

Cimmco Limited



REGISTERED OFFICE
756 A NANDAPU
EM BYPASS,
K OLKATA - 700107
CIN: L28910WB1943PLC168801

TEL: (033) 4019 0800
FAX: (033) 40190823
WEBSITE: www.cimmco.in
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4th February, 2019

1. BSE Limited
Phiroze Jeejeebhoy Towers, Dalal Street,
Mumbai-400001
Scrip Code: 505230
2. National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex, Bandra (East)
Mumbai-400051
Scrip Code: CIMMCO

Dear Sirs,

Sub: Unaudited Financial Results for the quarter and nine-month ended 31st December, 2018

Pursuant to Regulation 33 of SEBI (LODR) Regulations, 2015, we enclose herewith the Unaudited Financial Results of the Company for the quarter and nine-month ended 31st December, 2018 along with the Limited Review Report of the Auditors thereon.

Please take the same on record.

Thanking you,
Yours faithfully
For Cimmco Limited


Dinesh Arya
Group Company Secretary


Enclosed : As stated above

Price Waterhouse & Co Chartered Accountants LLP

The Board of Directors
Cimmco Limited
756, Anandapur
E M Bypass
Kolkata 700 107

1. We have reviewed the unaudited financial results of Cimmco Limited (the "Company") for the quarter ended December 31, 2018 which are included in the accompanying 'Statement of Unaudited Financial Results for the quarter and the nine months period ended December 31, 2018' (the "Statement"). The Statement has been prepared by the Company pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations, 2015"), which has been initialled by us for identification purposes. The 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 Statement is free of material misstatement.
3. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides 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 Note 5 to the Statement regarding certain claims amounting to Rs. 854.81 lacs net of expected credit loss of Rs. 3,097.53 lacs, which has been considered good and recoverable by the management. Pending outcome of Company's appeal against the arbitration order and final decision of the Hon'ble High Court of Delhi, we are unable to comment on the recoverability of the above, and its consequential impact on the Statement.
5. Based on our review conducted as above, except for the indeterminate effects of the matter stated in paragraph 4 above, nothing has come to our attention that causes us to believe that the Statement has not been prepared in all material respects in accordance with the applicable Accounting Standards prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies, and has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. We draw attention to Note 6 to the Statement regarding public shareholding in the company being 20.512% as at December 31, 2018, which is below the minimum requirement of 25% under Rule 19A(2) of the Securities Contracts (Regulation) Rules, 1957. The Company has submitted applications with SEBI and stock exchange/s for seeking extension of time for compliance with the aforesaid requirement, the response to which is awaited. Our conclusion is not modified in respect of this matter.

For Price Waterhouse & Co Chartered Accountants LLP
Firm Registration Number: 304026E/E-300009
Chartered Accountants


Avijit Mukerji
Partner
Membership Number 056155

Place: Kolkata
Date: February 4, 2019

Price Waterhouse & Co Chartered Accountants LLP, 56 & 57, Block DN, Ground Floor, 'A' Wing, Sector V
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Price Waterhouse & Co. (a Partnership Firm) converted into Price Waterhouse & Co Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no: LLPIN AAC-4362) with effect from July 7, 2014. Post its conversion to Price Waterhouse & Co Chartered Accountants LLP, its ICAI registration number is 304026E/E-300009 (ICAI registration number before conversion was 304026E)

