

Date: 13<sup>th</sup> August 2019

To

The General Manager Department of Corporate Services BSE LTD, Phiroze Jeejeebhoy Towers, Dalal Street, <u>Mumbai</u> - 400 001.	The Manager Listing Compliance The National Stock Exchange of India Limited BKC Complex Bandra Kurla Mumbai
---	--

**KAVVERI TELECOM PRODUCTS LIMITED**

Dear Sir,

*Sub: - OUTCOME OF Board Meeting - RESULTS for the 1<sup>st</sup> quarter ending on 30<sup>th</sup> June 2019*

Pursuant to the Regulation 29 (1) a) of SEBI (Listing Obligations and Disclosures Requirements) Regulations 2015, and pursuant to above referred references, we hereby submit the un-Audited Financial Results for the 1<sup>st</sup> Quarter ending on 30<sup>th</sup> June 2019 which were considered, and approved in the Meeting of the Board of Directors of the Company held on Tuesday, 13<sup>th</sup> August 2019 at the Registered Office of the Company.

This is for your information and records.

Thanking You.

For Kavveri Telecom Products Limited



Chairman & Managing Director



telecom products limited

KAVVERI TELECOM PRODUCTS LIMITED

Registered Office : Plot No 31 -36, 1st Floor, 1st Main, 2nd Stage, Arakere Mico Layout, Bannerghatta Road, Bangalore, Karnataka - 560076

STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR QUARTER ENDED 30th June, 2019

(Rs. In Lacs)

S. No	Particulars	Quarter Ended			Year Ended
		30.06.2019	31.03.2019	30.06.2018	31.03.2019
		Unaudited	Audited	Unaudited	Audited
1	<b>Revenue From Operations</b>				
	a) Net Sales / Revenue from Operations	49.93	20.09	19.78	173.09
	b) Other Operating Income	0.53	5.97	-	7.20
	<b>Total Revenue from Operations (Net)</b>	<b>50.46</b>	<b>26.06</b>	<b>19.78</b>	<b>180.29</b>
2	<b>Other Income</b>	-	-	-	-
	<b>Total Income (1+2)</b>	<b>50.46</b>	<b>26.06</b>	<b>19.78</b>	<b>180.29</b>
3	<b>Expenses</b>				
	a) Cost of materials consumed	31.17	12.71	1.98	70.75
	b) Purchases of Stock - in - trade	-	-	-	-
	c) Changes in inventories of finished goods , work-in-progress and stock-in-trade	-	-	-	-
	d) Employee benefits expenses	16.07	23.68	10.22	58.74
	e) Depreciation and amortisation expenses	94.56	103.35	95.66	389.54
	f) Other expenditure				
	- Operating Expenses	37.27	409.97	9.24	480.02
	- Finance Costs	331.54	350.66	331.15	1,344.21
	<b>Total Expenses</b>	<b>510.61</b>	<b>900.37</b>	<b>448.25</b>	<b>2,343.26</b>
4	Profit / (Loss) before tax (1+2-3)	(460.16)	(874.31)	(428.47)	(2,162.97)
5	Tax Expenses.	47.04	2,019.00	(7.45)	2,137.74
6	Net Profit (+) / Loss (-) from ordinary activities after tax (4-5)	(413.12)	1,144.69	(421.02)	(25.23)
7	Extraordinary items (net of tax expenses)	-	-	-	-
8	Net Profit (+) / Loss (-) for the period (6-7)	(413.12)	1,144.69	(421.02)	(25.23)
9	<b>Other Comprehensive Income</b>				
	A (i) Items that will not be reclassified to profit or loss	-	-	-	-
	(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	-	-	-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-
10	<b>Total Comprehensive Income for the period (8+9)</b>	<b>(413.12)</b>	<b>1,144.69</b>	<b>(421.02)</b>	<b>(25.23)</b>
	<b>Earnings Per Equity Share - (for Continuing operation)</b>				
	Basic (Rs.)	(2.05)	5.69	(2.09)	(0.13)
	Diluted (Rs.)	(2.05)	5.69	(2.09)	(0.13)
11	<b>Earnings Per Equity Share - (for Discontinued operation)</b>				
	Basic (Rs.)	-	-	-	-
	Diluted (Rs.)	-	-	-	-
12	<b>Earnings Per Equity Share - (for Continuing &amp; Discontinued operation)</b>				
	Basic (Rs.)	(2.05)	5.69	(2.09)	(0.13)
	Diluted (Rs.)	(2.05)	5.69	(2.09)	(0.13)

