

To

National Stock Exchange of India Limited
Exchange Plaza, 5th Floor
Plot No.C/1, G Block
Bandra Kurla Complex
Bandra (E)
Mumbai – 400 051

The Bombay Stock Exchange Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai – 400 023

20th February, 2019

NSE Scrip Code: EASUNREYRL / BSE Scrip Code: 532751

Dear Sir,

**Sub: Unaudited Financial Results
for the Quarter and Nine Months ended 31st December, 2018
along with Limited Review Report**

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Further to our letter dated 18th February, 2019, Pursuant to Regulation 30 and 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, we are submitting herewith the Unaudited Financial Results for the Quarter and Nine months ended 31st December, 2018 along with Limited Review Report reviewed by the Audit Committee and approved by the Board of Directors in their Board Meeting held today, i.e., 20th February, 2019.

We are arranging for publication of the above financial results in newspapers. The Financial Results will also be available on the website of the Company www.easunreyrolle.com.

The meeting commenced at 5.00 pm and concluded at 11.40 pm.

We request you to kindly take note of the above information on record.

Thanking you

Yours faithfully
for Easun Reyrolle Limited



P S Srinivasaraghavan
Company Secretary & Compliance Officer

Easun Reyrolle Limited

Regd. Office: "Temple Tower", VI Floor, 672, Anna Salai, Nandanam, Chennai - 600035
 Ph:+91-44-24346425 Fax:+91-44-24346435 Email Id: sec@easunreyrolle.com Website : www.easunreyrolle.com
 CIN: L31900TN1974PLC006695



Statement of unaudited financial results for the quarter and Nine months ended December 31, 2018 under Ind AS

(Rs. in Lakhs)

SI No	Particulars	Quarter ended			Year to date figures for the 9 months ended		Year ended
		December 31, 2018 (unaudited)	September 30, 2018 (unaudited)	December 31, 2017 (unaudited)	December 31, 2018 (unaudited)	December 31, 2017 (unaudited)	March 31, 2018 (audited)
	Income from Operations						
1	Net Sales / Income from operations	648.01	375.90	424.98	1,261.63	1,460.45	1,906.62
2	Other Income (Net)	8.27	22.93	54.54	172.53	71.01	216.10
3	Total Income (1+2)	656.28	398.83	479.52	1,434.16	1,531.46	2,122.72
4	Expenses						
	Cost of materials consumed	288.00	321.31	221.32	735.88	1,152.81	1,129.31
	Changes in inventories of raw material, work-in-progress, stock-in-trade and finished goods	71.41	(75.57)	(5.88)	(17.40)	(233.70)	122.32
	Manufacturing expenses	33.17	54.67	43.57	122.31	167.16	257.42
	Employee benefit expenses	302.15	246.69	297.86	854.15	948.71	1,233.16
	Finance costs	4.50	5.00	(349.48)	15.97	159.47	204.62
	Depreciation and amortization expense	110.86	114.19	116.37	340.77	355.01	474.75
	Excise Duty	-	-	-	-	31.99	31.99
	Other expenses	103.46	138.17	182.44	415.85	407.57	815.48
	Total Expenses	913.55	804.46	506.20	2,467.53	2,989.02	4,269.05
5	Profit/ (loss) before exceptional items and tax (3-4)	(257.27)	(405.63)	(26.68)	(1,033.37)	(1,457.56)	(2,146.33)
6	Exceptional items	-	-	-	-	-	-
7	Profit/ (loss) before tax (5+6)	(257.27)	(405.63)	(26.68)	(1,033.37)	(1,457.56)	(2,146.33)
8	Tax expense						
	Current tax	-	-	-	-	-	-
	Deferred tax	-	-	-	-	-	-
	Total Tax Expenses	-	-	-	-	-	-
9	Profit/ (loss) for the period from continuing operations (7-8)	(257.27)	(405.63)	(26.68)	(1,033.37)	(1,457.56)	(2,146.33)
10	Profit / (Loss) from discontinued operations	-	-	-	-	-	-
11	Tax expense of discontinued operations	-	-	-	-	-	-
12	Profit / (Loss) from discontinued operations (after tax) (10-11)	-	-	-	-	-	-
13	Profit/ (loss) for the period (11+12)	(257.27)	(405.63)	(26.68)	(1,033.37)	(1,457.56)	(2,146.33)
14	Other comprehensive income , net of income tax						
	a) (i) items that will not be reclassified to profit or loss	7.51	3.75	8.23	11.26	6.58	(15.01)
	(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	-	-	-	-	-	2,160.01
	(ii) income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-	-
	Total other comprehensive income , net of income tax	7.51	3.75	8.23	11.26	6.58	2,145.00
11	Total comprehensive income/ (loss) for the period (13+14)	(249.76)	(401.88)	(18.45)	(1,022.11)	(1,450.98)	(1.33)
12	Paid-up equity share capital	615.88	615.88	615.88	615.88	615.88	615.88
	Face value per share (Rs)	2.00	2.00	2.00	2.00	2.00	2.00
13	Earning per share (Rs) (not annualised)						
	- Basic	(0.84)	(1.32)	(0.09)	(3.36)	(4.73)	(6.97)
	- Diluted	(0.84)	(1.32)	(0.09)	(3.36)	(4.73)	(6.97)