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STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND THE NINE MONTHS PERIOD ENDED DECEMBER 31, 2018							
		(Rs. in lacs)					
SL NO	PARTICULARS	QUARTER ENDED			NINE MONTHS PERIOD ENDED		YEAR ENDED
		December 31, 2018	September 30, 2018	December 31, 2017	December 31, 2018	December 31, 2017	March 31, 2018
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
	Income						
1	Revenue from Operations (Refer Notes 3 and 4)	9,186.27	4,865.98	1,665.68	16,979.55	10,273.74	13,462.01
2	Other Income	25.59	6.66	14.94	69.72	29.25	200.32
3	Total Income	9,211.86	4,872.64	1,680.62	17,049.27	10,302.99	13,662.33
4	Expenses						
a)	Cost of Raw Materials & Components	6,962.91	4,703.32	830.05	14,676.69	6,649.27	9,534.77
b)	Changes in Inventories of Finished Goods, Work-in-progress and Saleable Scrap	725.67	(568.04)	311.70	(449.11)	813.36	381.74
c)	Purchases of Stock-in-trade	-	-	-	-	2.38	2.38
d)	Excise Duty Expense (Refer Note 3)	-	-	-	-	69.03	69.03
e)	Employee Benefits Expense	111.81	123.69	142.57	372.97	427.68	578.87
f)	Finance Costs	480.37	527.83	329.64	1,442.08	1,028.21	1,434.54
g)	Depreciation and Amortisation Expense	100.90	102.48	154.35	305.63	461.68	615.79
h)	Other Expenses	775.63	725.76	409.68	2,086.27	1,629.23	2,801.26
	Total Expenses (a to h)	9,157.29	5,615.04	2,177.99	18,434.53	11,080.84	15,418.38
5	Profit/(Loss) before Exceptional Items and	54.57	(742.40)	(497.37)	(1,385.26)	(777.85)	(1,756.05)
6	Exceptional Items (Refer Note 2)	-	-	-	-	-	614.12
7	Profit/(Loss) before Tax (5-6)	54.57	(742.40)	(497.37)	(1,385.26)	(777.85)	(2,370.17)
8	Income Tax Expense						
	Deferred Tax - Credit	(8.36)	(8.36)	(8.37)	(104.34)	(29.99)	(38.35)
9	Profit/(Loss) for the Period (7-8)	62.93	(734.04)	(489.00)	(1,280.92)	(747.86)	(2,331.82)
10	Other Comprehensive Income						
	Item that will not be reclassified to profit or loss:						
	Remeasurement gains/(losses) on defined benefit	(0.16)	(0.15)	(3.98)	(0.46)	(5.63)	(0.62)
11	Total Comprehensive Income/(Loss) for the Period (9 + 10)	62.77	(734.19)	(492.98)	(1,281.38)	(753.49)	(2,332.44)
12	Equity Share Capital (Face value Rs. 10/- each)	2,734.85	2,734.85	2,734.85	2,734.85	2,734.85	2,734.85
13	Other Equity						13,423.97
14	Earning Per Equity Share (of Rs 10/- each) (Not Annualised) - Basic and Diluted (Rs.)	0.23	(2.68)	(1.79)	(4.69)	(2.73)	(8.53)



<p style="text-align: center;">CIMMCO LIMITED</p> <p style="text-align: center;">CIN NO:- L28910WB1943PLC168801</p> <p style="text-align: center;">REGISTERED OFFICE - 756, ANANDAPUR, E M BYPASS, KOLKATA - 700107</p> <p style="text-align: center;">TEL: 033-4019 0800/FAX: 033-4019 0823, WEB SITE: WWW.CIMMCO.IN, EMAIL: CORP@CIMMCO.IN</p> <p style="text-align: center;">SEGMENTWISE REVENUE, RESULTS, ASSETS AND LIABILITIES</p>						
						(Rs. in lacs)
SL NO	PARTICULARS	QUARTER ENDED			NINE MONTHS PERIOD ENDED	YEAR ENDED
		December 31, 2018 Unaudited	September 30, 2018 Unaudited	December 31, 2017 Unaudited	December 31, 2018 Unaudited	December 31, 2017 Unaudited
1	Segment Revenue					March 31, 2018 Audited
a)	Wagons & Engineering Products	9,186.24	4,855.02	1,598.54	16,952.36	10,077.04
b)	Tractors	0.03	10.96	67.14	27.19	196.70
	Revenue/ Income from Operations	9,186.27	4,865.98	1,665.68	16,979.55	10,273.74
2	Segment Results [Profit / (Loss) before tax and interest]					
a)	Wagons & Engineering Products	677.24	(55.93)	(62.14)	406.50	641.53
b)	Tractors*	(102.25)	(101.24)	(62.23)	(225.30)	(277.32)
	Total	574.99	(157.17)	(124.37)	181.20	364.21
	(Add) / Less :					
i	Interest expense - Net #	(473.35)	(521.16)	(326.41)	(1,423.56)	(1,016.61)
ii	Unallocable expenditure net of income	(47.07)	(64.07)	(46.59)	(142.90)	(125.45)
	Total Loss before Tax	54.57	(742.40)	(497.37)	(1,385.26)	(777.85)
3	Segment Assets					
a)	Wagons & Engineering Products	44,339.72	42,599.93	33,437.07	44,339.72	33,437.07
b)	Tractors	230.41	334.96	1,399.51	230.41	1,399.51
c)	Unallocable	250.24	79.59	1,515.04	250.24	1,515.04
	Total	44,820.37	43,014.48	36,351.62	44,820.37	36,351.62
4	Segment Liabilities					
a)	Wagons & Engineering Products	9,409.19	9,376.06	2,688.69	9,409.19	2,688.69
b)	Tractors	109.87	114.51	154.56	109.87	154.56
c)	Unallocable	20,351.36	18,636.79	15,773.42	20,351.36	15,773.42
	Total	29,870.42	28,127.36	18,616.67	29,870.42	18,616.67
	# After netting off interest income	7.02	6.66	11.61	18.52	16.15
	* After considering exceptional items	-	-	-	-	614.12