**Notes**

- The Company has adopted Indian Accounting Standards (IND AS) prescribed under section 133 of Companies Act, 2013, read with relevant rules issued there under. The date of transition of the Ind As is 1st April 2016 and accordingly, these audited financial results have been prepared in accordance with the recognition and measurement principles laid down in Ind AS 34 "Interim Financial Reporting" and other accounting principles generally accepted in India. The impact of transition has been accounted for in the opening reserves and the comparative period have been reinstated accordingly.
- The above audited financial results for the quarter ended 30th June, 2019 were taken on record at the meeting of the Board of Directors held on 13th August, 2019 after being reviewed and recommended by the Audit committee.
- There is no segment wise income, only we are having single segment of income i.e telecom products services
- The figures for the previous period/year have been regrouped/reclassified, wherever necessary.

Place : Bangalore  
Date : 13.08.2019

For Kavveri Telecom Products Limited

C Shiva Kumar Reddy  
Whole Time Director





**P. MURALI & CO.,**

CHARTERED ACCOUNTANTS  
6-3-655/2/3, SOMAJIGUDA,  
HYDERABAD - 500 082. INDIA

Tel. : (91-40) 2332 6666, 2331 2554  
2339 3967, 2332 1470

Fax : (91-40) 2339 2474

E-mail : pmurali.co@gmail.com  
info@pmurali.com

Website : www.pmurali.com

**Limited Review Report- Standalone Financial Results**

To  
The Board of Directors,  
**M/s. Kavveri Telecom Products Limited,**  
Bangalore.

**Limited Review Report for the quarter ended 30<sup>th</sup> June 2019.**

1. We have reviewed the accompanying statement of unaudited standalone financial results of **M/s. Kavveri Telecom Products Limited**, ("the Company") for the quarter ended 30<sup>th</sup> June, 2019 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended read with SEBI Circular No. CIR/CFD/CMD1/ 44/2019 dated March 29, 2019.
2. The preparation of "the Statement" in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting (Ind AS 34) prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued there under and other accounting principles generally accepted in India read with circular is the responsibility of the Company's management and has been approved by the Board of Directors of the Company in their meeting held on 13<sup>th</sup> August 2019. Our responsibility is to issue a report on the Statement based on our review.
3. 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. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is 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.



## **P. MURALI & CO.,**

CHARTERED ACCOUNTANTS  
6-3-655/2/3, SOMAJIGUDA,  
HYDERABAD - 500 082. INDIA

Tel. : (91-40) 2332 6666, 2331 2554  
2339 3967, 2332 1470

Fax : (91-40) 2339 2474

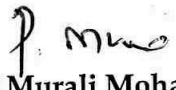
E-mail : pmurali.co@gmail.com  
info@pmurali.com

Website : www.pmurali.com

**Further we would like to bring to your attention for below points:**

- (a) In respect of preparation of financial statements of the Company on going concern basis, during the quarter company has incurred a Net Loss of Rs. 460.16 Lakhs resulting into accumulated losses of Rs. 7462.65 Lakhs. The Company has obligations towards fund based borrowings and significant decrease in revenue over the years, Operational creditors, statutory dues. These conditions indicate the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as going concern and therefore the Company may be unable to realize its assets and discharge its liabilities in the normal course of business. The ultimate outcome of these matters is at present not ascertainable. Accordingly, we are unable to comment on the consequential impact, if any, on the accompanying standalone financial statements.
  - (b) The Company has defaulted in payment of interest and repayment of loan instalments in the case of Term loans and outstanding dues have been classified as NPA by Sate Bank of India.
  - (c) The Company has made provision for interest amounting to Rs. 331.12 Lakhs on its Term Loan with State Bank of India but it has not paid any.
  - (d) The Company is not regular in payment of undisputed statutory dues towards TDS for the quarter ended 30th June, 2019.
4. Based on our review conducted as above except as mentioned in the above points, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with the recognition and measurement principles laid down in the applicable Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013, as amended read with relevant rules issued there under and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation, read with Circular, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For P. Murali & Co.  
Chartered Accountants  
FRN: 007257S

  
P. Murali Mohan Rao  
Partner  
M.No. 023412  
UDIN: 19023412AAAACI3548



Place: Hyderabad.  
Date: 13.08.2019

Date: 13<sup>th</sup> August 2019

To

The General Manager Department of Corporate Services BSE LTD, Phiroze Jeejeebhoy Towers, Dalal Street, <u>Mumbai</u> - 400 001.	The Manager Listing Compliance The National Stock Exchange of India Limited BKC Complex Bandra Kurla Mumbai
---	--

