

# B S R & Co. LLP

Chartered Accountants

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Review Report to  
**The Board of Directors of Dynamatic Technologies Limited**

We have reviewed the accompanying statement of unaudited consolidated financial results (“the Statement”) of Dynamatic Technologies Limited (hereinafter referred to as “the Holding Company”), and its subsidiaries including step subsidiaries (the Holding Company and its subsidiaries including step subsidiaries together referred to as “the Group”) as listed in Note 1 to the Statement for the quarter and nine months ended 31 December 2016 attached herewith, being submitted by the Holding Company pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

This Statement is the responsibility of the Company’s Management and has been approved by the Board of Directors in their meeting held on 13 February 2017. Our responsibility is to issue a report on the Statement 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 the Entity* issued by the Institute of Chartered Accountants of India. This standard require that we plan and perform the review to obtain moderate assurance about whether the financial results are 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.

- a. We did not review the financial results of four subsidiaries (including step subsidiaries) incorporated outside India as drawn up in accordance with the generally accepted accounting principles of the respective countries (‘the local GAAP’). The financial results of these subsidiaries have been reviewed by other auditors duly qualified to act as auditors in those countries. These subsidiaries account for 60.33% and 62.75% of the aggregate of total revenues (including other income) for the quarter and nine months ended on 31 December 2016 respectively. For the purpose of preparation of the Statement, the aforesaid local GAAP financial results have been restated by the Management of the said subsidiaries so that they conform to the generally accepted accounting principles in India. This has been done on the basis of a reporting package prepared by the Company which covers accounting requirements applicable to the Statement under the generally accepted accounting principles in India. The reporting packages made for this purpose have been reviewed by the other auditors and reports of those other auditors have been furnished to us. Our opinion on the Statement, in so far as it relates to the financial results of such subsidiaries located outside India is based solely on the aforesaid review reports of these other auditors.



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- b. We did not review the financial results of three subsidiaries (incorporated in India and outside India), whose financial results account for 0.03% and 0.05% of the aggregate of total revenues (including other income) for the quarter and nine months ended on 31 December 2016 respectively. These financial results are unaudited/not reviewed and have been furnished to us by the Management and our opinion on the Statement, in so far as it relates to the amounts included in respect of these subsidiaries is based solely on such unaudited financial results. In our opinion and according to the information and explanations given to us by the Management, these financial results are not material to the Group.

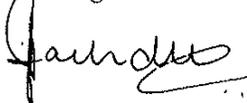
Our opinion on the Statement is not modified in respect of the above matters with respect to the reports of the other auditors and the financial results certified by the Management.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement of unaudited consolidated financial results for the quarter and nine months ended 31 December 2016 prepared in accordance with applicable accounting standards and other recognized 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 including the manner in which it is to be disclosed, or that it contains any material misstatement.

*for B S R & Co. LLP*

*Chartered Accountants*

Firm registration number: 101248W/W-100022



**Supreet Sachdev**

*Partner*

Membership No.: 205385

Place: Bangalore

Date: 13 February 2017

**DYNAMATIC TECHNOLOGIES LIMITED**  
DYNAMATIC PARK, PEENYA, BANGALORE-560 058, INDIA  
Statement of unaudited consolidated financial results for the quarter and nine months ended on 31 December 2016

