

# Krebs Biochemicals & Industries Limited

CIN : L24110AP1991PLC103912



7th December, 2016

To,  
The Manager,  
Department of Corporate Relations,  
BSE Limited,  
P J Towers, Dalal Street,  
Fort, Mumbai- 400001.

To,  
The Manager,  
Listing Department,  
National Stock Exchange of India Ltd.,  
Exchange Plaza, Bandra Kurla Complex,  
Bandra (E), Mumbai- 400051.

Dear Sir/Madam,

**Sub: Outcome of Board Meeting held on 7<sup>th</sup> December 2016.**


We refer to the above mentioned subject, we herewith intimate the Exchange, and that the Board of Directors at their meeting held on 07<sup>th</sup> December 2016 has considered and approved interalia the following items of business:

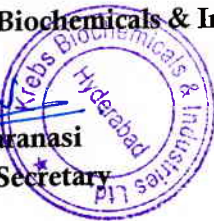
1. Unaudited Financial results and the Limited Review Report for the quarter and half year ended 30th September, 2016, enclosed herewith.

This is for the information and records of the Exchange, Please.

Kindly note that the board meeting commenced at 11:30 AM and concluded at 2:00 PM.

Thanking You,  
Yours Faithfully,  
For **Krebs Biochemicals & Industries Limited**

  
Haritha Varanasi  
Company Secretary



Encl. As above

## STAND ALONE FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER 2016

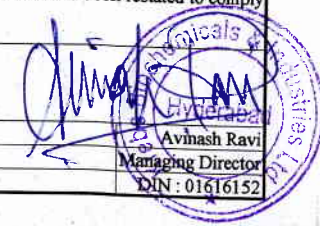
(Rs. In lacs)

Particulars	Quarter Ended			Half Year Ended		Previous Year Ended
	30.09.2016 (Unaudited)	30.06.2016 (Unaudited)	30.09.2015 (Unaudited)	30.09.2016 (Unaudited)	30.09.2015 (Unaudited)	31.03.2016 (Unaudited)
<b>PART - 1</b>						
<b>1 Income from Operations</b>						
a) Net Sales / Income from Operations	-	7.14	-	7.14	17.79	17.79
b) Other Operating Income	39.00	39.00	39.00	78.00	39.00	123.17
<b>Total Income from operations (net)</b>	<b>39.00</b>	<b>46.14</b>	<b>39.00</b>	<b>85.14</b>	<b>56.79</b>	<b>140.96</b>
<b>2 Expenses</b>						
a. Cost of Material Consumed	0.69	0.11	166.84	0.80	184.12	177.26
b. Changes in inventories of finished goods, work-in-progress and stock -in-trade	(6.39)	4.07	(241.64)	(2.32)	(246.83)	(162.69)
c. Employee benefits expense	149.36	123.93	109.08	273.29	247.61	565.52
d. Depreciation and Amortisation expense	104.09	104.09	95.54	208.18	191.08	448.62
e. Other Manufacturing Expenses	65.41	71.29	160.72	136.70	274.36	449.13
f. Other Expenses	80.88	56.60	111.30	137.48	176.14	350.97
<b>Total Expenses</b>	<b>394.04</b>	<b>360.10</b>	<b>401.84</b>	<b>754.14</b>	<b>826.48</b>	<b>1,829.81</b>
<b>3 Profit / (Loss) from Operations before other income, finance costs and exceptional items (1 - 2)</b>	<b>(355.04)</b>	<b>(313.96)</b>	<b>(362.84)</b>	<b>(669.00)</b>	<b>(769.69)</b>	<b>(1,688.85)</b>
4 Other Income	1.75	1.13	68.10	2.88	68.85	102.94
<b>5 Profit / (Loss) from ordinary activities before finance costs (3 ± 4)</b>	<b>(353.29)</b>	<b>(312.83)</b>	<b>(294.74)</b>	<b>(666.12)</b>	<b>(700.84)</b>	<b>(1,585.91)</b>
6 Finance Costs	69.70	50.67	4.07	120.37	4.27	73.88
<b>7 Profit / (Loss) from Ordinary Activities after Finance Costs but before exceptional items (5 ± 6)</b>	<b>(422.99)</b>	<b>(363.50)</b>	<b>(298.81)</b>	<b>(786.49)</b>	<b>(705.11)</b>	<b>(1,659.79)</b>
<b>8 Exceptional Items:</b>						
a) Debit balances written off	-	-	-	-	-	(0.93)
b) Depletion in Value of Inventory	(1.88)	(8.37)	(126.93)	(10.25)	(126.93)	(126.93)
c) Amounts Written Back	1.41	-	18.07	1.41	70.10	96.49
d) Profit on Sale of Food Division's Immovable Assets	-	-	-	-	59.12	59.12
e) Prior period Income	7.46	-	-	7.46	-	-
<b>9 Profit / (Loss) from ordinary activities before Tax (7 ± 8)</b>	<b>(415.99)</b>	<b>(371.87)</b>	<b>(407.67)</b>	<b>(787.86)</b>	<b>(702.82)</b>	<b>(1,632.04)</b>
10 Tax Expense	-	-	-	-	-	-
<b>11 Net Profit / (Loss) after Tax (9 ± 10)</b>	<b>(415.99)</b>	<b>(371.87)</b>	<b>(407.67)</b>	<b>(787.86)</b>	<b>(702.82)</b>	<b>(1,632.04)</b>
12 Extra Ordinary Items	-	-	-	-	-	-
<b>13 Net Profit / (Loss) for the period (11 ± 12)</b>	<b>(415.99)</b>	<b>(371.87)</b>	<b>(407.67)</b>	<b>(787.86)</b>	<b>(702.82)</b>	<b>(1,632.04)</b>
14 Other Comprehensive Income	-	-	-	-	-	-
<b>15 Total Comprehensive Income after Tax (13 ± 14) (Comprising Profit (Loss) and other Comprehensive Income for the period)</b>	<b>(415.99)</b>	<b>(371.87)</b>	<b>(407.67)</b>	<b>(787.86)</b>	<b>(702.82)</b>	<b>(1,632.04)</b>
16 Paid-up Equity Share Capital (Face Value Rs. 10/- each)	1374.43	1,374.43	1,241.43	1,374.43	1,241.43	1,306.43
17 Reserve Excluding Revaluation Reserves as per Balance Sheet of previous Accounting Year	-	-	-	-	-	(372.26)
18 (i) Earning Per Share (before extraordinary Items) (of Rs.10/- each) (not Annualised)						
(a) Basic	(3.03)	(2.71)	(3.28)	(5.73)	(5.66)	(13.24)
(b) Diluted	(3.03)	(2.79)	(3.28)	(5.82)	(5.66)	(12.54)
(ii) Earning Per Share (after extraordinary Items) (of Rs.10/- each) (not Annualised)						
(a) Basic	(3.03)	(2.71)	(3.28)	(5.73)	(5.66)	(13.24)
(b) Diluted	(3.03)	(2.79)	(3.28)	(5.82)	(5.66)	(12.54)

