	30.06.2015 (Unaudited)	30.09.2014 (Unaudited)	30.09.2015 (Unaudited)	30.09.2014 (Unaudited)	31.03.2015 (Audited)
<b>1 Segment revenue</b>						
Motor Vehicle parts	6,798.39	5,742.78	5,862.81	12,541.18	11,209.20	23,718.75
Tubes & Products	2,011.80	1,701.43	1,549.67	3,713.23	3,324.54	8,322.29
Others	106.42	43.02	1,895.62	149.43	2,413.44	2,155.92
<b>Total</b>	<b>8,916.62</b>	<b>7,487.24</b>	<b>9,308.10</b>	<b>16,403.84</b>	<b>16,947.18</b>	<b>34,196.96</b>
<b>2 Segment profit / (loss) before tax and financing cost</b>						
Motor Vehicle parts	651.97	761.14	(1,262.26)	1,413.10	(380.73)	1,501.27
Tubes & Products	(1,374.65)	(1,673.64)	(3,557.84)	(3,048.28)	(5,675.96)	(6,393.23)
Others	(2.70)	(1.09)	(126.21)	(3.79)	(233.46)	(280.22)
<b>Total</b>	<b>(725.38)</b>	<b>(913.59)</b>	<b>(4,946.30)</b>	<b>(1,638.96)</b>	<b>(6,290.15)</b>	<b>(5,172.18)</b>
<b>Profit / (loss) before finance costs</b>	<b>(725.38)</b>	<b>(913.59)</b>	<b>(4,946.30)</b>	<b>(1,638.96)</b>	<b>(6,290.15)</b>	<b>(5,172.18)</b>
Less: Finance cost	3,471.00	3,065.93	7,152.30	6,536.93	8,310.97	14,905.05
Less: Exceptional items	202.69	366.89	2,407.05	559.59	4,083.24	2,439.68
<b>Profit / (loss) before tax</b>	<b>(4,399.08)</b>	<b>(4,346.41)</b>	<b>(14,505.65)</b>	<b>(8,745.49)</b>	<b>(18,684.36)</b>	<b>(22,516.92)</b>
<b>3 Capital employed</b>						
Motor Vehicle parts	8,297.74	6,644.87	6,884.63	8,297.74	6,884.63	5,883.73
Tubes & Products	38,838.51	47,937.92	41,886.79	38,838.51	41,886.79	49,611.56
Others	(477.50)	(7,112.06)	(481.29)	(477.50)	(481.29)	(7,110.97)
<b>Unallocable</b>	<b>(71,965.62)</b>	<b>(68,378.41)</b>	<b>(62,185.44)</b>	<b>(71,965.62)</b>	<b>(62,185.44)</b>	<b>(64,943.50)</b>
<b>Total</b>	<b>(25,306.87)</b>	<b>(20,907.68)</b>	<b>(13,895.30)</b>	<b>(25,306.87)</b>	<b>(13,895.30)</b>	<b>(16,559.19)</b>

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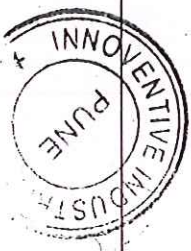


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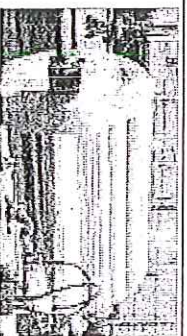
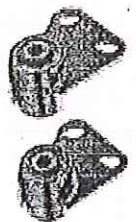
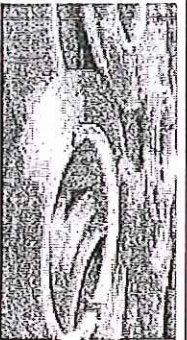
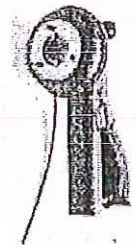
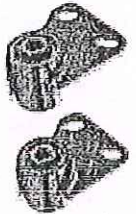
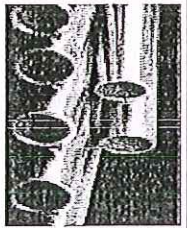


