



# KILBURN ENGINEERING LTD.

Regd. Office : Four Mangoe Lane, 3rd Floor, Surendra Mohan Ghosh Sarani, Kolkata - 700 001, India  
Phone : ( 91 ) 33 2231 3337 / 3450, 4003 5154 / 55, Fax : (91) 33 2231 4768

E-mail : kilbncal@cal2.vsnl.net.in Web : www.kilburnengg.com

29<sup>th</sup> May, 2019

To  
The Corporate Relationship Department  
BSE Limited  
P.J. Tower  
Dalal Street, Fort  
Mumbai - 400 001  
Scrip Code: BSE 522101

To,  
The Secretary  
The Calcutta Stock Exchange Association Ltd.,  
7, Lyons Range,  
Kolkata – 700 001

Scrip Code: CSE 21022

## **Sub: Outcome of the Board Meeting held on 29.05.2019**

Dear Sir / Madam,

This is to inform you that as per regulation 30, 33 and other applicable provisions of SEBI ( Listing Obligations and Disclosure Requirements ) Regulations, 2015, the Board of Directors of the company have at their meeting held on 29<sup>th</sup> May, 2019, inter-alia, discussed and decided on the following:

1. Took note of resignation of Mr. Padam Kumar Khaitan as director w.e.f. 28<sup>th</sup> May, 2019.
2. Appointed Mr. Amitav Roy Choudhury as Additional Director. He has been appointed as an Independent Director for a tenure of five years, subject to the approval of shareholders at AGM. Mr. Roy Choudhury has been appointed as a member of Audit Committee, Stakeholders' Relationship Committee and Nomination & Remuneration Committee of the Company.
3. Approved & taken on record results for the 4<sup>th</sup> Quarter & Audited results for the year ended 31<sup>st</sup> March, 2019 as per regulation 33 of SEBI (LODR) Regulations, 2015.
4. Approved the audited Financial Statement for the year ended 31<sup>st</sup> March, 2019
5. Approved and took on record statement on Impact of Audit Qualifications for the Financial Qualifications ( for audit report with modified opinion ) submitted alongwith Annual Audited Financial Results
6. Recommended a dividend @ 10% for the financial year 2018 – 19, i.e., Rs. 1/- per equity share on the face value of Rs. 10/- share, subject to the approval of Shareholders.
7. Approved retirement of Mr. Suresh Shenoi, Vice President -Finance & Chief Financial Officer ( CFO ) w.e.f. 31<sup>st</sup> May, 2019 as he has completed superannuation age and appointed Mr. Sachin Vijayakar as CFO w.e.f. 1<sup>st</sup> June, 2019.

Results for 4<sup>th</sup> Quarter & Year ended 31<sup>st</sup> March, 2019 are enclosed herewith. An extract of the same will be published in newspapers.

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AN ISO-9001:2000 CERTIFIED COMPANY

Factory & Head Office : Plot No. 6, MIDC Industrial Area, Saravali,  
Kalyan Bhiwandi Road, Thane - 421 311, Maharashtra, India, Ph. : 91 2522 204086, Fax : 91 2522 280026



A Williamson Magor Group Enterprise



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You are requested to take above on record.

Thanking you,

Yours faithfully,  
For **Kilburn Engineering Limited**

**Arvind Bajoria**  
**Company Secretary &**  
**Sr. Manager (Costing)**

Encl: a/a

**KILBURN ENGINEERING LTD.**

Regd. Office : Four Mangoe Lane, Surendra Mohan Ghosh Sarani, Kolkata - 700 001

CIN: L24232WB1987PLC042956, Tel No: 033 22313337, Fax No: 033-22314768, Website: www.kilburnengg.com

**AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31 MARCH 2019**

₹ in Lakhs

Sr. no.	PARTICULARS	QUARTER ENDED (AUDITED)	QUARTER ENDED (UNAUDITED)	QUARTER ENDED (AUDITED)	YEAR ENDED (AUDITED)	YEAR ENDED (AUDITED)
		31.03.19	31.12.18	31.03.18	31.03.19	31.03.18
<b>1</b>	<b>Income</b>					
	a. Revenue from operations (refer note 3)	4,614	2,924	2,395	14,386	10,896
	b. Other income (refer note 5)	434	593	570	2,001	2,246
	<b>Total Income</b>	<b>5,048</b>	<b>3,517</b>	<b>2,965</b>	<b>16,387</b>	<b>13,142</b>
<b>2</b>	<b>Expenses</b>					
	a. Cost of materials consumed	2,502	1,587	1,321	7,676	5,182
	b. Subcontracting Charges	606	462	274	1,821	1,109
	c. Changes in inventories of finished goods and work in progress	(102)	(100)	66	(316)	(172)
	d. Excise duty	-	-	-	-	386
	e. Employee benefits expense	477	477	508	1,930	1,943
	f. Finance Costs	452	396	371	1,711	1,722
	g. Depreciation and amortisation expenses	105	106	110	422	432
	h. Other expenses	816	453	630	2,293	2,056
	<b>Total Expenses</b>	<b>4,856</b>	<b>3,381</b>	<b>3,280</b>	<b>15,537</b>	<b>12,658</b>
<b>3</b>	<b>Profit / (Loss) from Operations before Exceptional Items and Tax (1-2)</b>	<b>192</b>	<b>136</b>	<b>(315)</b>	<b>850</b>	<b>484</b>
<b>4</b>	<b>Exceptional Items</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>5</b>	<b>Profit / (Loss) before Tax (3-4)</b>	<b>192</b>	<b>136</b>	<b>(315)</b>	<b>850</b>	<b>484</b>
<b>6</b>	<b>Tax Expense</b>					
	i) Current tax	(24)	52	(191)	202	92
	ii) Deferred tax	90	(7)	58	56	56
	<b>Total Tax expenses</b>	<b>66</b>	<b>45</b>	<b>(133)</b>	<b>258</b>	<b>148</b>
<b>7</b>	<b>Net Profit / (Loss) after Tax (5-6)</b>	<b>126</b>	<b>91</b>	<b>(182)</b>	<b>592</b>	<b>336</b>
<b>8</b>	<b>Other Comprehensive Income / (Loss)</b>					
	a Items that will not be reclassified to profit or loss	(55)	(215)	(249)	(988)	351
	b Items that will be reclassified to profit or loss	(36)	(20)	(62)	(179)	(280)
	<b>Other Comprehensive Income / (Loss), net of tax</b>	<b>(91)</b>	<b>(235)</b>	<b>(311)</b>	<b>(1,167)</b>	<b>71</b>
<b>9</b>	<b>Total Comprehensive Income / (Loss) for the period (7+8)</b>	<b>35</b>	<b>(144)</b>	<b>(493)</b>	<b>(575)</b>	<b>407</b>
<b>10</b>	<b>Paid-up equity share capital (Face Value ₹ 10 each)</b>	<b>1,326</b>	<b>1,326</b>	<b>1,326</b>	<b>1,326</b>	<b>1,326</b>
<b>11</b>	<b>Other Equity</b>				<b>8,573</b>	<b>9,303</b>
<b>12</b>	<b>Earnings Per Share (EPS) (in ₹) (not annualised for the quarters)</b>					
	Basic and Diluted EPS (in ₹)	0.96	0.69	(1.37)	4.47	2.53

**SIGNED FOR IDENTIFICATION**

BY

**S R B C & C O L L P  
M U M B A I**

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**NOTES:**

1 The financial results have been prepared in accordance with Ind AS, notified under section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder and other accounting principles generally accepted in India. The financial results were reviewed by the Audit Committee and approved and taken on record by the Board of Directors of the Company at their respective meetings held on 29 May 2019.

2 The Company's operations and its results vary from period to period, depending on the delivery schedule of the customers.