Notes:

- 1 The above quarterly results for the quarter and six months ended December 31, 2018 as reviewed and recommended by the Audit committee of the Board, has been approved by the Board of Directors at its meeting held on Wednesday, February 20, 2019.
 - 2 The company is engaged in the business of "Fabrication of Control Panels" and therefore, has only one reportable segment in accordance with Ind AS 108 'Operating Segments'. The Company is domiciled in India and accordingly, there is no disclosures with regard to geographical locations are disclosed.
 - 3 (a) Confirmation of Balance and Statements have not been received from Customers, Vendors etc. Since most of our customers are Government Departments, viz, State Electricity Boards, it is difficult to obtain confirmation of balance.
 - (b) Since the Turnkey Projects were undertaken for various Government Projects, it is difficult to obtain their confirmation / certification regarding stage of Completion of Projects.
 - (c) In respect of certain turnkey contracts which have been terminated by the customers resulting in encashment of bank guarantees given by the company amounting to Rs. 7,533.91 lakhs has been shown recoverable from parties in respect of which negotiation with customers stated to be in progress. Pending the outcome of negotiations the no adjustment in the financial statements has been made.
 - (d) The Company is in the process of negotiating for one time settlement with its lenders. Considering the ongoing negotiations, the Company has reversed the interest (not withstanding certain lenders charged the interest in the loan account) provided in the earlier periods and also not accrued any interest for the current period. Pending completion of the ongoing negotiations, the appropriateness of this accounting treatment is contingent on future events.
 - (e) Pending reconciliation of payables and receivables in foreign currency, the company has not restated the balances outstanding and the amount is not quantifiable at this stage.
 - (f) Unpaid Statutory dues amounting to Rs. 759.86 lakhs, and penalties, interest thereon are due and company is making necessary efforts to repay the same during the year.
 - (g) Due to the liquidity problem, Rs. 537.68 lakhs worth of imported materials are kept in Customs Bonded Warehouse and these goods are in usable conditions. Subject to realization of funds, Company will clear the goods.
 - (h) There was a delay in filing of statutory returns and Company is taking necessary steps to make payments and file returns.
 - (i) Trade Receivables includes an amount of Rs. 1,224.75 lakhs being the Liquidated Damages recovered by some customers. The Company is in the process of recovering the said amount and pending recovery, no provision is considered in the accounts towards Liquidated Damages.
 - (j) Trade Receivables includes an amount of Rs. 725.80 lakhs being the outstanding from Foreign Debtors for more than 180 days. The Company is in the process of getting necessary approval from Reserve Bank of India towards extension of time limit for collection.
 - (k) The Company has made an investment of Rs. 15,502.10 lakhs in its wholly owned subsidiary at Singapore and for onward investment into its wholly owned subsidiaries. Considering the long term nature of investment and future plans of the management, no provision towards any impairment of investment is considered necessary as the management is of the opinion that this investment represents appropriate carrying value.
 - (l) The value of inventory pertaining to the "Metering Business" amounting to Rs. 350.51 lakhs is continued to be carried at cost despite no activity in the business for considerable period and realisable value has not been ascertained consequently the impact on the financial statements is not quantifiable.
 - (m) The Company has applied for extension of time limit under FEMA rules for material advances given to the associate enterprises amounting Rs. 2,674.63 lakhs.
 - (n) The company is in the process of reconciling receipts and payments in foreign currency on various accounts and filings with appropriate authorities for regularisation.
 - (o) Pending the outcome of the suits filed by and against the company, no provision is considered necessary in the financial statements and the amount is not quantifiable.
 - (p) Financial Statement have been prepared under going concern basis as the management is confident of generating future cash flows based on the order in the pipe line and proposed restructuring of borrowing by consortium of banks being under consideration.
- In respect of items 3 (a) to 3 (e), the auditors have qualified their Limited Review Report.
- In respect of items 3 (f) to 3 (p), the auditors have drawn an Emphasis of Matter in their Limited Review Report.
- 4 The Statutory auditors have carried out a limited review of the above financial results.
 - 5 The previous periods' figures have been regrouped to conform to current periods' required classification.