**KAVVERI TELECOM PRODUCTS LIMITED**

Dear Sir,

*Sub: - OUTCOME OF Board Meeting - RESULTS for the 1<sup>st</sup> quarter ending on 30<sup>th</sup> June 2019*

Pursuant to the Regulation 29 (1) a) of SEBI (Listing Obligations and Disclosures Requirements) Regulations 2015, and pursuant to above referred references, we hereby submit the un-Audited Financial Results for the 1<sup>st</sup> Quarter ending on 30<sup>th</sup> June 2019 which were considered, and approved in the Meeting of the Board of Directors of the Company held on Tuesday, 13<sup>th</sup> August 2019 at the Registered Office of the Company.

This is for your information and records.

Thanking You.

For Kavveri Telecom Products Limited



Chairman & Managing Director



**KAVVERI TELECOM PRODUCTS LIMITED**

Registered Office : Plot No 31 -36, 1st Floor, 1st Main, 2nd Stage, Arakere Mico Layout, Bannerghatta Road, Bangalore, Karnataka - 560076

**STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR QUARTER ENDED 30TH JUNE, 2019**

telecom products limited

(Rs. In Lacs)

S. No	Particulars	Quarter Ended			Year Ended
		30.06.2019	31.03.2019	30.06.2018	31.03.2019
		Unaudited	Audited	Unaudited	Audited
<b>1</b>	<b>Revenue From Operations</b>				
a)	Net Sales / Revenue from Operations	92.42	99.71	359.16	558.81
b)	Other Operating Income	16.82	12.83	10.20	88.50
	<b>Total Revenue from Operations (Net)</b>	<b>109.24</b>	<b>112.54</b>	<b>369.36</b>	<b>647.31</b>
<b>2</b>	<b>Other Income</b>	-	-	-	-
	<b>Total Income</b>	<b>109.24</b>	<b>112.54</b>	<b>369.36</b>	<b>647.31</b>
<b>3</b>	<b>Expenses</b>				
a)	Cost of materials consumed	61.73	40.99	114.22	194.08
b)	Purchases of Stock - in - trade	-	-	-	-
c)	Changes in inventories of finished goods , work-in-progress and stock-in-trade	(3.40)	10.03	(1.05)	-
d)	Employee benefits expenses	36.67	44.26	42.75	132.92
e)	Depreciation and amortisation expenses	94.98	103.84	410.22	393.96
f)	Other expenditure				
	- Operating Expenses	76.20	495.32	52.13	684.54
	- Finance Costs	334.45	305.03	480.00	1,302.85
	<b>Total Expenses</b>	<b>600.63</b>	<b>999.47</b>	<b>1,098.27</b>	<b>2,708.35</b>
<b>4</b>	<b>Profit / (Loss) before exceptional items and tax</b>	<b>(491.39)</b>	<b>(886.93)</b>	<b>(728.91)</b>	<b>(2,061.04)</b>
<b>5</b>	<b>Exceptional items</b>	-	-	-	-
	<b>Profit / (Loss) before tax</b>	<b>(491.39)</b>	<b>(886.93)</b>	<b>(728.91)</b>	<b>(2,061.04)</b>
<b>6</b>	<b>Tax Expenses.</b>	<b>(132.90)</b>	<b>2,019.00</b>	<b>(11.77)</b>	<b>2,137.74</b>
<b>7</b>	<b>Net Profit (+) / Loss (-) from ordinary activities after tax (4-5)</b>	<b>(624.29)</b>	<b>1,132.07</b>	<b>(717.14)</b>	<b>76.70</b>
<b>8</b>	<b>Extraordinary items (net of tax expenses)</b>	-	-	-	-
<b>9</b>	<b>Net Profit (+) / Loss (-) for the period (6-7)</b>	<b>(624.29)</b>	<b>1,132.07</b>	<b>(717.14)</b>	<b>76.70</b>
<b>10</b>	<b>Other Comprehensive Income</b>	-	-	-	-
A (i)	Items that will not be reclassified to profit or loss	-	-	-	-
(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	-	-	-	-
(ii)	Income tax relating to items that will be reclassified to profit or	-	-	-	-
<b>11</b>	<b>Total Comprehensive Income for the period (8+9)</b>	<b>(624.29)</b>	<b>1,132.07</b>	<b>(717.14)</b>	<b>76.70</b>
	<b>Earnings Per Equity Share - (for Continuing operation)</b>				
	Basic (Rs.)	(3.10)	5.63	(3.56)	0.38
	Diluted (Rs.)	(3.10)	5.63	(3.56)	0.38
<b>12</b>	<b>Earnings Per Equity Share - (for Discontinued operation)</b>				
	Basic (Rs.)	-	-	-	-
	Diluted (Rs.)	-	-	-	-
<b>13</b>	<b>Earnings Per Equity Share - (for Continuing &amp; Discontinued operation)</b>				
	Basic (Rs.)	(3.10)	5.63	(3.56)	0.38
	Diluted (Rs.)	(3.10)	5.63	(3.56)	0.38

