

# MRO-TEK REALTY LIMITED

Registered & Corporate Office:

No.6, New BEL Road, Chikkamaranahalli, Bangalore - 560 054, Karnataka

Ph : +91 80 42499000

Website: www.mro-tek.com SERVICE/SUPPORT : 9845035626

Email : info@mro-tek.com CIN No. L28112KA1984PLC005873 www.mro-tek.com

# MROTEK®

Integrating Next Generation Networks

MRO: FS: 20-21:143

August 03, 2020

The Manager,  
Listing Department  
National Stock Exchange of India Limited  
Exchange Plaza, C-1, Block G  
Bandra – Kurla Complex  
Bandra (E)  
Mumbai – 400 051

Fax No. 022-2659 8237/38.

The Manager,  
Listing Department  
BSE Limited  
PJ Towers, Dalal Street, Fort  
Mumbai – 400 001

Fax No. 022- 2272 3121

Dear Sirs,

**SUB: Submission of Standalone un-audited Financial Results for the quarter ended 30<sup>th</sup> June, 2020.**

This is with reference to above captioned subject, Please find enclosed Standalone Un-Audited Financial Results for the quarter ended 30<sup>th</sup> June, 2020.

Please take the above on record and kindly treat this as compliance with SEBI (LODR) Regulations, 2015.

Kindly acknowledge.

Thanking you,  
Yours faithfully,  
for MRO-TEK Realty Limited



Barun Pandey  
Company Secretary and Compliance Officer

Scrip Code:	
NSE	: MRO-TEK
BSE	: 532376
Demat ISIN	: INE398B01018

**MRO-TEK REALTY LIMITED**  
(formerly named MRO-TEK LIMITED till May 10, 2016)  
Regd Office: No.6, 'Maruthi Complex', New BEL Road, Chikkamaranahalli, Bengaluru-560 054 Phone No. 080-42499000  
Website - "www.mro-tek.com"  
CIN NO.L28112KA1984PLC005873  
**STATEMENT OF UN AUDITED RESULTS FOR THE QUARTER ENDED 30th JUNE, 2020**

(Rs. In Lakhs except EPS)

Particulars	Quarter Ended			Year Ended
	30/Jun/20 UN AUDITED	31/Mar/20 AUDITED (Refer Note 1)	30/Jun/19 UN AUDITED	31/Mar/20 AUDITED
<b>1 Income</b>				
(a) Revenue from Operations	524.72	651.75	404.73	4,104.98
(b) Other Income	18.35	7.56	20.75	32.11
<b>Total Income</b>	<b>543.07</b>	<b>659.31</b>	<b>425.48</b>	<b>4,137.09</b>
<b>2 Expenses</b>				
(a) Cost of materials consumed	410.15	711.26	277.68	2,626.87
(b) Purchases of Stock-in Trade	0.19	-	1.12	1.27
(c) Changes in inventories of finished Goods, work-in-progress and stock-in-trade	(36.88)	(155.05)	44.52	157.45
(d) Employee benefit expenses	167.85	172.19	204.29	763.92
(e) Finance Cost	141.03	136.32	103.73	500.86
(f) Depreciation and amortization expenses	33.64	32.16	26.99	121.90
(g) Other expenses	60.56	111.91	94.92	451.60
<b>Total Expenses</b>	<b>776.54</b>	<b>1,008.79</b>	<b>753.25</b>	<b>4,623.87</b>
<b>3 Profit/(Loss) before Exceptional Items and tax (1-2)</b>	(233.47)	(349.48)	(327.77)	(486.78)
<b>4 Exceptional Items (Refer Note 3A, 3B)</b>	-	-	-	-
<b>5 Profit/(Loss) before tax from Continuing operations (3-4)</b>	(233.47)	(349.48)	(327.77)	(486.78)
<b>6 Profit/(Loss) form Discontinued Operations (Refer Note 5)</b>	-	-	-	-
<b>7 Profit/(Loss) for the period before Tax (5+6)</b>	(233.47)	(349.48)	(327.77)	(486.78)
<b>8 Tax expense</b>	3.04	13.69	12.05	34.48
<b>9 Net Profit /(Loss) for the period (7-8)</b>	(236.51)	(363.17)	(339.82)	(521.26)
<b>10 Other Comprehensive Income (net of tax)</b>				
Items that will not be reclassified to Statement of Profit and Loss	(0.32)	(0.93)	(0.01)	(2.21)
<b>11 Total Comprehensive Income (9+10)</b>	(236.83)	(364.10)	(339.83)	(523.47)
<b>12 Paid-up equity share capital (Face Value Rs. 5 each, fully paid-up)</b>	934.23	934.23	934.23	934.23
<b>13 Other Equity</b>	(1,328.97)	(1,092.15)	(908.49)	(1,092.15)
(i) Earnings Per Equity Share (for Continuing operations)				
(a) Basic	Rs. (1.27)	(1.94)	(1.82)	(2.79)
(b) Diluted	Rs. (1.27)	(1.94)	(1.82)	(2.79)
(i) Earnings Per Equity Share (for Discontinued operations)				
(a) Basic	Rs. -	-	-	-
(b) Diluted	Rs. -	-	-	-
(i) Earnings Per Equity Share (for Continuing and Discontinued operations)				
(a) Basic	Rs. (1.27)	(1.94)	(1.82)	(2.79)
(b) Diluted	Rs. (1.27)	(1.94)	(1.82)	(2.79)

