

MRO-TEK REALTY LIMITED
(FORMERLY KNOWN AS MRO-TEK LIMITED)

Registered & Corporate Office:

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

Ph : +91 80 42499000 SERVICE/SUPPORT : 9845035626

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

MROTEK[®]

Integrating Next Generation Networks

MRO: FS: 19-20:259

9th August, 2019

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: OUTCOME OF THE 2ND BOARD MEETING FOR THE FINANCIAL YEAR 2019-20

As informed vide our letter dated 29th July, 2019, the Board of Directors of MRO-TEK Realty Limited, Bangalore met today and *inter-alia* transacted the following businesses:

1. Considered and approved the un-audited financial results for the first quarter ended June 30, 2019, copy of which are enclosed herewith along with Limited review report.

Further, the meeting commenced at 4:00 PM and concluded at 5:35 PM.

Please, take the above on record and kindly treat this as compliance with Regulation 30 read with Schedule III part A of the SEBI (LODR) Regulations, 2015.

Kindly acknowledge.

Thanking you,
Yours faithfully,

for MRO-TEK Realty Limited



Barun Panigrahy
Company Secretary and Compliance Officer

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

STATEMENT OF UN AUDITED RESULTS FOR THE QUARTER ENDED 30th June, 2019

(Rs in Lakhs except for EPS)

Particulars	Quarter Ended		Year Ended	
	30/Jun/19 UN AUDITED	31/Mar/19 AUDITED	30/Jun/18 UN AUDITED	31/Mar/19 AUDITED
1 Income				
a. Revenue from Operations	404.73	536.17	486.56	2,691.56
b. Other Income	20.75	12.73	8.71	40.58
Total Income	425.48	548.90	495.27	2,732.14
2 Expenses				
(a) Cost of materials consumed	366.39	353.42	373.67	2,155.22
(b) Purchases of Stock-in Trade	1.12	-	2.50	60.24
(c) Cost of sale of super built up area under construction	-	-	-	-
(d) Changes in inventories of finished Goods, work-in-progress and stock-in-trade	(44.52)	49.82	(60.22)	(334.51)
(e) Excise duty on sale of goods	-	-	-	-
(f) Employee benefit expenses	198.31	217.97	199.19	873.16
(g) Finance Cost	103.73	71.98	46.52	247.74
(h) Depreciation and amortization expenses	26.99	26.19	21.54	92.09
(i) Other expenses	101.23	111.11	133.33	546.92
Total Expenses	753.25	830.49	716.53	3,640.86
3 Profit/(Loss) before Exceptional Items and tax (1-2)	(327.77)	(281.59)	(223.26)	(908.72)
4 Exceptional Items (Refer Note 3A, 3B)	-	-	-	-
5 Profit/(Loss) before tax from Continuing operations (3-4)	(327.77)	(281.59)	(223.26)	(908.72)
6 Profit/(Loss) from Discontinued Operations (Refer Note 5)	-	(0.16)	(84.02)	(84.18)
7 Profit/(Loss) for the period before Tax (5+6)	(327.77)	(281.75)	(307.28)	(992.90)
8 Tax expense	12.04	10.13	(19.82)	(6.88)
9 Net Profit/(Loss) for the period (7-8)	(339.81)	(291.88)	(287.46)	(996.02)
10 Other Comprehensive Income (net of tax)				
Items that will not be reclassified to Statement of Profit and Loss	(0.01)	1.78	2.13	2.87
11 Total Comprehensive Income (9+10)	(339.82)	(290.10)	(285.33)	(983.15)
12 Paid-up equity share capital (Face Value Rs. 5 each, fully paid-up)	934.23	934.23	934.23	934.23
13 Other Equity	(908.49)	(568.67)	129.14	(568.67)
(i) Earnings Per Equity Share (for Continuing operations)				
(a) Basic	Rs. (1.82)	(1.56)	(1.09)	(4.83)
(b) Diluted	Rs. (1.82)	(1.56)	(1.09)	(4.83)
(i) Earnings Per Equity Share (for Discontinued operations)				
(a) Basic	Rs. -	(0.00)	(0.45)	(0.45)
(b) Diluted	Rs. -	(0.00)	(0.45)	(0.45)
(i) Earnings Per Equity Share (for Continuing and Discontinued operations)				
(a) Basic	Rs. (1.82)	(1.56)	(1.54)	(5.28)
(b) Diluted	Rs. (1.82)	(1.56)	(1.54)	(5.28)

See accompanying note to the Financial results



Notes:

- 1 The above financial results for the quarter ended 30th Jun, 2019 as recommended by the Audit Committee were approved by the Board of Directors in their respective meetings held on 9th Aug 2019.
 - 2 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.
 - 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', 'Solutions', EMS (Electronic Contract Manufacturing Services), 'Real Estate Development', IT & Drone and Export Oriented Unit constitute primary business segments.
- Due to sustained cash loss, the Board of Directors had decided to discontinue "Solar Based Equipment & Projects" in the Meeting held on January 14, 2016 and informed to stock exchanges. The details of such 'Discontinuing Operations', under the Companies (Accounts) Rules 2014 are given below

