

# Krebs Biochemicals & Industries Limited

CIN : L24110AP1991PLC103912



14th September, 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 14th September, 2016.**

We refer to the above mentioned subject, we herewith intimate the Exchange, and that the Board of Directors at their meeting held on 14th September, 2016 has considered and approved interalia the following items of business:


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

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

Kindly note that the board meeting commenced at 12:05 PM and concluded at 03:20 PM.


Thanking You,  
Yours Faithfully,

For **Krebs Biochemicals & Industries Limited**

  
**Haritha Varanasi**  
Company Secretary



Encl. As above

<b>KREBS BIOCHEMICALS &amp; INDUSTRIES LIMITED</b>					
CIN:L24110AP1991PLC103912					
Registered Office: Kothapalli Village, Kasimkota Mandal, Ankapalli, Visakhapatnam, Andhra Pradesh - 531 031					
Corporate Office: 8-2-577/B, Plot No:34, 3rd Floor, Maas Heights, Road No:8, Banjara Hills, Hyderabad - 500 034					
<b>STANDALONE FINANCIAL RESULTS FOR THE QUARTER / PERIOD ENDED 30TH JUNE, 2016</b>					
				(Rs. In lacs)	
		Quarter Ended			For The Year Ending
		30.06.2016 (Unaudited)	31.03.2016 (Audited)	30.06.2015 (Unaudited)	31.03.2016 (Audited)
<b>PART - 1</b>					
<b>1</b>	<b>Income from Operations</b>				
	a) Net Sales / Income from Operations	7.14	-	17.79	17.79
	b) Other Operating Income	39.00	39.01	-	123.17
	<b>Total Income from operations (net)</b>	<b>46.14</b>	<b>39.01</b>	<b>17.79</b>	<b>140.96</b>
<b>2</b>	<b>Expenses</b>				
	a. Cost of Material Consumed	0.11	24.73	13.22	177.26
	b. Changes in inventories of finished goods, work-in-progress and stock -in-trade	4.07	65.29	(2.75)	(162.69)
	c. Employee benefits expense	123.93	198.08	138.53	566.52
	d. Depreciation and Amortisation expense	104.09	162.00	95.54	448.62
	e. Other Manufacturing Expenses	71.29	92.47	115.04	449.13
	f. Other Expenses	56.60	109.22	65.07	350.97
	<b>Total Expenses</b>	<b>360.10</b>	<b>651.79</b>	<b>424.65</b>	<b>1,829.81</b>
<b>3</b>	<b>Profit / (Loss) from Operations before other income, finance costs and exceptional items (1 - 2)</b>	<b>(313.97)</b>	<b>(612.78)</b>	<b>(406.86)</b>	<b>(1,688.85)</b>
<b>4</b>	<b>Other Income</b>	1.13	31.46	0.75	102.94
<b>5</b>	<b>Profit / (Loss) from ordinary activities before finance costs &amp; exceptional items (3 ± 4)</b>	<b>(312.84)</b>	<b>(581.32)</b>	<b>(406.11)</b>	<b>(1,585.91)</b>
<b>6</b>	<b>Finance Costs</b>	50.67	48.71	0.19	73.88
<b>7</b>	<b>Profit / (Loss) from Ordinary Activities after Finance Costs but before exceptional items (5 ± 6)</b>	<b>(363.51)</b>	<b>(630.03)</b>	<b>(406.30)</b>	<b>(1,659.79)</b>
<b>8</b>	<b>Exceptional Items:</b>				
	a) Debit balances written off	-	(0.93)	-	(0.93)
	b) Depletion in Value of Inventory	(8.37)	-	-	(126.93)
	c) Amounts Written Back	-	6.83	52.03	96.49
	d) Profit on Sale of Food Division's Immovables	-	-	59.12	59.12
<b>9</b>	<b>Profit / (Loss) from ordinary activities before Tax (7 ± 8)</b>	<b>(371.88)</b>	<b>(624.13)</b>	<b>(295.15)</b>	<b>(1,632.04)</b>
<b>10</b>	<b>Tax Expense</b>	-	-	-	-
<b>11</b>	<b>Net Profit / (Loss) after Tax (9 ± 10)</b>	<b>(371.88)</b>	<b>(624.13)</b>	<b>(295.15)</b>	<b>(1,632.04)</b>
<b>12</b>	<b>Extra Ordinary Items</b>	-	-	-	-