STANDALONE	
Half Year Ended 30.09.2015	Year ended 31.03.2015
(Unaudited)	(Audited)
<b>Particulars</b>	
<b>A Equity and liabilities</b>	
<b>1 Shareholders' funds</b>	
(a) Share capital	5,964.40
(b) Reserves and surplus	-31,271.27
Sub-total - Shareholders' funds	(25,306.87)
<b>2 Non-current liabilities</b>	
(a) Long-term borrowings	93,538.56
(b) Deferred tax liabilities	-
(c) Other long term liabilities	293.43
(d) Long-term provisions	-
Sub-total - Non-current liabilities	93,831.99
<b>3 Current liabilities</b>	
(a) Short Term Borrowings	22,024.53
(b) Trade Payables	6,972.77
(c) Other Current Liabilities	7,804.74
(d) Short Term Provisions	898.55
Sub-total - Current Liabilities	37,700.59
Total - Equity and liabilities	1,06,225.71
<b>B ASSETS</b>	
<b>1 Non Current Assets</b>	
Fixed Assets	58,220.57
Non Current Investments	6,715.32
Long Term Loans and Advances	11,274.77
Other Non Current Assets	-
Sub-total - Non Current Assets	76,210.66
<b>2 Current Assets</b>	
(a) Inventories	5,856.57
(b) Trade Receivables	13,273.72
(c) Cash & Bank Balances	1,980.95
(d) Short Term Loans & Advances	1,317.74
(e) Other Current Assets	7,586.07
Sub-total - Current Assets	30,015.05
Total - ASSETS	1,06,225.71

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#### INNOVENTIVE INDUSTRIES LIMITED

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#### NOTES

- 1 The above financial results have been reviewed by the Audit Committee and thereafter approved by the Board of Directors in their meeting held on November 2, 2015
- 2 The results for the half year ended September 2015 have been "Limited Reviewed" by the Statutory Auditors of the Company.

- 3 The net worth of the company has been fully eroded and the company has incurred a further loss of Rs. 8747.69 lacs ( Negative net worth of Rs. 25306.87). Further, the company has defaulted on dues of few banks. However, The Financial statements of the company are continued to be prepared on the going concern basis as the management is hopeful of turnaround in the operations due to expected improvement in power and auto sector, various other initiatives taken by the company including the relief on account of Corporate Debt Restructuring with the Banks.

- 4 The Auditors in their Limited Review Report have made the following qualification:-

- i. The Company has not made following provisions
  - a. Stock of slow and/non-moving of stores, raw materials, semi-finished and finished goods valued at Rs. 1,000 Lacs approximately;
  - b. Debts due from subsidiary amounting to Rs. 2,988.08 Lacs and Loans and advances amounting to Rs 6,198.29 Lacs (Including loans from subsidiaries amounting to Rs. 1,420.59 Lacs.)
- ii. The company has investments in subsidiaries whose net worth has been substantially eroded or is negative which has casted material uncertainty in the continuance of the business of these subsidiaries. However, the diminution in the value of the investment aggregating to Rs 2,009 lacs is not provided for.

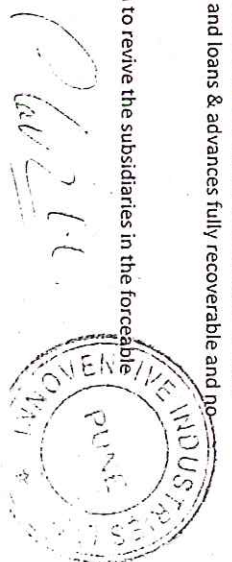
We are unable to comment on ultimate loss which may arise on realization of these balances Had the above amounts been fully provided for in the quarter ended September 30, 2015 loss would have been higher by Rs 12,195.36 Lacs with consequent impact on net worth as on that date

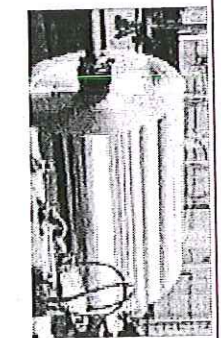
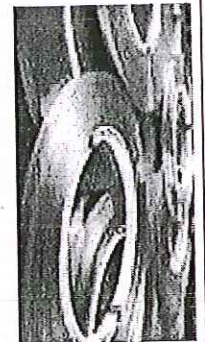
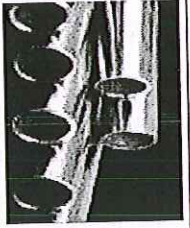
The Company's Reply to above qualification is as under:

- i) The company is making various products for export and domestic market. The Company has to maintain delivery on time and hence sometimes it results into longer cycles. Being a auto component Supplier, we are under obligation to keep stock as spare parts for a longer time. We are fairly compensated in price and customers are taking entire responsibility of buying the products. After the coal block auctions we are expecting that the slow moving stock of membrane panel strips will be liquidated within a years time. Accordingly the Company is of the view that no provision for slow / Non-moving stock is required.