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STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND THE NINE MONTHS PERIOD ENDED DECEMBER 31, 2018

Notes:

- Operating segments based on the Company's products have been identified by the management as Wagon & Engineering Products and Tractors.
- Exceptional items for the year ended March 31, 2018 represents impairment loss on plant and machinery and intangible assets relating to Tractors segment.
- Post applicability of Goods and Service Tax (GST) w.e.f July 1, 2017, revenue from operations is disclosed net of GST. However, revenue for the period April 1, 2017 to June 30, 2017 is inclusive of excise duty. Accordingly, revenue from operations and total expenses for nine months ended December 31, 2018 are not comparable with the corresponding period presented in the results.
- Effective April 1, 2018, the Company has adopted IND AS 115 "Revenue from Contracts with Customers" using the modified retrospective approach which is applied to contracts that were not completed as of April 1, 2018. The comparatives for the quarter and nine months ended December 31, 2017 and year ended March 31, 2018 have not been restated and accordingly the results for the quarter and nine months ended December 31, 2018 are not comparable with the above periods reported. As a result of adoption of the new standard, an amount of Rs 72.49 lacs (net of tax), has been adjusted against retained earnings as on April 1, 2018. Further, the change in the timing of revenue recognition for certain contracts has following impact on the above results:

Particulars	Quarter Ended December 31, 2018	Quarter Ended September 30, 2018	Nine Months Year ended December 31, 2018
	Rs. In lacs		
Increase/(Decrease) in Revenue from	1,986.93	19.16	1,245.78
Decrease/(Increase) in Changes in Inventories of Finished Goods, Work-in-progress and Saleable Scrap.	(1,834.41)	(10.06)	(1,139.75)
(Increase) / Decrease in Loss before tax	152.52	9.10	106.03
(Increase) / Decrease in Loss for the period and Total comprehensive income	152.52	9.10	106.03
(Increase) / Decrease in Loss Per Equity Share (of Rs 10/- each) (Not Annualised) - Basic and Diluted (Rs.)	0.56	0.03	0.39

- The Auditors in their audit report for the year ended March 31, 2018 had commented upon the recoverability of claims of Rs. 854.81 lacs (net of expected credit loss of Rs. 3,097.53 lacs) receivable from Indian Railways against which the arbitration award has been upheld against the Company and the Company has filed an appeal in the Hon'ble Delhi High Court against the said arbitration award which is pending adjudication. The Auditors in their limited review report for the quarters June 30, 2018, September 30, 2018 and December 31, 2018 have also commented on the above. The management is hopeful to recover these claims in full.
- The promoter of the Company was allotted 72,00,000 equity shares pursuant to the Scheme of Amalgamation sanctioned by the Hon'ble National Company Law Tribunal resulting in minimum public shareholding (MPS) being 18.47%. Though the aforesaid allotment took place on December 02, 2017 but the shares were credited into the demat account of promoter after listing & trading approvals of the Stock Exchanges, on May 25, 2018 only. The promoter has since made two Offers for Sale (OFS) of the requisite equity shares to achieve the MPS of 25% as per Section 19A(2) of Securities Contracts (Regulation) Rules, 1957. However, due to low demand the OFS were under subscribed, and the shareholding of public as at December 31, 2018 was 20.512%. As advised by the lawyers, the Company has submitted application to the SEBI and Stock Exchanges on December 06, 2018 seeking extension of time till September 30, 2019 to comply with the MPS requirement and waiver of penalty.
- The above financial results for the quarter and nine months ended December 31, 2018 have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on February 4, 2019. The Auditors of the Company have carried out a Limited Review of the above financial results for the quarter ended December 31, 2018 in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Place: Kolkata
Date: February 4, 2019



For and on behalf of the Board of Directors

Anil Kumar Agarwal
ANIL KUMAR AGARWAL
Managing Director and CEO