3 Ind AS 115 - "Revenue from Contracts with Customers" which is mandatory w.e.f. 1 April 2018 has replaced existing revenue recognition requirements. In accordance with the new standard and basis the Company's contracts with customers, its performance obligations are satisfied over time. As the Company has adopted modified retrospective approach, no reclassification has been made for contract assets of Rs. 2,795 lakhs and contract liabilities of Rs. 2,643 lakhs, which were included in other financial assets and other financial liabilities respectively as at 31 March 2018. In respect of the contracts not complete as of 1 April 2018 (being the transition date), the Company has made adjustments to retained earnings, recognizing revenue of Rs. 86 lakhs, only to the extent of costs incurred, as the relevant projects were in early stages of development, which does not have any impact on retained earnings. Further, on account of other adjustments, the Company has credited retained earnings by Rs. 4 lakhs, net of tax, as on the transition date.

Consequently on account of Ind AS 115, impact on financial results is as follows:

PARTICULARS	QUARTER ENDED (AUDITED)	QUARTER ENDED (UNAUDITED)	YEAR ENDED (AUDITED)
	31.03.19	31.12.18	31.03.19
Revenue [Increase / (Decrease)]	(63)	(44)	(355)
Expenses [Increase / (Decrease)]	(48)	6	(287)
Tax Expense [Increase / (Decrease)]	(5)	(17)	(23)
Profit After Tax [Increase / (Decrease)]	(10)	(33)	(45)
Earnings per share [Increase / (Decrease)]	(0.06)	(0.25)	(0.32)

4 In accordance with the requirements of Ind AS 115 (Construction Contracts), the Company has recognised contract asset of Rs. 2,640 lakhs for the quarter ended 31 March 2019 (Rs.1,962 lakhs for the quarter ended 31 December 2018) and Rs.3,713 lakhs for the year ended 31 March 2019 in respect of high value long delivery orders which are delivered in parts over the execution period. The contract asset is calculated based on percentage of completion of individual contracts.

5.a The Company in September 2016 had originally availed working capital loan from a bank which was subsequently renewed / rolled over. However, pending utilisation of the monies for the aforesaid, the Company has placed it with group companies (owned by same promoter) as Inter-Corporate Deposits. The aggregate amount of Inter-Corporate Deposits (ICDs) and accrued interest receivable as at 31 March 2019 is Rs. 10,826 lakhs and Rs. 514 lakhs respectively. Considering the financial positions of these group companies, the Company has obtained unconditional and irrevocable personal guarantee from Promoter Director, for the said Inter-Corporate Deposits as collateral security in case the borrowers are unable to repay the ICDs and interest accrued thereon. The management has assessed the recoverability of the said ICDs, including interest receivable thereon, and has considered the same to be good and recoverable. Further, Other Income includes interest of Rs.402 lakhs for the quarter ended 31 March 2019, Rs. 412 lakhs for the quarter ended 31 December 2018 (Rs. 369 lakhs for the quarter ended 31 March 2018) and Rs. 1,612-lakhs for the year ended 31 March 2019 (Rs. 1,485 lakhs for the year ended 31 March 2018) on ICDs placed with group companies.

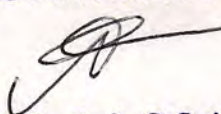
5.b The Company's financing arrangement amounting to INR 9,500 Lakhs is expiring and will be due for repayment in September 2019 and October 2019, or on demand, whichever is earlier. As on date the Company has not yet concluded its plan for replacement financing of such loans. Further, the Company had credit rating downgrade during the month of March 2019. These situations are events or conditions which along with recoverability of ICDs placed with group companies (as explained in note 5.a) indicates that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern.

The management plan to mitigate material uncertainty includes, negotiations with existing lenders for the roll-over of the loans or to consolidate its borrowings with one lender, which is not yet concluded. The Company is also evaluating the infusion of funds in the Company by identifying strategic investors. Further, a promoter group level restructuring is currently underway to monetize assets to meet up the various liability of the group companies (owned by same promoter) including the settlement of outstanding ICDs. Also, the Company has a positive net worth of Rs. 9,899 lakhs on 31 March 2019. Management of the Company is confident of its aforesaid plan. Accordingly, these Ind AS financial results of the Company for the year ended 31 March 2019 have been prepared on going concern basis.