See accompanying note to the Financial results

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For MRO-TEK REALTY LIMITED

  
**SRIVATHSA**  
Chief Financial Officer



## Notes:

- 1 The above financial results for the quarter ended 30th June, 2020 as recommended by the Audit Committee were approved by the Board of Directors in their respective meetings held on 03rd August 2020. The figures for the quarter ended 31 March 2020 are balancing figures between audited figures in respect of the full financial year and the unaudited published year-to-date figures up to the third quarter ended 31 December 2019, which were subjected to limited review.
- 2 A. The Company has adopted Ind AS 115 'Revenue from Contracts with Customers' with the date of initial application being April 1, 2018. Ind AS 115 establishes a comprehensive framework on revenue recognition. Ind AS 115 replaces Ind AS 18 'Revenue' and Ind AS 11 'Construction Contracts'. The application of Ind AS 115 did not have material impact on the financial statements. As a result, the comparative information has not been restated.
- B. The company has accounted for revenue of Rs.1449.45 lakhs, during the 2nd quarter of the previous year, along with attributable expenses for same for a "supply, installation and maintain" contract entered in to with Bharat Sanchar Nigam Limited for their WCL Project based on Management's interpretation of IND AS 115 besides distinct contract performance obligation by creation of asset at customer's location for their exclusive use and with no alternative use to the company.
- 3 Under the previous GAAP, all actuarial gains and losses were recognized in the Statement of Profit and Loss. Under Ind AS, actuarial gains and losses that form part of remeasurement of the net defined benefit liability / asset and the corresponding tax effect thereon are recognized in Other Comprehensive Income.
- 4 For the purpose of Segment Reporting, 'Products', EMS (Electronic Contract Manufacturing Services), Solutions(IT & Drone segment has been merged with Solutions segment this year) and 'Real Estate Development', constitute primary business segments.
- 5 Tax Expense include Deferred Tax and Current Income Tax.
- 6 During this quarter, the Company has recognised Deferred Tax Asset of Rs. 55.08 lakhs (Previous Year : Deferred Tax Asset of Rs 58.12 lakhs) as stipulated under IND Accounting Standard 12, on "Income Taxes", prescribed under the Act. However, on conservative basis, deferred tax asset on carry forward losses, has not been considered.
- 7 The Company's network as on 30th June, 2020 has been eroded due to continuous losses. The Company has made detailed analysis about its business vis a vis "Going concern" assumption. The Company has taken various initiatives in relation to saving cost, optimize revenue management opportunities and diversified into other streams / areas like EMS & Solution business which is expected to result in improved operating performance. The company has bagged new sizeable orders with better margins from new streams. Significant increase in revenues are expected from the development of commercial space which is into final stages of Joint Development. Accordingly, the financial statements continues to be prepared on a going concern basis, which contemplates realization of assets and settlement of liabilities in the normal course of business.
- 8 Covid 19 - Effect Point  
Due to the global crisis of Covid-19 including India, Business have been effected very adversely. Execution of orders planned in this quarter has been effected, Supply Chains have been disrupted and the lockdown has adversely effected the business.  
The Company is largely dependent on global for import of raw materials and components for manufacture of electronic products and it is the case with all electronic manufacturers in general. As you are aware, the COVID-19 has impacted the supply of materials at the Global level and has caused shortage of materials for manufacturing products in our company as well.  
Due to scary situation, many skilled labourers moved out of state or city to their local residence to be on safer side and this has impacted our capability as well.
- 9 Figures for the previous period have been regrouped, wherever necessary.