- ii) The Company is making full efforts for recovery of debts and loans & advances. We have received commitments to get the money back or equivalent value materials from them over a period of time. We are also having post dated cheques of some of the parties. Based on the efforts and steps taken by the company, we are of the view that the said debts and loans & advances fully recoverable and no provision is required in respect thereof.

- iii) The management believes the diminution in the value of investment, if any, that exists is only temporary and that sufficient efforts are being undertaken to revive the subsidiaries in the foreseeable future so as to recover the carrying value.





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5 The company entered into Master Restructuring Agreement dated 28th September, 2014 with banks under the Corporate Debt Restructuring Scheme ("CDR") pursuant to which certain funds were to be released to the company. However, the said scheme hadn't been implemented by certain bankers resulting in un-reconciled balances. Accordingly, the balances pertaining to fund, non fund based and term loans of certain banks are subject to reconciliation of such pending items  
The company and the Lead Bank has appointed a special auditor to reconcile the balances of the said banks

6 Previous year/s/ quarter's figures have been regrouped whenever required

Place : Pune  
Date : 2 November 2015

BY ORDER OF THE BOARD OF DIRECTORS  
For Innovative Industries Limited

  
Chandu Chavan  
Chairman and Managing Director







# Bharat J. Rughani & Co.

Chartered Accountants

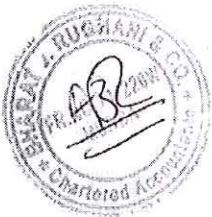
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The Board of Directors  
Innovative Industries Limited

## Limited Review Report

### Financial Results for the quarter and half year ended 30<sup>th</sup> September 2015

1. We have reviewed the Standalone Financial Results for the quarter and half year ended **September 30, 2015** which are included in the accompanying Statement of Unaudited Financial Results for the quarter of Innovative Industries Limited ("the Company") except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been audited by us. 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.
2. 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.
3. Without qualifying our report, we draw attention to the Note 3 to the Financials Results, that the Company has accumulated losses and its net worth has been fully eroded, the Company has incurred a net loss during six months ended September 30, 2015 aggregating Rs.8, 747.69 Lakhs. The Company's current liabilities exceeded its current assets as at the balance sheet date. Further, the company has defaulted on dues of few banks. 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.
4. The Company has not provided for the following:
  - i. Stock of slow and/non -moving of stores, raw materials, semi-finished and finished goods valued at Rs. 1,000 Lakhs approximately
  - ii. Debts due from subsidiary amounting to Rs. 2,988.08 Lakhs and Loans and advances amounting to Rs 6,198.29 Lakhs (including loans from subsidiaries amounting to Rs. 1,420.59 Lakhs.)
  - iii. The company has investments in subsidiaries whose net worth has been substantially eroded or is negative which has casted material uncertainty in the continuance of the business of these subsidiaries. However, the diminution in the value of investment in these subsidiaries aggregating Rs 2,009 lacs is not provided for.



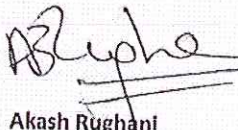


*We are unable to comment on ultimate loss which may arise on realization of these balances Had the above amounts been fully provided for in the half year ended September,30 2015 loss would have been higher by Rs 12,195.36 Lakhs with consequent impact on net worth as on that date.*

5. *We draw attention to the Note 5 to the Financials Results, that the company entered into Master Restructuring Agreement dated 28<sup>th</sup> September, 2014 with banks under the Corporate Debt Restructuring Scheme ("CDR") pursuant to which certain funds was to be released to the company. However, the said scheme hadn't been implemented by certain bankers resulting in un-reconciled balances. Accordingly, the balances pertaining to fund, non fund based and term loans of certain banks are subject to reconciliation of such pending items. We are unable to quantify the impact arising on account of the said reconciliations.*
6. Based on our review, except for the matters stated in Paragraphs 4 and 5 above and the possible cumulative effect of the same on the financial results for the half year ended September 30,2015 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 the Accounting Standards specified under section 133 of the Companies Act,2013 read with Rule 7 of the Companies (Accounts) Rules,2014 and other recognized accounting practices and polices has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any other material misstatement.

For and on behalf of

Bharat J Rughani & Co  
Chartered Accountants  
(FRN: 101220W)



Akash Rughani  
Partner

M. No. 139664

Pune

Dated: November 2, 2015