6 In line with the provision of Ind AS 108 - Operating Segments, Chief Operating Decision Maker (CODM) reviews the operations of the Company as manufacturer of Engineering Products, which is considered to be the only reportable segment by the management. Accordingly, no separate disclosure of segment information has been made.

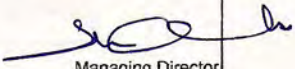
7 Figures for the quarter ended 31 March 2019 and 31 March 2018 are balancing figures between audited figures in respect of full financial years and the unaudited figures upto the third quarter ended 31 December for respective years which were subjected to limited review.

8 Previous period figures have been regrouped / rearranged wherever necessary, to correspond with those of the current period classification.

SIGNED FOR IDENTIFICATION  
BY  
  
S R B C & C O L L P  
M U M B A I

Date : 29 May 2019  
Place : Kolkata

By Order of the Board  
Subir Chaki

  
Managing Director  
(DIN : 05174555)

KILBURN ENGINEERING LIMITED

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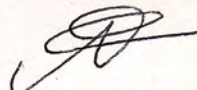
STATEMENT OF ASSETS AND LIABILITIES AS ON 31 MARCH 2019

₹ in Lakhs

Sr. No.	PARTICULARS	AS AT	AS AT
		31 MARCH 2019	31 MARCH 2018
		Audited	Audited
<b>A</b>	<b>ASSETS</b>		
	<b>1. Non-Current Assets</b>		
	(a) Property Plant & Equipment	5,234	5,623
	(b) Intangible Assets	26	40
	(c) Financial Assets		
	- Investments	638	1,608
	- Loans	15	22
	- Other Financial Assets	9	31
	(d) Income Tax Assets (Net)	319	331
	(e) Deferred Tax Assets (Net)	320	312
	(f) Other Non-Current Assets	49	48
	<b>Total Non Current Assets</b>	<b>6,610</b>	<b>8,015</b>
	<b>2. Current Assets</b>		
	(a) Inventories	1,513	1,262
	(b) Financial Assets		
	- Loans	10,826	10,325
	- Trade Receivables	4,071	3,452
	- Cash & Cash Equivalents	296	483
	- Bank balance other than included in Cash and Cash equivalents above	377	613
	- Other Financial Assets	544	2,799
	(c) Contract Assets (Refer note 3)	3,608	-
	(d) Other Current Assets	1,048	1,158
	<b>Total Current Assets</b>	<b>22,283</b>	<b>20,092</b>
	<b>TOTAL - ASSETS</b>	<b>28,893</b>	<b>28,107</b>
<b>B</b>	<b>EQUITY AND LIABILITIES</b>		
	<b>1. Equity</b>		
	(a) Equity Share Capital	1,326	1,326
	(b) Other Equity	8,573	9,303
	<b>Total Equity</b>	<b>9,899</b>	<b>10,629</b>
	<b>2. Non-Current Liabilities</b>		
	(a) Financial Liabilities		
	- Borrowings	37	78
	<b>Total Non-Current Liabilities</b>	<b>37</b>	<b>78</b>
	<b>3. Current Liabilities</b>		
	(a) Financial Liabilities		
	- Borrowings	11,226	9,029
	- Trade Payables		
	a) total outstanding dues of micro enterprises and small enterprises	92	6
	b) total outstanding dues of creditors other than micro enterprises and small enterprises	3,016	2,021
	- Other Financial Liabilities	1,702	3,347
	(b) Provisions	14	312
	(c) Contract Liabilities (Refer note 3)	2,857	-
	(d) Other Current Liabilities	50	2,685
	<b>Total Current Liabilities</b>	<b>18,957</b>	<b>17,400</b>
	<b>TOTAL - EQUITY AND LIABILITIES</b>	<b>28,893</b>	<b>28,107</b>