- The above results have been reviewed by the Audit Committee at its meeting held on 07th December, 2016 and approved by the Board of Directors of the Company at its meeting held on 07th December, 2016. The results were subjected to limited review by Statutory Auditors.
- The Company is operating in one segment only hence no segment results have been disclosed.
- Figures have been regrouped, rearranged wherever necessary.
- The Company has adopted Ind-As with effect from 1st April 2016 with comparatives being restated. Accordingly the impact of transition has been provided in the Opening reserves as at 1st April 2015 and all the periods presented have been restated accordingly.
- Results for the quarter / half year ended 30th September 2016 are in compliance with Indian Accounting Standards (Ind-As) notified by the Ministry of Corporate Affairs. Consequently, result for the quarter ended 30th September 2015, half year ended 30th September 2015 and previous year ended 31st March 2016 have been restated to comply with Ind-As to make them comparable. However these comparative figures were not subjected to limited review by Statutory Auditors.

Place : Hyderabad

Date : 07-12-2016



Avinash Ravi  
Managing Director  
DIN : 01616152

**KREBS BIOCHEMICALS & INDUSTRIES LIMITED**  
**RECONCILIATION OF PROFIT AND RESERVE BETWEEN INDAS AND PREVIOUS INDIAN GAAP FOR EARLIER PERIOD**  
**AND AS AT MARCH 31, 2016**

Rs.in lakhs

Sl #	Nature of adjustments	Note ref.	Profit reconciliation			Reserve reconciliation
			Quarter ended 30th Sep 2015	Half Year ended 30th Sep 2015	Year ended 31st March 2016	As at 31st March 2016
	<b>Net Profit / Reserves as per Previous Indian GAAP</b>		<b>(407.67)</b>	<b>(702.82)</b>	<b>(1,632.04)</b>	<b>(1,477.97)</b>
1	Fair valuation as deemed cost for Property, Plant and Equipment	1	-	-	-	4,743.25
2	Fair valuation of Intangible Assets	2	-	-	-	(379.28)
3	Fair Valuation of for Financial Assets	3	-	-	-	(3,126.96)
4	Defered Tax	4	-	-	-	(131.30)
	<b>Sub Total</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>1,105.71</b>
	<b>Net profit/ Reserves as per Ind As</b>		<b>(407.67)</b>	<b>(702.82)</b>	<b>(1,632.04)</b>	<b>(372.26)</b>

**Notes:**

**1 Fair valuation as deemed cost for Property, Plant and Equipment**

Considered fair value for property, viz land admeasuring 110.7 acres, situated in Andhra Pradesh in India, with impact of Rs.4743.25 lakhs in accordance with stipulations of IND AS 101 (see IND AS 16) with the resultant impact being accounted for in the reserves.

**2 Fair Valuation of Intangible Assets**

Considered fair value of Intangible Assets based on expected future economic benefits using reasonable and supportable assumptions in accordance with stipulations of IND AS 38 with the resultant impact being accounted for in the reserves.

