

Limited Review Report

REVIEW REPORT TO THE BOARD OF DIRECTORS OF KHAITAN ELECTRICALS LIMITED

1. We have reviewed the accompanying statement of unaudited financial results of Khaitan Electricals Limited ("the Company"), for the quarter and nine months ended 31st December, 2015 ("the statement"). 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 these financial statements 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 provides less assurance than an audit. We do have not performed an audit and accordingly, we do not express an audit opinion.
3. Based on our review conducted as 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 accounting standards and other recognized 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 including the manner in which it is to be disclosed, or that it contains any material misstatement.

FOR G.P.AGRAWAL & CO.
(F.R. NO.302082E)
CHARTERED ACCOUNTANTS

Rakesh Kumar Singh
(CA. RAKESH KUMAR SINGH)
PARTNER
Membership No. 066421
7A, KIRAN SHANKAR RAY ROAD
KOLKATA - 700 001

Place of signature: Kolkata
Date : 12th February, 2016

FOR V.S.RAO & CO.
(REGN. NO. 003157S)
CHARTERED ACCOUNTANTS

V.G. Tarak Nath
(CA. V.G. TARAK NATH)
PARTNER
Membership No. 23302
6-3-609/136, ANANDNAGAR, KHAIRATABAD
HYDERABAD - 500 004

Place of signature: Hyderabad
Date : 12th February, 2016





Khatan electricals limited

Regd. Office: A-13, G- Operative Industrial Estate, Balanagar, Hyderabad - 500 037.

CIN: L25005AP1975PLC009948

STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER, 2015

Sl. No.	Particulars	QUARTER ENDED			NINE MONTHS ENDED		(Rs in lacs)
		31.12.2015	30.09.2015	31.12.2014	31.12.2015	31.12.2014	PREVIOUS YEAR ENDED 31.03.2015
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Income from Operations						
a	Net Sales /Income from Operations (Net of Excise Duty)	5,418.56	5,829.43	8,076.35	19,581.53	27,932.74	42,071.74
b	Other Operating Income	38.08	35.86	63.68	127.24	219.38	328.58
	Total Income from Operations (net)	5,456.64	5,865.29	8,140.03	19,708.77	28,152.12	43,000.32
2	Expenses						
a	Cost of Materials Consumed	984.73	817.00	1,157.69	3,329.68	3,526.98	5,711.62
b	Purchases of Stock- in- Trade	2,316.58	3,224.17	5,184.37	10,836.08	18,942.10	26,588.86
c	Changes in inventories of finished goods, Work-in-Progress and Stock-in-Trade	487.31	235.34	(280.26)	(242.53)	(615.30)	975.37
d	Fabrication Charges	168.93	90.68	143.81	438.09	597.79	613.55
e	Employee benefits expense	447.09	590.46	690.12	1,626.50	1,967.54	2,642.08
f	Depreciation and amortisation expense	58.79	49.74	58.21	161.68	166.67	295.89
g	Other expenses	1,379.54	1,498.17	1,866.01	4,816.93	5,405.17	8,006.62
	Total Expenses	5,842.97	6,525.56	8,819.95	20,966.43	29,790.95	44,833.99
3	Profit/(Loss) from Operations before other income, finance costs and exceptional items (1-2)	(386.33)	(660.27)	(679.92)	(1,257.66)	(1,638.83)	(1,833.67)
4	Other income	250.58	245.02	170.45	757.26	727.66	1,180.30
5	Profit/(Loss) from ordinary activities before finance costs and exceptional items (3+4)	(135.75)	(415.25)	(509.47)	(500.40)	(911.17)	(653.37)
6	Finance cost	947.96	958.17	1,197.85	2,949.92	3,311.08	4,172.55
7	Profit/(Loss) from ordinary activities after finance costs but before exceptional items (5-6)	(1,083.71)	(1,373.42)	(1,707.32)	(3,450.32)	(4,422.25)	(4,825.92)
8	Exceptional items						
9	Profit/(Loss) from ordinary activities before Tax (7+8)	(1,083.71)	(1,373.42)	(1,707.32)	(3,450.32)	(4,422.25)	(4,825.92)
10	Tax Expense			(6.22)		(8.46)	65.81
11	Net Profit/(Loss) from ordinary activities after tax (9-10)	(1,083.71)	(1,373.42)	(1,701.10)	(3,450.32)	(4,413.79)	(4,891.73)
12	Extraordinary items (Net of tax expense)	84.95			(259.32)		
13	Net Profit/(Loss) for the period (11-12)	(998.76)	(1,373.42)	(1,701.10)	(3,709.64)	(4,413.79)	(4,891.73)
14	Paid-up Equity Share Capital (Face Value per share Rs. 10/-)	1,150.00	1,150.00	1,150.00	1,150.00	1,150.00	1,150.00
15	Reserves (excluding Revaluation Reserves) as per balance sheet of previous accounting year	N.A.	N.A.	N.A.	N.A.	N.A.	3,309.15
16	Earning Per Share (Before Extraordinary Items) of Rs. 10/- each (not annualised)						
	Basic and Diluted	(9.42)	(11.94)	(14.79)	(30.00)	(38.38)	(42.54)
17	Earning Per Share (After Extraordinary Items) of Rs. 10/- each (not annualised)						
	Basic and Diluted	(8.68)	(11.94)	(14.79)	(32.26)	(38.38)	(42.54)

Notes:

- The above results have been reviewed by the Audited Committee and were approved by the Board of Directors as on 12th February, 2016.
- The Statutory Auditors have conducted the Limited Review of the above Financial Results.
- The Company operates predominantly only in one business segment, viz. Electrical Goods which is the primary segment.
- The sales of the Company is mainly in India and Export sales being less than 10% of the total turnover of the Company, there are no reportable geographical segments.
- The Extraordinary Item represents Loss by fire of Stocks and Fixed Assets at Hyderabad Unit on 10.05.2015. The Stocks and Fixed Assets are Fully insured and the Company had already lodged insurance Claim with United India Assurance Company Limited. However, as prudent practice, the Claim will be accounted for in the Books after the Surveyor's assessment of the loss and the said income will be reflected in the subsequent quarters. The Management is of the view that no significant loss will arise on account of the said fire. An amount of Rs. 84.95 lakhs received on ad hoc basis has been shown as income for the quarter under Extraordinary items.
- On 09.11.2015 the Company has made preferential issue of 5,00,000 9% Non-convertible, Non-cumulative, redeemable Preference Shares of Rs.100/- (Rupees Hundred Only) on private placement basis to Khatan Lefin Limited (Promoter Group Company). These Shares are not intended to be listed in the Stock Exchanges. Further they will be redeemed at appropriate time.
- Previous Year's figures have been regrouped/re-arranged wherever necessary.

By order of the Board

SUNIL K. KHATTAN
Chairman & Managing Director

PLACE: KOLKATA
DATE: 12th February, 2016

