

JAYESH DADIA & ASSOCIATES LLP

CHARTERED ACCOUNTANTS

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Limited Review Report

**The Board of Directors
M/s. Premier Limited
Mumbai**

Introduction

We have reviewed the accompanying statement of unaudited financial results ('the Statement') of **M/s. Premier Limited** ('the Company') for the quarter ended 30th September, 2018 & the year to date results for the period from 1st April, 2018 to 30th September, 2018 along with the notes thereon attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015, read with Circular No. CIR/CFD/FAC/62/2016 dated 5th July, 2016.

This statement is the responsibility of the Company's management and has been approved by the Board of Directors in their meeting held on 14th November, 2018. Our responsibility is to issue a report on the Statement based on our review.

Scope of review

We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards of Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review conducted as stated 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 i.e. Indian Accounting Standards ("IND-AS") prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with rule 7 of the Companies (Accounts)



Rules, 2014 and other recognized accounting 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 read with circular number CIR/CFD/FAC/62/2016 dated July 05, 2016 of SEBI, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For Jayesh Dadia & Associates LLP
Chartered Accountants
Firm Registration No. 121142W / W100122

J Dadia

Jayesh Dadia
Partner

Membership No. 033973

Mumbai, dated: 14th November, 2018



Statement of Assets & Liabilities

(Rs.Lakhs)

Sr.No	Particulars	As at 30.09.2018		As at 31.03.2018	
		(Unaudited/ Reviewed)		Audited	
A	ASSETS				
1	Non-current assets				
a	Property, Plant and Equipment	33,523.93		34,965.66	
b	Capital work-in-progress	114.06		114.06	
c	Investment Property	8,597.22		8,597.22	
d	Other Intangible Assets	18.23		57.33	
e	Financial assets				
	-Investments	0.25		0.25	
	-Loans	4,296.60		4,302.92	
f	Deferred tax assets (net)	4,585.15		4,585.15	
g	Other Non-Current assets	-	51,135.44	-	52,622.59
2	Current Assets				
a	Inventories	5,920.84		8,440.35	
b	Financial assets				
	- Trade receivables	3,378.95		6,559.94	
	- Cash and cash equivalents	519.15		581.69	
	- Loans and advances	1,893.47		1,814.50	
c	Other current assets	6,285.03	17,997.44	6,425.49	23,821.97
	Total Assets		69,132.88		76,444.56
B	EQUITY AND LIABILITIES				
1	Equity				
a	Share Capital	3,039.95		3,039.95	
b	Other equity	3,883.16	6,923.11	15,392.53	18,432.48
2	LIABILITIES				
	Non Current Liabilities				
a	Financial liabilities				
	- Borrowings	7,011.73		9,154.71	
b	Long term provisions	449.39	7,461.12	526.03	9,680.74
	Current Liabilities				
a	Financial liabilities				
	- Borrowings	10,349.00		10,125.36	
	- Trade and other payables	2,443.25		1,835.58	
b	Other current liabilities	41,770.19		36,006.46	
c	Provisions	186.21	54,748.65	363.94	48,331.34
	Total Equity and Liabilities		69,132.88		76,444.56

For and on behalf of the Board of Directors



Maitrey V. Doshi

Maitreya V. Doshi
Chairman & Managing Director
[DIN : 00060755]

Place : Mumbai
Date : 14th November, 2018



Regd. Office : Mumbai-Pune Road, Chinchwad, Pune 411 019
 CIN: L34103PN1944PLC020842
 E-mail : investors@premier.co.in

Statement of Unaudited Financial Results for the Quarter and Half year ended 30th Sept, 2018

(Rs.Lakhs)