**PART I**

*(Rs. in laacs, except as otherwise stated)*

Sl. No.	Particulars	Quarter ended			Nine months ended		Year ended
		31 December 2016 (Unaudited)	30 September 2016 (Unaudited)	31 December 2015 (Unaudited)	31 December 2016 (Unaudited)	31 December 2015 (Unaudited)	31 March 2016 (Audited)
1	<b>Income from operations</b>						
	a) Net sales/ income from operations (net of excise duty)	34,687.20	37,908.26	35,977.38	111,726.36	109,593.23	148,062.35
	b) Other operating income	275.93	280.83	301.43	890.64	1,000.84	1,316.13
	<b>Total income from operations (net)</b>	<b>34,963.13</b>	<b>38,189.09</b>	<b>36,278.81</b>	<b>112,617.00</b>	<b>110,594.07</b>	<b>149,378.48</b>
2	<b>Expenses</b>						
	a) Cost of materials consumed	19,988.62	22,735.11	21,504.41	64,414.88	63,985.43	85,018.21
	b) Changes in inventories of finished goods and work-in-progress	(15.42)	(1,630.20)	(771.48)	(1,903.83)	(967.37)	(1,111.04)
	c) Employee benefits expense	5,723.85	5,586.09	5,419.14	17,114.30	16,331.77	21,924.02
	d) Depreciation and amortisation expense	1,334.18	1,311.92	1,271.56	3,924.74	3,866.19	5,243.15
	e) Other expenses	6,146.65	7,086.97	7,122.09	20,668.06	22,411.72	29,439.44
	<b>Total expenses</b>	<b>33,177.88</b>	<b>35,089.89</b>	<b>34,545.72</b>	<b>104,218.15</b>	<b>105,627.74</b>	<b>140,513.78</b>
3	<b>Profit from operations before other income, finance costs and exceptional items (1 - 2)</b>	<b>1,785.25</b>	<b>3,099.20</b>	<b>1,733.09</b>	<b>8,398.85</b>	<b>4,966.33</b>	<b>8,864.70</b>
4	Other income	348.33	198.95	44.78	810.59	216.90	499.02
5	<b>Profit from ordinary activities before finance costs and exceptional items (3 + 4)</b>	<b>2,133.58</b>	<b>3,298.15</b>	<b>1,777.87</b>	<b>9,209.44</b>	<b>5,183.23</b>	<b>9,363.72</b>
6	Finance costs	1,773.57	1,876.56	1,754.97	5,462.44	5,507.13	7,274.55
7	<b>Profit / (loss) from ordinary activities after finance costs but before exceptional items (5 - 6)</b>	<b>360.01</b>	<b>1,421.59</b>	<b>22.90</b>	<b>3,747.00</b>	<b>(323.90)</b>	<b>2,089.17</b>
8	Exceptional items income	-	-	-	-	-	-
9	<b>Profit / (loss) from ordinary activities before tax (7 + 8)</b>	<b>360.01</b>	<b>1,421.59</b>	<b>22.90</b>	<b>3,747.00</b>	<b>(323.90)</b>	<b>2,089.17</b>
10	Tax expenses/ (credit), net	242.28	616.80	(222.99)	1,541.37	369.54	860.87
11	<b>Net profit / (loss) for the period / year (9 - 10)</b>	<b>117.73</b>	<b>804.79</b>	<b>245.89</b>	<b>2,205.63</b>	<b>(693.44)</b>	<b>1,228.30</b>
12	Paid-up equity share capital (face value of Rs 10 each)	634.14	634.14	634.14	634.14	634.14	634.14
13	Reserves (excluding revaluation reserve)						24,657.00
14	<b>Earnings per share (not annualised)</b>						
	Basic (Rs)	1.86	12.69	3.88	34.78	(10.94)	19.36
	Diluted (Rs)	1.86	12.69	3.88	34.78	(10.94)	19.36



**DYNAMATIC TECHNOLOGIES LIMITED**  
DYNAMATIC PARK, PEENYA, BANGALORE-560 058, INDIA

Segment revenue, segment results, segment assets and segment liabilities for the quarter and nine months ended on 31 December 2016

(Rs. in lacs, except as otherwise stated)

