

**RMG ALLOY STEEL LTD**

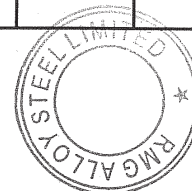
Regd. Office : Plot No. 1, GIDC Industrial Estate, Jhagadia, Dist. Bharuch, Gujarat.  
Website : www.rmgalloysteel.com, Email ID : allcompanysecretaryofrmgl@welspun.com  
CIN : L27100GJ1993PLC020358

**STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30th SEPTEMBER 2015**

**PART I**

(Rs. In Lacs)

Sr.No	Particulars	Quarter Ended			Half Year Ended		Year ended
		30th Sept	30th June	30th Sept	30th Sept	30th Sept	31st March
		2015	2015	2014	2015	2014	2015
		Un-Audited					Audited
1	<b>Income from Operations</b>						
a)	Net sales / Income from operations	7,020	7,368	11,198	14,388	20,954	33,271
b)	Other operating income	4	17	13	21	37	102
	<b>Total</b>	<b>7,024</b>	<b>7,386</b>	<b>11,211</b>	<b>14,409</b>	<b>20,991</b>	<b>33,373</b>
2	<b>Expenses</b>						
a)	Cost of materials consumed	3,844	5,350	6,691	9,194	13,506	21,363
b)	Purchase of Stock in Trade	-	-	-	-	140	140
c)	Changes in inventories of finished goods, work in progress and stock in trade	545	(1,055)	1,432	(510)	1,007	962
d)	Employees benefit expenses	418	361	405	779	845	1,606
e)	Depreciation	290	290	294	580	589	1,177
f)	Power & fuel	1,695	1,822	1,905	3,516	3,732	6,376
g)	Other expenses	989	1,012	1,353	2,001	2,287	3,842
	<b>Total</b>	<b>7,781</b>	<b>7,780</b>	<b>12,080</b>	<b>15,560</b>	<b>22,106</b>	<b>35,466</b>
3	<b>Profit/(Loss) from operations before other income, finance costs and exceptional items (1-2)</b>	(757)	(394)	(869)	(1,151)	(1,115)	(2,092)
4	Other income	26	38	179	64	224	1,160
5	<b>Profit/(Loss) from ordinary activities before finance costs and exceptional items (3+4)</b>	(730)	(356)	(690)	(1,087)	(891)	(933)
6	Finance Costs	1,142	1,263	1,375	2,405	2,546	4,988
7	<b>Profit/(Loss) from ordinary activities after finance costs but before exceptional items (5-6)</b>	(1,873)	(1,619)	(2,065)	(3,492)	(3,437)	(5,921)
8	Exceptional Items (Refer note - 5)	146	-	-	146	-	2,259
9	<b>Profit/(Loss) from ordinary activities before tax (7-8)</b>	(1,727)	(1,619)	(2,065)	(3,346)	(3,437)	(3,662)
10	Tax expenses	-	-	-	-	-	-
11	<b>Net Profit/(Loss) from ordinary activities after tax (9-10)</b>	(1,727)	(1,619)	(2,065)	(3,346)	(3,437)	(3,662)
12	Extraordinary Item (net of tax expense Rs.nil)	-	-	-	-	-	-
13	<b>Net Profit(+)/Loss(-) for the period (11-12)</b>	(1,727)	(1,619)	(2,065)	(3,346)	(3,437)	(3,662)
14	Paid-up equity share capital (Rs.6/- per equity share)	6,506	6,506	6,506	6,506	6,506	6,506
15	Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year						
16i	<b>Earnings per share (before extraordinary items)</b>						
	Basic & Diluted ( In Rupees) ( Face Value of Rupees 6/ Each )	(1.73)	(1.63)	(2.03)	(3.50)	(3.42)	(3.90)
16ii	<b>Earnings per share (after extraordinary items)</b>						
	Basic & Diluted ( In Rupees) ( Face Value of Rupees 6/ Each )	(1.73)	(1.63)	(2.03)	(3.50)	(3.42)	(3.90)
<b>PART II</b>							
A	<b>PARTICULARS OF SHAREHOLDING</b>						
17	Public Shareholding						
-	Number of shares	13,816,981	13,816,981	13,816,981	13,816,981	13,816,981	13,816,981
-	Percentage of shareholding	12.74	12.74	12.74	12.74	12.74	12.74
18	Promoters & Promoter group shareholding						
a)	Pledged/Encumbered						
-	Number of shares						
-	Percentage of shares (as a % of the total shareholding of promoters & promoter group)						
-	Percentage of shares (as a % of the total share capital of the company)						
b)	Non-encumbered						
-	Number of shares	94,618,859	94,618,859	94,618,859	94,618,859	94,618,859	94,618,859
-	Percentage of shares (as a % of the total shareholding of promoters & promoter group)	100	100	100	100	100	100
-	Percentage of shares (as a % of the total share capital of the company)	87.26	87.26	87.26	87.26	87.26	87.26
B	<b>Investor Complaints</b>						
	Pending at the beginning of the quarter	0					
	Received during the quarter	3					
	Disposed of during the quarter	3					
	Remaining unresolved at the end of the quarter	0					