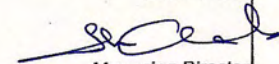
Date : 29 May 2019  
Place : Kolkata

SIGNED FOR IDENTIFICATION  
BY



S R B C & C O L L P  
M U M B A I

By Order of the Board  
Subir Chaki



Managing Director  
(DIN : 05174555)

**Auditor's Report On Quarterly Financial Results and Year to Date Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.**

To  
Board of Directors of  
Kilburn Engineering Ltd.,

1. We have audited the accompanying statement of quarterly Ind AS financial results of Kilburn Engineering Ltd. ('the Company') for the quarter ended March 31, 2019 and for the year ended March 31, 2019 ('the Statement'), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('the Regulation'), read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016 ('the Circular'). The Ind AS financial results for the quarter ended March 31, 2019 and year ended March 31, 2019 have been prepared on the basis of the Ind AS financial results for the nine-month period ended December 31, 2018, the audited annual Ind AS financial statements as at and for the year ended March 31, 2019, and the relevant requirements of the Regulation and the Circular, which are the responsibility of the Company's management and have been approved by the Board of Directors of the Company. Our responsibility is to express an opinion on these financial results based on our review of the Ind AS financial results for the nine-month period ended December 31, 2018 which was prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard (Ind AS) 34 Interim Financial Reporting, specified under Section 133 of the Companies Act 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India; our audit of the annual Ind AS financial statements as at and for the year ended March 31, 2019; and the relevant requirements of the Regulation and the Circular.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our qualified opinion.
3. As detailed in note 5.a of the Statement, the Company's financing arrangements include borrowings availed from a bank aggregating to Rs. 9,500 lakhs for working capital. However, pending utilization of these loans, the Company has placed it with group companies (owned by same promoter) as inter-corporate deposits ('ICDs'). This is a breach of the conditions of the loan agreement with the bank. The ICDs and interest accrued thereon receivable from these group companies as at March 31, 2019 is aggregating to Rs. 10,826 lakhs and Rs. 514 lakhs respectively. These group companies have not adhered to repayment schedule as set by the Company. Further, these group companies have not been regular in payment of interest and have been incurring losses leading to erosion in their net worth. In the absence of sufficient and appropriate audit evidence in relation to recoverability of these ICDs and recognition of interest income without any certainty of recoverability, we are unable to determine whether any adjustments are required to the carrying value of these ICDs and interest income recognized during the year and any further adjustments that may be required to these financial results. This matter was also qualified for the quarter and nine months period ended December 31, 2018.



Kilburn Engineering Ltd.  
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4. Except for the possible effects of the matter stated in paragraph 3 above, in our opinion and to the best of our information and according to the explanations given to us, these quarterly financial results as well as the year to date results:
  - i. are presented in accordance with the requirements of the Regulation read with the Circular, in this regard; and
  - ii. give a true and fair view of the net profit including other comprehensive income and other financial information for the quarter ended March 31, 2019 and for the year ended March 31, 2019.
5. We draw attention to note 5.b in the Statement, where in it is stated that the Company's loans are scheduled to be repaid during in the financial year ending March 31, 2020 and that the Company has not yet concluded its plan for obtaining replacement financing. These events or conditions, along with other matters as set forth in note 5.b, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.
6. Further, read with paragraph 1 above, we report that the figures for the quarter ended March 31, 2019 represent the derived figures between the audited figures in respect of the financial year ended March 31, 2019 and the published year-to-date figures up to December 31, 2018, being the date of the end of the third quarter of the current financial year, which were subjected to a limited review as stated in paragraph 1 above, as required under the Regulation and the Circular.