Sr. No.	Particulars	Quarter ended			Half Year ended		Year ended
		30.09.2018	30.06.2018	30.09.2017	30.09.2018	30.09.2017	31.03.2018
		(Unaudited/ Reviewed)	(Unaudited/ Reviewed)	(Unaudited/ Reviewed)	(Unaudited/ Reviewed)	(Unaudited/ Reviewed)	(Audited)
1	Revenue from operations	477	291	517	768	967	2007
2	Other Income	56	28	605	84	816	1213
3	Total Income	533	319	1122	852	1783	3220
4	Expenses						
	(a) Cost of materials consumed	91	138	313	229	680	2656
	(b) Changes in inventories of finished goods, work in progress and stock-in-trade	375	13	(49)	388	(204)	(1866)
	(c) Employee benefits expense	498	690	613	1188	1373	2776
	(d) Finance Costs	1898	1831	1620	3729	3305	6596
	(e) Depreciation and Amortisation	722	762	715	1484	1435	2819
	(f) Provision for doubtful debts/bad debts	13	2953	11	2966	356	1685
	(g) Inventory obsolescence	2125			2125		
	(h) Other Expenses	303	239	487	542	861	1467
	Total Expenses	6025	6626	3710	12651	7806	16133
5	Profit / (Loss) before exceptional items and tax	(5492)	(6307)	(2588)	(11799)	(6023)	(12913)
6	Exceptional Items	0	0	0	0	0	467
7	Profit / (Loss) before tax	(5492)	(6307)	(2588)	(11799)	(6023)	(12446)
8	Tax Expenses						
	a) Current Tax	0	0	(28)	0	(88)	(47)
	b) Deferred Tax	-	-	-	-	-	-
9	Net Profit/(Loss) for the period (7-8)	(5492)	(6307)	(2560)	(11799)	(5935)	(12399)
10	Other Comprehensive income						
	(a) (i) items that will not be reclassified to Profit or loss	49	241	91	290	284	151
	(ii) Income tax relating to items that will not be reclassified to Profit or loss.	-	-	(28)	-	(88)	(47)
	(b) (i) items that will be reclassified to Profit or loss.	-	-	-	-	-	-
	(ii) Income tax relating to items that will be reclassified to Profit or loss	-	-	-	-	-	-
11	Total Comprehensive income for the period (9+10)	(5443)	(6066)	(2497)	(11509)	(5739)	(12295)

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12	Paid-up Equity Share Capital (face value Rs.10 each)	3037	3037	3037	3037	3037	3037
13	Earning per equity share (face						
	(a) Basic	(18.08)	(20.77)	(8.43)	(38.85)	(19.54)	(40.82)
	(b) Diluted	(18.08)	(20.77)	(8.43)	(38.85)	(19.54)	(40.82)

Notes:

- 1) The above results have been reviewed by the statutory auditors and the Audit Committee and approved by the Board of Directors at their respective meetings held on 14/11/2018.
- 2) The demand trend for Company's CNC products continues to improve resulting in a strong order book currently as compared to earlier quarters. However, the operations remain handicapped due to working capital shortage.
- 3) The reported cash loss from regular operations for the quarter is Rs.7 Cr. Interest of Rs.19 Cr. is provided on an accrual basis but is not a cash outflow pending restructuring (Refer note 5 below). Furthermore, depreciation of Rs.8 Cr. is a non cash charge and Rs.21 Cr. charge of inventory obsolescence is related to a one time single machine case (Refer note 4 below).
- 4) Current quarter and half yearly results include a one-time inventory value adjustment of Rs 21 Cr. in line with the applicable accounting standards. The Company, in the past, had undertaken manufacturing of a customized large size machine having unique international specifications useful in the manufacturing of complex, heavy wind-mill components as required by an overseas customer. However, due to the liquidity constraints faced by the company, the order/delivery could not be completed intime resulting in the eventual cancellation of the said export order. There have been uncertainties prevailing in the wind mill sector and a very limited market was available for such a specific, large machine. After a lot of effort, the Company could find an alternate customer domestically for the said machine albeit its current realisable value is much lower as compared to the book value. Accordingly, the book value of this machine is reflected at its realizable value resulting in a onetime inventory obsolescence of Rs 21 Cr.
- 5) A major portion of Company's loans (91%) have been acquired by Edelweiss Asset Reconstruction Company Limited (EARC) in the past and it is in the process of restructuring these debts with a longer tenure and at a reduced rate of interest. Upon conclusion of this restructuring process, actual interest liability will be finalized and the same is expected to result in reversal of the provisioning of interest made in the books. As of 30th Sept 2018, such accrued and unpaid interest, subject to reversal as a result of the final restructuring, accounted in the books is Rs.148 Cr.
- 6) The Company is in advanced stages of finalising a restructuring/settlement of its secured loans with lenders. As a part of this restructuring, the Company is in the process of monetising its non-core assets including land. This is expected to substantially reduce the overall debt and interest cost of the company.
- 7) Other current liabilities of Rs. 418 Cr. include the accrued interest provision of Rs. 148 Cr. (refer note 5 above) and the current maturity of borrowings of Rs. 208 Cr. Upon completion of the proposed restructuring and monetisation of land, expected to be completed in the current year (refer note 6 above), these current liabilities would get substantially reduced due to repayment and writeback / reclassification into non-current liabilities.
- 8) The Company is engaged in the Engineering business and therefore, there is only one reportable segment as per Ind AS 108 on "Operating Segments".
- 9) Previous quarter/year figures have been regrouped and / or rearranged wherever necessary.

For and on behalf of the Board of
Directors



Maitreya V. Doshi

Maitreya V. Doshi
Chairman & Managing Director
[DIN:00060755]

Place : Mumbai
Date : 14th November, 2018

[Handwritten mark]