Place: Chennai
Date : February 20, 2019

for Easun Reyrolle Ltd
Raj H Eswaran
Raj H Eswaran
Managing Director
DIN 00195354



Limited Review Report on Unaudited Quarterly and Year to date Standalone Financial Results of Easun Reyrolle Limited pursuant to the regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To
Board of Directors,
Easun Reyrolle Limited
Chennai.

1. We have reviewed the accompanying statement of unaudited standalone financial results ("the Statement") of Easun Reyrolle Limited ("the Company") for the quarter and the year to date results for the period from April 1, 2018 to December 31, 2018 attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
2. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors in their meeting held on February 14, 2019, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under section 133 of Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on these financial statements based on our review.
3. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by Independent Auditor of the Entity" specified under section 143(10) of The Companies Act, 2013. This standard require that we plan and perform the review to obtain moderate assurance as to whether the financial results 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.
4. We draw attention to
 - (a) Note No. 3(a) to the financial results relating to balances due from and due to the company towards Long Term / Short Term borrowings, balances with banks, debtors including dues from various electricity boards and creditors for supplies and erections and execution of projects net off adjustments and including debit balances in creditor accounts and credit balances in debtors account, advances, other current assets and current liabilities in respect of which confirmations have not been received. Pending receipt of confirmation of balances and consequent adjustments arising on account of such reconciliations if any, including differences arising on account of netted off balances of certain debtors and creditors, if any and the resultant impact on the financial statements including the operating results is not ascertainable at this stage.

- (b) Note No. 3(b) to the financial results relating to projects under Turn-Key basis undertaken by the company, in the absence of any confirmations from the customers on the status of the project we have relied upon the management's assertions and estimates in respect of stage of completion, costs to completion including provisions made for supplies to be effected and installation activities to be implemented and on the projections of revenues expected from projects and realisability of work in progress and project receivables, whether confirmed or otherwise owing to the technical nature of such estimates, on the basis of which profits / losses have been accounted.
- (c) Note No. 3(c) to the financial results relating to certain turnkey projects which have been terminated by the customers resulting in encashment of bank guarantees given by the company amounting to Rs. 7,533.91 lakhs (net) has been shown recoverable from parties in respect of which negotiation with the customers are stated to be in progress and part of guarantees are sub-judice. Pending the outcome of legal proceedings and negotiations with customers, the eventual impact if any on account of unilateral termination of the contract by the parties is not quantifiable till the judicial proceedings are finalized and hence not provided for.
- (d) Note No. 3(d) to the financial results, the Company's Borrowings from various lenders were classified as NPA (Non-Performing Assets). Consequently, the company made a proposal for OTS (One Time Settlement) of the dues to the lenders (for Term Loans and Demand Loans). Based on which the unpaid interest remained outstanding till March 31, 2016 amounting to Rs. 1,014.31 lakhs is treated as Transitional Adjustment under Ind AS 101 and the unpaid interest for the period from April 1, 2016 till September 30, 2017 notwithstanding certain lenders charged the interest in the loan account is reversed amounting to Rs. 3,226.75 lakhs and no interest is provided thereafter. The amount of unpaid interest from October 1, 2017 has not been quantified in view of the pending proposal with the lenders. The validity of the reversal of unpaid interest as well as non-provision of interest for the current period is dependent on the final outcome of the settlement proposal filed by the Company.
- (e) Note No. 3(e) to the financial results, the Company is in the process of reconciling the payables and receivables in foreign currency. Pending reconciliation of such payables and receivables in foreign currency, the Company has not reinstated the balances outstanding and the amount is not quantifiable at this stage.
5. Based on our review conducted as above, except for the possible effects of the matter described in the paragraph 4 above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable Indian Accounting Standards prescribed under section 133 of the Companies Act, 2013 and other recognized accounting practices and principles generally accepted in India, 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 CIR/CFD/FAC/62/2016 dated July 05, 2016 and CIR/IMD/DF1/69/2016 dated August 10, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