**For SRBC & CO LLP**

Chartered Accountants

**ICAI Firm Registration Number: 324982E/E300003**



**per Anil Jobanputra**  
Partner  
Membership No.: 110759



Place: Kolkata  
Date: May 29, 2019


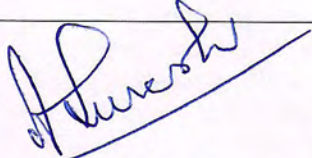
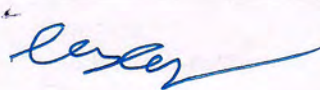

**KILBURN ENGINEERING LIMITED**

REGD. OFFICE: Four Mangoe Lane, Surendra Mohan Ghosh Sarani, Kolkata - 700 001

Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with Annual Audited Financial Results

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2019 [See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]				
I.	Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications) (Rs. in Lakhs)	Adjusted Figures (audited figures after adjusting for qualifications) (Rs. in Lakhs)
	1.	Turnover / Total income	16,387	16,387
	2.	Total Expenditure (including tax expense)	15,795	15,795
	3.	Net Profit/(Loss) (after tax)	592	592
	4.	Earnings Per Share ( in `Rs. )	4.47	4.47
	5.	Total Assets	28,893	28,893
	6.	Total Liabilities	18,994	18,994
	7.	Net Worth	9,899	9,899
	8.	Any other financial item(s) (as felt appropriate by the management)	NA	NA
II.	Audit Qualification (each audit qualification separately):			
	<p><b>a. Details of Audit Qualification:</b> Refer para 3 of Auditor's Report On Quarterly Financial Results and Year to Date Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, which is reproduced below :</p> <p>As detailed in note 5.a of the Statement, the Company's financing arrangements include borrowings availed from a bank aggregating to Rs. 9,500 lakhs for working capital. However, pending utilization of these loans, the Company has placed it with group companies (owned by same promoter) as inter-corporate deposits ('ICDs'). This is a breach of the conditions of the loan agreement with the bank. The ICDs and interest accrued thereon receivable from these group companies as at March 31, 2019 is aggregating to Rs. 10,826 lakhs and Rs. 514 lakhs respectively. These group companies have not adhered to repayment schedule as set by the Company. Further, these group companies have not been regular in payment of interest and have been incurring losses leading to erosion in their net worth. In the absence of sufficient and appropriate audit evidence in relation to recoverability of these ICDs and recognition of interest income without any certainty of recoverability, we are unable to determine whether any adjustments are required to the carrying value of these ICDs and interest income recognized during the year and any further adjustments that may be required to these financial results. This matter was also qualified for the quarter and nine months period ended December 31, 2018.</p>			
	<b>b. Type of Audit Qualification:</b> Qualified opinion			
	<b>c. Frequency of qualification:</b> Repetitive			



	<b>d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:</b> Not Quantified by the Auditor	
	<b>e. For Audit Qualification(s) where the impact is not quantified by the auditor:</b>	
	<b>(i) Management's estimation on the impact of audit qualification:</b>  The Company in September 2016 had originally availed working capital loan from a bank which was subsequently renewed / rolled over. However, pending utilisation of the monies for the aforesaid, the Company has placed it with group companies (owned by same promoter) as Inter-Corporate Deposits. The aggregate amount of Inter-Corporate Deposits ('ICDs') and accrued interest receivable as at 31 March 2019 is Rs. 10,826 lakhs and Rs. 514 lakhs respectively. Considering the financial positions of these group companies, the Company has obtained unconditional and irrevocable personal guarantee from Promoter Director, for the said Inter-Corporate Deposits as collateral security in case the borrowers are unable to repay the ICDs and interest accrued thereon.  Further, a promoter group level restructuring is currently underway to monetize assets to meet up the various liability of the group companies (owned by same promoter) including the settlement of outstanding ICDs. The management has assessed the recoverability of the said ICDs, including interest receivable thereon, and has considered the same to be good and recoverable.	
	<b>(ii) If management is unable to estimate the impact, reasons for the same:</b>  Not applicable.	
	<b>(iii) Auditors' Comments on (i) or (ii) above:</b> Refer section II.a above.	
III.	Signatories:	
	Subir Chaki Managing Director	
	Suresh Shenoj CFO and VP - Finance	
	Gobind Saraf Audit Committee Chairman	
	Anil Jobanputra Partner S R B C & CO LLP Chartered Accountants Statutory Auditors	
	Place: Kolkata Date: 29 May 2019	