**Notes**

- The Company has adopted Indian Accounting Standards (IND AS) prescribed under section 133 of Companies Act, 2013, read with relevant rules issued there under. The date of transition of the Ind As is 1st April 2016 and accordingly, these unaudited financial results have been prepared in accordance with the recognition and measurement principles laid down in Ind AS 34 "Interim Financial Reporting" and other accounting principles generally accepted in India. The impact of transition has been accounted for in the opening reserves and the comparative period have been reinstated accordingly.
- Kavveri Telecom Infrastructure Private Limited, Which is a Subsidiary to the company, the Hon'ble National Company Law Tribunal, Bengaluru Bench ("NCLT") admitted an insolvency and bankruptcy petition filed by a financial creditor against Kavveri Telecom Infrastructure Limited and appointed Sri B.Hariharan to act as interim resolution professional (IRP) with direction to initiate appropriate action contemplated with extent provisions of the insolvency and Bankruptcy Code, 2016 and other related rules. We did not get the financial statements or Financial information from the interim resolution professional for the quarter ended 30th June, 2019. Hence we are unable to consolidate Kavveri Telecom Infrastructure Private Limited financials into consolidation results. In view of the above 30th, June 2018 quarter consolidated financial results are not comparable with current quarter consolidated financial results
- The above unaudited financial results for the quarter ended 30th June, 2019 were taken on record at the meeting of the Board of Directors held on 13th August, 2019 after being reviewed and recommended by the Audit committee.
- There is no segment wise income, only we are having single line of income i.e. telecom products services
- The figures for the previous period/year have been regrouped/reclassified, wherever necessary.

For Kavveri Telecom Products Limited

Place : Bangalore

Date : 13.08.2019

Plot No. 31 to 36, 1st Main, 2nd Stage, Arakere Mico Layout, Bannerghatta Road, Bangalore-560 076, Karnataka, India

Tel: +91-80-41215999, 41215960 / 64 / 67 Fax: +91-80-41215966 www.kaveritelecoms.com





**P. MURALI & CO.,**

CHARTERED ACCOUNTANTS  
6-3-655/2/3, SOMAJIGUDA,  
HYDERABAD - 500 082. INDIA

Tel. : (91-40) 2332 6666, 2331 2554  
2339 3967, 2332 1470  
Fax : (91-40) 2339 2474  
E-mail : pmurali.co@gmail.com  
info@pmurali.com  
Website : www.pmurali.com

**Limited Review Report – Consolidated Financial Results**

To

The Board of Directors,

**M/s. Kavveri Telecom Products Limited,**

Bangalore.

**Limited Review Report for the quarter ended 30<sup>th</sup> June 2019.**

1. We have reviewed the accompanying statement of unaudited consolidated financial results ("the statement") of **M/s. Kavveri Telecom Products Limited Group** comprising **Kavveri Telecom Products Limited** (the 'Company') and its subsidiaries (together referred to as 'the Group') for the quarter ended 30<sup>th</sup> June, 2019 ("the Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended read with SEBI Circular No. CIR/CFD/CMD1/ 44/2019 dated March 29, 2019.
2. The preparation of "the Statement" in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting (Ind AS 34) prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India read with circular is the responsibility of the Company's management and has been approved by the Board of Directors of the Company in their meeting held on 13th August 2019. Our responsibility is to express a conclusion on "the Statement" based on our review.
3. 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. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is 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.