6. Without qualifying our review conclusion, attention is invited to

- (a) Note No. 3(f) to the financial results relating to unpaid statutory dues amounting to Rs. 759.86 lakhs, the consequential penalties and interest thereon are not provided for and the amount is not quantifiable.
- (b) Note No. 3(g) to the financial results relating to stock in transit lying at Customs Bonded Warehouse for Rs. 537.68 lakhs are subject to confirmation from customs department. Out of the above, inventory valuing Rs. 255.66 lakhs is pending clearance from Customs Warehouse for more than 3 years and in respect of which impairment if any is not ascertainable at this stage.
- (c) Note No. 3(h) to the financial results, Pending filing status and reconciliation of various statutory returns across project sites in various states, interest / penalty for such non-compliance if any is not ascertainable at this stage.
- (d) Note No. 3(i) to the financial results relating to Liquidated Damages recovered by the customers of Turnkey projects from running bills amounting to Rs. 1224.75 lakhs is pending final adjustment, as the same are under negotiation and the company is seeking waiver of the same. In the opinion of the management the levy of liquidity damages by the Turnkey customers is completely incorrect and the company envisages no obligation under liquidated damages, hence in the opinion of the company no claim shall be entertainable in as much as there are no proven damages made out by the claiming parties. Pending outcome of the on-going negotiations pertaining to claim of Liquidated Damages already adjusted in the running bills, as the eventual obligation is not quantifiable at this stage and hence not provided for.
- (e) Note No. 3(j) to the financial results, Pending approval of Reserve Bank of India pertaining to extension of time limit as stipulated in the FEMA Regulations in respect of dues from the foreign customers amounting to Rs. 725.80 lakhs and any possible impact arising on account of such non-compliance is not provided for as the same is not quantifiable at this stage.
- (f) Note No. 3(k) to the financial results, notwithstanding the erosion in the net worth of subsidiaries including overseas subsidiaries, no impairment is considered necessary in view of management's assessment that the investments are of long term strategic in nature and short term aberrations if any are not considered.
- (g) Note No. 3(l) to the financial results relating to the value of inventory pertaining to the 'Metering Business' amounting to Rs.350.51 lakhs is continued to be carried at cost even though there is no active business for considerable period, pending ascertainment of alternative markets for utilizing the inventories, the realizable value has not been ascertained. However in the opinion of the

management it will be realised at the stated values and hence no impact is provided in the financial statements.

- (h) Note No. 3(m) to the financial results, appropriate consents as required under FEMA Rules in respect of extension of time limits for receipts of material advances to associate enterprises to the extent of Rs. 2674.63 lakhs is pending sanction from Regulators.
- (i) Note No. 3(n) to the financial results, the company is in the process of reconciling the receipts and payments in foreign currency on various accounts. Pending such reconciliations and filings with appropriate authorities for regularisation, financial implications if any arising on account of such compliance is unascertainable at this stage.
- (j) Note No. 3(o) relating to the financial results, pending the outcome of the suits filed by and against the company, no provisions is considered necessary in the financial statement by the Company and the amount is not quantifiable at this stage.
- (k) Note No. 3(p) relating to the financial results, notwithstanding various unmitigated uncertainties explained above including (i) current liabilities in excess of current assets with unpaid financial obligations to lenders and dues to statutory authorities (ii) insolvency petitions filed by the creditors against the company under the provisions of The Insolvency and Bankruptcy Code, 2016 (iii) incurring losses continuously, poses an uncertainty on the ability of the company to continue as going concern, however, pending the outcome of restructuring proposals with lenders and other initiatives, the management is confident of meeting the financial commitments as envisaged hence the financial results have been prepared on the basis of going concern. We are of the opinion that the appropriateness of assumption of going concern is dependent upon Company's ability to raise requisite finance / generate cash flows in future to meet its obligations including the increasing current assets compared to the current liabilities.

For K.S. Rao & Co.,
Chartered Accountants
Firm Registration No. 003109S



M. Krishna Chaithanya

M. Krishna Chaithanya
Partner
Membership No. 231282

Place : Chennai
Date : February 20, 2019