<b>13</b>	<b>Net Profit / (Loss) for the period (11 ± 12)</b>	<b>(371.88)</b>	<b>(624.13)</b>	<b>(295.15)</b>	<b>(1,632.04)</b>
<b>14</b>	<b>Other Comprehensive Income</b>	-	-	-	-
<b>15</b>	<b>Total Comprehensive Income after Tax (13 ± 14) (Comprising Profit (Loss) and other Comprehensive Income for the period)</b>	<b>(371.88)</b>	<b>(624.13)</b>	<b>(295.15)</b>	<b>(1,632.04)</b>
<b>16</b>	<b>Paid-up Equity Share Capital (Face Value Rs. 10/- each)</b>	1,374.43	1,306.43	1,241.43	1,306.43
<b>17</b>	<b>Reserve Excluding Revaluation Reserves as per Balance Sheet of previous Accounting Year</b>				(372.26)
<b>18 (i)</b>	<b>Earning Per Share (before extraordinary Items) (of Rs.10/- each) (not Annualised)</b>				
	(a) Basic	(2.71)	(5.06)	(2.38)	(13.24)
	(b) Diluted	(2.79)	(4.80)	(2.38)	(12.54)
<b>(ii)</b>	<b>Earning Per Share (after extraordinary Items) (of Rs.10/- each) (not Annualised)</b>				
	(a) Basic	(2.71)	(5.06)	(2.38)	(13.24)
	(b) Diluted	(2.79)	(4.80)	(2.38)	(12.54)
	<i>See accompanying notes to the Financial results</i>				
<b>1</b>	The above results have been reviewed by the Audit Committee at its meeting held on 14th September 2016, and approved by the Board of Directors of the Company at its meeting held on 14th September 2016.				
<b>2</b>	The Company is operating in one segment only hence no segment results have been disclosed.				
<b>3</b>	Figures have been regrouped, rearranged wherever necessary.				
<b>4</b>	<b>Transition to Ind-As</b> 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.				
<b>5</b>	Result for the quarter ended 30th June 2016 are in compliance with Indian Accounting Standards (Ind-As) notified by the Ministry of Corporate Affairs. Consequently, result for the quarter ended 31st March 2016, 30th June 2015 and previous year ended 31st March 2016 have been restated to comply with Ind-As to make them comparable.				
Place : Hyderabad		 <b>VINASH PRAVI</b> Managing Director DIN: 01616152			
Date : 14.09.2016					

**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

SI #	Nature of adjustments	Note ref.	Profit reconciliation			Reserve reconciliation
			Quarter ended 31st March 2016	Quarter ended 30th June 2015	Year ended 31st March 2016	As at 31st March 2016
	<b>Net Profit / Reserves as per Previous Indian GAAP</b>		<b>(624.13)</b>	<b>(295.16)</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	Deferred 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>(624.13)</b>	<b>(295.16)</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 Deferred 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 respective meetings held on 14th September 2016. The Statutory Auditors of the Company have carried out a Limited Review of the results for the current quarter.

Place: Hyderabad

Date: 14.09.2016

  
  
 Avinash Ravi

Managing Director

DIN: 01616152



## PAVULURI & Co.

CHARTERED ACCOUNTANTS

# 105, 1st Block, 1st Floor, Divya Shakti Complex,  
Ameerpet, Hyderabad - 500 016.

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

We have reviewed the accompanying statement of unaudited financial results of **M/s. KREBS BIOCHEMICALS & INDUSTREIS LIMITED** ("the company") for the quarter **30<sup>th</sup> June, 2016** ("the statement"). 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> June, 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: 14.09.2016