## Standalone Segment wise Revenue, Results, Assets and Liabilities

Particulars	Rs. In Lakhs			
	Quarter Ended			Year Ended
	30/Jun/20	31/Mar/20	30/Jun/19	31/Mar/20
	UN AUDITED	AUDITED	UN AUDITED	AUDITED
<b>1 Segment Revenue (Net Sale)</b>				
(a) Product	101.28	192.33	284.45	907.92
(b) Real Estate	-	-	-	-
(c) EMS (Electronic Contract Manufacturing Services)	391.62	458.99	89.08	1,708.09
(d) Solutions	31.82	0.43	31.21	1,488.97
Total	524.72	651.75	404.74	4,104.98
Less :- Inter segment revenue				
Net Sales From Operations	524.72	651.75	404.74	4,104.98
<b>2 Segment Results - Profit / (loss) before tax and interest</b>				
(a) Product	41.15	26.60	7.53	192.41
(b) Real Estate	-	(0.11)	-	(0.11)
(c) EMS (Electronic Contract Manufacturing Services)	75.96	(83.62)	(92.48)	(112.85)
(d) Solutions	31.80	(41.62)	(48.50)	599.83
Total	148.91	(98.75)	(133.45)	679.28
Less:-				
i) Interest	136.99	133.01	96.02	478.55
ii) Other Un-allocable Expenditure net off	252.51	121.71	103.67	702.67
iii) Un-allocable Income	(7.12)	(3.99)	(5.37)	(15.16)
Total Profit/(loss) before tax	(233.47)	(349.48)	(327.77)	(486.78)
<b>3 Segment Assets</b>				
(a) Product	2,012.80	1,875.00	2,598.03	1,875.00
(b) Real Estate	446.48	446.48	446.48	446.48
(c) EMS (Electronic Contract Manufacturing Services)	1,302.36	1,578.84	1,246.69	1,578.84
(d) Solutions	831.23	1,736.10	698.00	1,736.10
(e) Un-allocable assets	1,649.86	940.15	620.10	940.15
Total	6,242.73	6,576.57	5,609.30	6,576.57
<b>4 Segment Liabilities</b>				
(a) Product	382.42	366.07	532.87	366.07
(b) Real Estate	-	-	-	-
(c) EMS (Electronic Contract Manufacturing Services)	1,296.11	772.84	525.58	772.84
(d) Solutions	319.05	242.66	334.18	242.66
(e) Un-allocable Liabilities	4,639.90	5,352.92	4,190.91	5,352.92
Total Liabilities	6,637.47	6,734.49	5,583.54	6,734.49

Place : Bengaluru  
Date: 03rd August, 2020

TRUE COPY

For MRO-TEK REALTY LIMITED

SRIVATHSA  
Chief Financial Officer

For MRO-TEK Realty Limited

(SA)  
Aniruddha Mehta  
Chairman and Managing Director

# K. S. AIYAR & CO

## CHARTERED ACCOUNTANTS

# 10, 1st Floor, 18th Cross,  
Near 6th Main, Malleswaram,  
Bengaluru - 560 055. India.  
Tel: 91-80-2334 7171 / 23367171 / 2331 1221  
Grams : VERIFY  
www.KSAiyar.com  
Bangalore@KSAiyar.com

### INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM FINANCIAL RESULTS

#### TO THE BOARD OF DIRECTORS OF MRO-TEK REALTY LIMITED

1. We have reviewed the accompanying statement of unaudited Financial Results of MRO-TEK Realty Limited ("the Company"), for the quarter ended June 30, 2020 ("the Statement"), being submitted by the Company pursuant to the requirement of the Regulation 33 of The SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, as amended.
2. This Statement, which is responsibility of the Company's Management and approved by the Board of Directors, has been prepared 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 read with the relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.
3. We conducted our review in accordance with 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 of financial results is 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 have not performed an audit and accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.



Office also at  
Mumbai Chennai Kolkata  
Coimbatore and Hyderabad



5. a. We draw attention to Note 7 of the financial results regarding preparation of the financial results on going concern basis and the reasons stated therein though the net worth of the Company is eroded due to continuous losses. The accuracy of assumption of going concern is dependent upon various initiatives taken by the Company in relation to saving cost, optimize revenue management opportunities and diversification into other streams of business and the Company's ability to generate cash flows in future to meet its obligations.
- b. We draw your attention to Note 8 to the financial results which explains the uncertainties and the management's assessment of the financial impact due to the lock-downs and other restrictions and conditions related to the COVID-19 pandemic situation, for which a definitive assessment of the impact in the subsequent period is highly dependent upon circumstances as they evolve.

Our conclusion is not modified in respect of these matters stated in Para 5 above.

For K. S. AIYAR & Co.  
Chartered Accountants  
FRN: 100186W



**Ramamohan R Hegde**  
Partner  
M.No.23206  
UDIN: 20023206AAAAAY3537

Place: Bengaluru  
Date: 3<sup>rd</sup> August, 2020