PARTICULARS	Quarter ended			Year Ended
	30-Jun-19	31-Mar-19	30-Jun-18	31-Mar-19
(Rs in Lakhs)				
Income from Discontinuing Operations				
(a) Net Sales/Income from Operations	-	-	-	-
Total Income from Discontinuing Operations (net)	-	-	-	-
Expenses of Discontinuing Operations				
Cost of materials consumed	-	-	-	-
Indirect Expenses*	-	0.16	84.02	84.18
Other Income	-	-	-	-
Total Expenses from Discontinuing Operations	-	0.16	84.02	84.18
Net Profit/(loss) from Discontinuing Operations	-	(0.16)	(84.02)	(84.18)

*For Year ended 31st March 2019 Rs. 83.37 lakhs towards provision for receivable in respect of Solar based equipment and projects & 0.81 lakhs towards sales tax payable interest provision.

- 5 Tax Expense include Deferred Tax and Current Income Tax.
- 6 During this quarter, the Company has recognised Deferred Tax Asset of Rs 80.55 lakhs (Previous Year : Deferred Tax Asset of Rs 92.60 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 Other income for the quarter ended 31st March 2019 includes reversal of interest income to the extent of Rs. 40,66,917/-
- 8 **Going Concern Assumption:**
The Company has incurred a loss during the quarter ended June 30, 2019 impacting the network as on that date. 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, IT & Drone business which has started rendering results in the coming Quarters. The company is in the advanced stage of completion of turnkey solution project execution which has significant revenue and profitability. The execution of large defence manufacturing contract is in process which will have far reaching impact on business performance. The 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
- 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/19	31/Mar/19	30/Jun/18	31/Mar/19
	UNAUDITED	AUDITED	UNAUDITED	AUDITED
1 Segment Revenue (Net Sale)				
(a) Product	284.45	458.93	409.46	1,909.73
(b) Real Estate Development	-	-	-	-
(c) EMS (Electronic Contract Manufacturing Services)	89.08	70.17	77.10	491.35
(d) Solutions	23.17	7.07	-	290.48
(e) IT & Drone	8.03	-	-	-
Total	404.73	536.17	486.66	2,691.66
Less :- Inter segment revenue				
Net Sales From Operations	404.73	536.17	486.66	2,691.66
2 Segment Results - Profit / (loss) before tax and interest				
(a) Product	7.53	77.09	124.17	325.43
(b) Real Estate Development	-	-	-	-
(c) EMS (Electronic Contract Manufacturing Services)	(92.48)	(61.30)	6.91	(304.85)
(d) Solutions	(13.36)	(37.71)	(45.33)	(76.40)
(e) IT & Drone	(35.12)	(16.28)	-	(41.07)
Total	(133.45)	(38.20)	85.75	(96.89)
Less:-				
i) Interest	96.02	72.78	46.52	248.55
ii) Other Un-allocable Expenditure net off	103.67	173.13	353.22	655.04
iii) Un-allocable Income	(5.37)	(2.36)	(6.71)	(7.58)
Total Profit/(loss) before tax	(327.77)	(281.75)	(307.28)	(992.90)
3 Segment Assets				
(a) Product	2,598.03	2,443.36	1,835.91	2,443.36
(b) Real Estate Development	446.48	446.48	446.48	446.48
(c) EMS (Electronic Contract Manufacturing Services)	1,246.69	632.63	261.13	632.63
(d) Solutions	597.15	407.41	72.66	407.41
(e) IT & Drone	100.84	87.40	-	87.40
(f) Un-allocable assets	620.10	597.58	751.48	597.58
Total Assets	5,609.29	4,814.86	3,367.66	4,814.86
4 Segment Liabilities				
(a) Product	532.87	615.76	429.01	615.76
(b) Real Estate Development	-	-	-	-
(c) EMS (Electronic Contract Manufacturing Services)	525.58	410.19	163.03	410.19
(d) Solutions	309.36	365.41	44.44	365.41
(e) IT & Drone	24.83	31.89	-	31.89
(f) Un-allocable Liabilities	4,190.91	3,026.05	1,667.81	3,026.05
Total Liabilities	5,583.55	4,449.30	2,304.29	4,449.30

Place : Bengaluru
Date: 09th Aug 2019

For MRO-TEK Realty Limited

Aniruddha Mehta
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, 2019 ("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.

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


Ramamohan R Hegde
Partner
M.No.23206
UDIN:19023206AAAAAN8203

Place: Bengaluru
Date: 9th August, 2019



Office also at
Mumbai Chennai Kolkata
Coimbatore and Hyderabad