## **P. MURALI & CO.,**

CHARTERED ACCOUNTANTS  
6-3-655/2/3, SOMAJIGUDA,  
HYDERABAD - 500 082. INDIA

Tel. : (91-40) 2332 6666, 2331 2554  
2339 3967, 2332 1470  
Fax : (91-40) 2339 2474  
E-mail : pmurali.co@gmail.com  
info@pmurali.com  
Website : www.pmurali.com

4. The consolidated unaudited results include the results of the following entities:
- DCI- Digital Communications Ltd.
  - EAICOM India Private Limited.
  - Kaveri Realty 5 Inc.
  - Kavveri Technologies Americas Inc.
  - Til - Tek Antennae Inc.
  - New England Communications Systems Inc.
  - Quality Communications Systems Inc.
  - Kavveri Technologies Inc
  - Spotwave Wireless Ltd.
5. We did not review the financial information/ financial results of subsidiaries included in the consolidated unaudited financial results, whose financial information/ financial results reflect total revenue of Rs. 108.71 lakhs and total comprehensive income/ (loss) of Rs.(31.23) lakhs for the quarter ended 30<sup>th</sup> June 2019. These financial information/ financial results of subsidiaries have not been reviewed by their auditors and are based solely on management certified accounts ,our conclusion on statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the management certified accounts and the procedures performed by us as stated in paragraph 3 above.

Our conclusion is not modified in respect of the above matter

### **Further we would like to bring to your attention for below points:**

- In respect of preparation of financial statements of the Company on going concern basis, during the quarter company has incurred a Net Loss of Rs. 460.16 Lakhs resulting into accumulated losses of Rs. 7462.65 Lakhs. The Company has obligations towards fund based borrowings and significant decrease in revenue over the years, Operational creditors, statutory dues. These conditions indicate the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as going concern and therefore the Company may be unable to realize its assets and discharge its liabilities in the normal course of business. The ultimate outcome of these matters is at present not ascertainable. Accordingly, we are unable to comment on the consequential impact, if any, on the accompanying standalone financial statements.
- In the consolidated financial results, Kavveri Telecom Infrastructure Limited, which is a Subsidiary to the company are excluded. The Hon'ble National Company Law Tribunal, Bengaluru Bench ("NCLT") admitted an insolvency and bankruptcy petition filed by a financial creditor against Kavveri Telecom Infrastructure Limited and appointed Sri B. Hariharan to act as interim resolution professional (IRP) with direction to initiate appropriate action contemplated with extent provisions of the insolvency and Bankruptcy Code, 2016 and other related





**P. MURALI & CO.,**

CHARTERED ACCOUNTANTS  
6-3-655/2/3, SOMAJIGUDA,  
HYDERABAD - 500 082. INDIA

Tel. : (91-40) 2332 6666, 2331 2554  
2339 3967, 2332 1470  
Fax : (91-40) 2339 2474  
E-mail : pmurali.co@gmail.com  
info@pmurali.com  
Website : www.pmurali.com

rules. As per section 134 of the Companies Act, 2013, the standalone financial statements of a Company are required to be authenticated by the Chairperson of the Board of Directors, where authorized by the Board or at least two Directors, of which one shall be the Managing Director or the CEO (being a Director), the CFO and the Company Secretary where they are appointed. In view of the ongoing Corporate Insolvency Resolution Process (CIRP), powers of the Board of Directors have been suspended and these powers are now vested with Sri B.Hariharan in his capacity as the IRP From 21<sup>st</sup> March, 2019 as per the provisions of the Code. We didn't receive financial statements or financial information from the management or Interim resolution professional for the quarter ended 30<sup>th</sup> June, 2019. Hence we are unable consolidate Kavveri Telecom Infrastructure Limited financials into consolidation results. In view of the above 30<sup>th</sup> June, 2018 quarter consolidated financial results are not comparable with current quarter consolidated financial results.

- (c) The Company has defaulted in payment of interest and repayment of loan instalments in the case of Term loans and outstanding dues have been classified as NPA by Sate Bank of India.
  - (d) The Company has made provision for interest amounting to Rs. 331.12 Lakhs on its Term Loan with State Bank of India but it has not paid any.
  - (e) The Company is not regular in payment of undisputed statutory dues towards TDS for the quarter ended 30<sup>th</sup> June, 2019.
6. Based on our review conducted as above except as mentioned in the above points, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with the recognition and measurement principles laid down in the applicable Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013, as amended read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation, read with Circular, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For P. Murali & Co.  
Chartered Accountants  
FRN: 007257S

  
P Murali Mohana Rao  
Partner  
M.No. 023412



UDIN: 19023412AAAACJ8382

Place: Hyderabad  
Date: 13.08.2019