



INDO TECH TRANSFORMERS LIMITED

Regd. Office : DP-36, SIDCO INDUSTRIAL ESTATE, THIRUMAZHISAI, CHENNAI - 600 124

PART I : STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30 JUNE 2014

(Rs. in lakhs)

S. No.	Particulars	Quarter ended			Nine months ended
		30-Jun-14	31-Mar-14	30-Jun-13	31-Mar-14
		(Unaudited)	(Audited)	(Audited)	(Audited)
			Balancing figures *	Balancing figures *	Refer Note 4
1	Income from operations				
	(a) Net sales / income from operations (net of excise duty)	4,421	3,371	1,994	9,161
	(b) Other operating income	45	4	-	225
	Total income from operations (net)	4,466	3,375	1,994	9,386
2	Expenses				
	(a) Cost of materials consumed	2,789	3,559	2,405	7,756
	(b) Changes in inventories of finished goods, work-in-progress	750	(794)	(514)	264
	(c) Employee benefits expense	332	349	369	1,056
	(d) Depreciation and amortisation expense	132	96	100	299
	(e) Freight	61	85	27	209
	(f) Warranty costs	21	(1)	81	30
	(g) Other expenses	481	606	640	1,644
	Total expenses	4,566	3,900	3,108	11,258
3	Profit / (Loss) from operations before other income, finance costs and exceptional items (1-2)	(100)	(525)	(1,114)	(1,872)
4	Other income	486	915	28	1,044
5	Profit / (Loss) from ordinary activities before finance costs and exceptional items (3+4)	386	390	(1,086)	(828)
6	Finance costs	414	393	227	1,053
7	Profit / (Loss) from ordinary activities after finance costs but before exceptional items (5-6)	(28)	(3)	(1,313)	(1,881)
8	Exceptional Items	-	-	-	-
9	Profit / (Loss) from ordinary activities before tax (7+8)	(28)	(3)	(1,313)	(1,881)
10	Tax expense	-	-	-	-
11	Net Profit / (Loss) from ordinary activities after tax (9-10)	(28)	(3)	(1,313)	(1,881)
12	Extraordinary Item (net of tax expense)	-	-	-	-
13	Net Profit / (Loss) for the period (11-12)	(28)	(3)	(1,313)	(1,881)
14	Paid-up equity share capital (Face value per share - Rs.10)	1,062	1,062	1,062	1,062
15	Reserves excluding revaluation reserves (as per Balance Sheet of previous accounting year)				(450)
16.i	Earnings per share (EPS) (before extraordinary items) (of Rs. 10 each)				
	Basic and diluted EPS	(0.26)	(0.03)	(12.36)	(17.71)
		(Not annualised)	(Not annualised)	(Not annualised)	(Not annualised)
16.ii	Earnings per share (EPS) (after extraordinary items) (of Rs. 10 each)				
	Basic and diluted EPS	(0.26)	(0.03)	(12.36)	(17.71)
		(Not annualised)	(Not annualised)	(Not annualised)	(Not annualised)

PART II : SELECT INFORMATION FOR THE QUARTER ENDED 30 JUNE 2014

PARTICULARS OF SHAREHOLDING		3 months ended 30-Jun-14			
1	Public shareholding				
	- Number of shares	2,724,375	2,724,375	2,724,375	2,724,375
	- Percentage of shareholding	25.65	25.65	25.65	25.65
2	Promoter and promoter group shareholding				
	a) Pledged / Encumbered				
	- Number of shares	-	-	-	-
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	-	-	-	-
	- Percentage of shares (as a % of the total share capital of the company)	-	-	-	-
	b) Non - encumbered				
	- Number of shares	7,895,625	7,895,625	7,895,625	7,895,625
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100.00	100.00	100.00	100.00
	- Percentage of shares (as a % of the total share capital of the company)	74.35	74.35	74.35	74.35
	Particulars	3 months ended 30-Jun-14			
B	INVESTOR COMPLAINTS				
	Pending at the beginning of the quarter	0			
	Received during the quarter	0			
	Disposed during the quarter	0			
	Remaining unsolved at the end of the quarter	0			

* Figures of the 3 months ended 31 March 2014 and 30 June 2013 are the balancing figures between audited figures in respect of the full financial period and the published period to date figures up to the second quarter and fourth quarter of the financial year respectively. Also the figures upto the end of the second quarter and fourth quarter respectively were only reviewed and not subjected to audit.

Notes:

- 1 The above results of the Company were reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 5 August 2014. The statutory auditors have carried out a limited review for the quarter ended 30 June 2014. An unqualified report has been issued by them thereon.
- 2 The Company has determined its business segment as transformer. Since 100% of the Company's business is from transformer, there are no other primary reportable segments.
- 3 During the quarter ended 30 June 2014, the management has reassessed the useful life of the assets as prescribed in Schedule II to the Companies Act, 2013 and has taken additional depreciation charge of Rs. 39.09 lakhs in addition to Rs. 93.32 lakhs adjusted to General Reserve being the carrying amount of assets having a Nil revised remaining useful life as at 1 April 2014.
- 4 The increase in Company's revenue during the quarter ended 30 June 2014 is attributable to improved market conditions and increased demand from customers. However, during the quarter, interest cost remained a burden on the margins and as a result, the loss for the quarter has further eroded the net worth of the Company. Prolec GE Internacional S. De R. L. De C. V. (Prolec GE), the holding Company, has consistently supported the Company to raise unsecured funds from banks. Also, the Board of Directors in their meeting held on 24 June 2014 had approved of subvention (voluntary, non-repayable financial grant) of US\$ 25 million from the holding company and an agreement dated 1 July 2014 for receiving the aforesaid subvention has been entered into by the Company with the holding company. Further, the Company has received such subvention amount subsequent to quarter end. The Company believes that it would be able to meet its financial requirements and no adjustments would be required in respect of the carrying value of assets/liabilities. The ability of the Company to continue as a going concern is significantly dependent on the consistent and continued improvement in its operational performance in the future. Accordingly, the financial statements have been prepared on a going concern basis.
- 5 Prolec GE had seconded some employees to the Company, who were on payroll of the Company. During the quarter ended 30 June 2014 and 31 March 2014, Prolec GE has agreed to re-imburse the salaries and other expenses amounting to Rs. 437.27 lakhs for the year ended 31 March 2010 and Rs. 533.18 lakhs for the year ended 31 March 2011 respectively. Such re-imburement has been accounted as other income.

Chennai
5 August 2014

Luis Carlos Silveyra
Chairman