**3 Fair valuation for Financial Assets**


The Company has valued financial assets at fair value. Impact of fair value changes as on the date of transition, is recognised in opening reserves and changes thereafter are recognised in Profit and Loss Account or Other Comprehensive Income, as the case may be.

**4 Defered Tax**

The Impact of transition adjustments together with IND AS mandate of using balance sheet approach (against profit and loss approach in the previous GAAP) for computation of deferred taxes has resulted in charge to the Reserves, on the date of transition, with consequential impact to the Profit and Loss account for the subsequent periods.

5 The Audit Committee has reviewed the above results and the Board of Directors has approved the above results and its release at their resepective meetings held on 07th December, 2016. The Statutory Auditors of the Company have carried out a Limited Review of the results for the current quarter.

Place: Hyderabad  
Date: 07-12-2016

  
 Avinash Kavi  
 Managing Director \*  
 DIN: 01616152

**KREBS BIOCHEMICALS & INDUSTRIES LIMITED**

CIN:L24110AP1991PLC103912

Registered Office: Kothapalli Village, Kasimkota Mandal, Anakapalli, Visakhapatnam, Andhra Pradesh - 531031

Corp Office: 8-2-577/B, Plot No:34, 3rd Floor, Maas Heights, Road No:8, Banjara Hills, Hyderabad - 500 034

**Statement of Assets and Liabilities**

Rs. In Lacs

Particulars	As at	As at
	30.09.2016 Unaudited	31.03.2016 Unaudited
<b>ASSETS</b>		
<b>Non Current Assets</b>		
Property, Plant and Equipment		
Capital Work in Progress	8,972.99	9,181.17
Goodwill	1,320.39	1,054.19
Other Intangible Assets	-	-
Financial Assets	128.94	128.94
Other Non Current Assets	-	-
	312.11	338.64
<b>Total Non Current Assets</b>	<b>10,734.43</b>	<b>10,702.94</b>
<b>Current Assets</b>		
Inventories		
Financial Assets	575.54	563.56
Investments	-	-
Trade Receivables	8.29	2.78
Cash & Cash Equivalents	38.57	26.81
Loans	-	-
Others	-	-
	444.18	345.80
<b>Total Current Assets</b>	<b>1,066.58</b>	<b>938.95</b>
<b>Total Assets</b>	<b>11,801.01</b>	<b>11,641.89</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Equity Share Capital	1,374.43	1,673.63
Other Equity	(860.92)	(372.26)
<b>Total Equity</b>	<b>513.51</b>	<b>1,301.37</b>
<b>Liabilities</b>		
<b>Non Current Liabilities</b>		
Financial Liabilities		
Long Term Borrowings	7,942.46	7,104.72
Provisions	411.26	414.09
Other Non Current Liabilities	-	-
<b>Total Non Current Liabilities</b>	<b>8,353.72</b>	<b>7,518.81</b>
<b>Current Liabilities</b>		
Financial Liabilities		
Borrowings		
Trade Payables	-	-
Other Financial Liabilities	1,230.17	1,236.65
Other Current Liabilities	-	-
Provisions	1,666.71	1,560.46
	36.90	24.59
<b>Total Current Liabilities</b>	<b>2,933.78</b>	<b>2,821.70</b>
<b>Total Equity and Liabilities</b>	<b>11,801.01</b>	<b>11,641.89</b>

The Company has adopted Ind-As with effect from 1st April 2016 with comparatives being restated.

Place : Hyderabad  
Date : 07-12-2016


Avinash Ravi  
Managing Director  
DIN : 01616152



## PAVULURI & Co.

CHARTERED ACCOUNTANTS

# 105, 1st Block, 1st Floor, Divya Shakti Complex,  
Ameerpet, Hyderabad - 500 016.  
Ph : 040 - 2373 1837, 4025 8691  
Fax : 040 - 2374 8729  
Email : pavuluriandco@gmail.com  
pavuluriandco@hotmail.com

### Review Report to the Board of Directors of KREBS BIOCHEMICALS & INDUSTRIES LIMITED

We have reviewed the accompanying statement of unaudited financial results of M/s. **Krebs Biochemicals & Industries Limited** ("the company") for the quarter **30<sup>th</sup> September, 2016** pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, read with circular No CIR/CFD/CMD/15/2015 dated 30<sup>th</sup> November 2015 and CIR/CFD/FAC/62/2016 dated 5<sup>th</sup> July 2016. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on these financial statements based on our review.

We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, *Review of Interim Financial Information performed by the independent Auditor of 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 financial statements are 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.

Based on our review conducted as above nothing has come to our attention that causes us to believe that the accompanying statement of un-audited financial results for the Quarter ended **30<sup>th</sup> September, 2016** prepared in accordance with applicable accounting standards and other recognised 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 No CIR/CFD/CMD/15/2015 dated 30<sup>th</sup> November 2015 and CIR/CFD/FAC/62/2016 dated 5<sup>th</sup> July 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For PAVULURI & Co.  
Chartered Accountants  
Firm Regn. No: 012194S

N. Rajesh

(CA. N. RAJESH)  
PARTNER  
M.No: 223169



Place: Hyderabad  
Date: 07.012.2016