Sl. No.	Particulars	Quarter ended			Nine months ended		Year ended
		31 December 2016 (Unaudited)	30 September 2016 (Unaudited)	31 December 2015 (Unaudited)	31 December 2016 (Unaudited)	31 December 2015 (Unaudited)	31 March 2016 (Audited)
1	<b>Segment revenue</b>						
	a) Hydraulics	6,953.33	6,920.49	6,227.24	20,679.15	19,301.14	26,131.69
	b) Aerospace and Defence	8,502.58	8,230.52	6,654.98	25,214.63	19,153.58	26,981.04
	c) Automotive and Aluminium castings	19,468.29	23,017.62	23,348.74	66,631.23	72,000.60	96,052.25
	d) Others	38.93	20.46	47.85	91.99	138.75	213.50
	<b>Income from operations (net)</b>	<b>34,963.13</b>	<b>38,189.09</b>	<b>36,278.81</b>	<b>112,617.00</b>	<b>110,594.07</b>	<b>149,378.48</b>
2	<b>Segment results (profit / (loss) before finance costs, other income and tax from each segment)</b>						
	a) Hydraulics	705.74	716.35	438.64	2,129.10	1,476.88	2,338.01
	b) Aerospace and Defence	2,214.64	2,227.91	1,490.37	6,920.97	4,054.10	6,554.70
	c) Automotive and Aluminium castings	(908.92)	358.99	47.25	(111.21)	172.75	899.98
	d) Others	(226.21)	(204.05)	(243.17)	(540.01)	(737.40)	(927.99)
	<b>Total</b>	<b>1,785.25</b>	<b>3,099.20</b>	<b>1,733.09</b>	<b>8,398.85</b>	<b>4,966.33</b>	<b>8,864.70</b>
	<b>Unallocable</b>						
	- Finance cost	1,773.57	1,876.56	1,754.97	5,462.44	5,507.13	7,274.55
	- Other income	348.33	198.95	44.78	810.59	216.90	499.02
	<b>Profit/ (loss) before tax</b>	<b>360.01</b>	<b>1,421.59</b>	<b>22.90</b>	<b>3,747.00</b>	<b>(323.90)</b>	<b>2,089.17</b>
3	<b>Segment assets</b>						
	a) Hydraulics	14,877.39	15,109.12	14,795.35	14,877.39	14,795.35	14,818.00
	b) Aerospace and Defence	40,776.17	38,553.87	31,828.88	40,776.17	31,828.88	34,735.00
	c) Automotive and Aluminium castings	48,643.75	50,219.77	48,495.34	48,643.75	48,495.34	47,004.00
	d) Others	6,387.39	6,341.85	5,761.63	6,387.39	5,761.63	5,587.00
	e) Unallocated	8,007.30	10,251.39	14,395.80	8,007.30	14,395.80	15,996.00
	<b>Total</b>	<b>118,692.00</b>	<b>120,476.00</b>	<b>115,277.00</b>	<b>118,692.00</b>	<b>115,277.00</b>	<b>118,140.00</b>
4	<b>Segment liabilities</b>						
	a) Hydraulics	6,402.85	5,959.76	7,235.12	6,402.85	7,235.12	6,924.00
	b) Aerospace and Defence	5,768.65	6,004.49	3,765.67	5,768.65	3,765.67	5,038.00
	c) Automotive and Aluminium castings	25,136.29	27,071.69	25,114.88	25,136.29	25,114.88	26,053.00
	d) Others	1,251.97	1,100.42	641.58	1,251.97	641.58	547.00
	e) Unallocated	8,719.24	9,099.64	11,954.90	8,719.24	11,954.90	13,825.00
	<b>Total</b>	<b>47,279.00</b>	<b>49,236.00</b>	<b>48,712.15</b>	<b>47,279.00</b>	<b>48,712.15</b>	<b>52,387.00</b>



NOTES:

1. The above results of Dynamatic Technologies Limited (“the Company”) and its subsidiaries, (collectively known as “the Group”) as listed below, are prepared in accordance with requirement of the Accounting Standard – 21 “Consolidated Financial Statements” prescribed by Companies (Accounting Standard) Rules, 2006 (as amended) and in the format as prescribed under Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as “the Listing Regulations, 2015”).

Sl. no.	Name of the entity	Subsidiaries	Country of incorporation	Effective group shareholding%
1	JKM Erla Automotive Limited (JEAL)	Subsidiary	India	99.99
2	JKM Erla Holdings GmbH (JEHG)	Step Subsidiary	Germany	100.00
3	Eisenwerk Erla GmbH (EEG)	Step Subsidiary	Germany	100.00
4	JKM Ferrotech Limited (JFTL)	Step Subsidiary	India	99.99
5	JKM Global Pte Limited (JGPL)	Subsidiary	Singapore	100.00
6	Dynamatic Limited (DL, UK)	Step Subsidiary	United Kingdom	100.00
7	Yew Tree Investments Limited (YTIL)	Step Subsidiary	United Kingdom	100.00
8	JKM Research Farm limited (JRFL)	Subsidiary	India	99.99
9	Dynamatic US, LLC (DUS)	Step Subsidiary	USA	100.00

2. The above results were reviewed by Audit Committee and thereafter approved by the Board of Directors in their meeting held on 13 February 2017 and have undergone a “Limited Review” by the Statutory Auditors of the Company. The review report of the Statutory Auditors is being filed with the Bombay Stock Exchange (‘BSE’) and National Stock Exchange (‘NSE’) and is also available on the Company’s website at [www.dynamatics.com](http://www.dynamatics.com).



3. Pursuant to the provisions of the Listing Agreement 2015, the Management has decided to publish consolidated financial results in the newspapers. However the standalone financial results will be made available on the Company's website at [www.dynamatics.com](http://www.dynamatics.com) and also on the websites of BSE ([www.bseindia.com](http://www.bseindia.com)) and NSE ([www.nseindia.com](http://www.nseindia.com)).

For and on behalf of the Board of Directors


**Udayant Malhoutra**  
**CEO and Managing Director**  
**Dynamatic Technologies Limited**

Place: Bangalore

Date: 13 February 2017