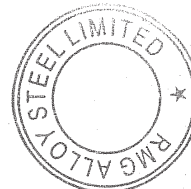
**STANDALONE STATEMENT OF ASSETS AND LIABILITIES**

Sr No	Particulars	30th Sept	31st March
		2015	2015
		(Unaudited)	(Audited)
<b>I</b>	<b>EQUITY AND LIABILITIES</b>		
1	<b>SHAREHOLDERS' FUNDS</b>		
	Share Capital	11,597	11,597
	Reserves and Surplus	(29,763)	(26,418)
		(18,166)	(14,821)
2	Share application Money Pending Allotment	2,800	-
3	<b>NON CURRENT LIABILITIES</b>		
	Long Term Borrowings	27,931	19,506
	Long-Term Provisions	156	160
		28,087	19,666
3	<b>CURRENT LIABILITIES</b>		
	Short Term Borrowings	5,226	15,872
	Trade Payables	7,463	6,218
	Other Current Liabilities	2,041	2,361
	Short Term Provisions	12	12
		14,742	24,463
	<b>TOTAL</b>	<b>27,463</b>	<b>29,308</b>
<b>II</b>	<b>ASSETS</b>		
1	<b>NON CURRENT ASSETS</b>		
	Fixed Assets	11,866	12,408
	Long-Term Loans And Advances	236	231
		12,102	12,639
2	<b>CURRENT ASSETS</b>		
	Inventories	5,449	4,527
	Trade receivables	7,965	6,647
	Cash and Cash Equivalents	945	1,135
	Short term Loans and Advances	967	4,288
	Other Current Assets	35	72
		15,361	16,669
	<b>TOTAL</b>	<b>27,463</b>	<b>29,308</b>

**Notes :**

- The above results were reviewed by the Audit Committee and thereafter were approved and taken on record by the Board of Directors at its meeting held on 30th October 2015. The Statutory Auditor have carried out a limited review of the above result pursuant to clause 41 of the listing agreement.
- The Company is engaged in the business of steel & steel products such as Seamless Tubes & Rolled Products which in the opinion of the Management is considered the only business segment in the context of Accounting Standard 17 on "Segment Reporting".
- Deferred tax asset is more than deferred tax liability as computed in accordance with the Accounting Standard AS 22, specified under section 133 of Companies Act, 2013, read with rule 7 of the companies (Accounts) rules, 2014, The Company, as a matter of prudence has not recognised deferred tax asset.
- The slowdown in end user industries and overall global weakness continues to weigh on and is adversely impacting the performance. During the quarter and half year ended, the company has received Rs. 28 crore from promoters/strategic investor which has resulted in improved liquidity situation and Consortium banks have sanctioned fresh loans and the expected receipt of fiscal incentive will also result in further improvement in the liquidity of the company. The value added products approved by major OEM's will result in increased demand of company's products. Management thus, expects substantial improvement in the utilisation of the capacity in the coming period. Accordingly, the financial statements have been prepared on going concern basis and no adjustments are required to the carrying amount of assets and liabilities.
- The Company has already received final certificate of Entitlement from industries commissioner and issuance of notification by finance department of Gujarat. Accordingly, the company has become entitled to the benefits available under the relevant scheme as provided in such eligibility certificate. Accordingly, during the year ended 31st March 2015, the Company had accounted for the refund on the purchase tax an amount of Rs. 2,259 lac net off Sales tax Liability Rs. 624 lac. Further, during this quarter and half year ended, the company has received Rs. 146 lac over and above the purchase tax receivable shown in the last year.
- The figures for the previous periods / year has been regrouped / rearranged, wherever necessary, to make them comparable.
- The Company has allotted 80,00,000 12% Cumulative Redeemable Preference shares (CRPs) of Rs. 10/- each at a premium of Rs.25/- per share to Welspun Fintrade (P) Ltd. on 23rd October 2015

Date: 30.10.2015  
Place : Mumbai



For and on behalf of Board  
Director

To,  
The Board of Directors of RMG Alloy Steel Limited,

**LIMITED REVIEW REPORT ON THE UNAUDITED FINANCIAL RESULTS OF RMG ALLOY STEEL LIMITED FOR THE QUARTER AND HALF YEAR ENDED 30<sup>th</sup> SEPTEMBER, 2015.**

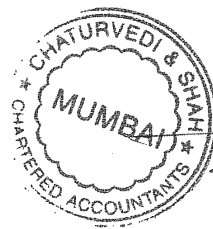
We have reviewed the accompanying statement of unaudited financial results ('the statement') of RMG Alloy Steel Limited ("the company") for the Quarter and half year ended 30th September, 2015 being submitted by the company pursuant to the requirement of Clause 41 of the Listing Agreements with the Stock Exchange, except for the disclosures regarding 'Public Shareholding', 'Promoter and Promoter Group Shareholding' and number of investor complaints which have been traced from disclosures made by the management and have not been audited by us. The 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 the statement based on our review.

We conducted our review of the Statement in accordance with the 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 is free of material misstatements. 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.

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 Accounting Standards issued under the Companies (Accounting Standards) Rules, 2006 which continue to apply as per Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and other recognised accounting practices and policies generally accepted in India has not disclosed the information required to be disclosed in terms of clause 41 of the Listing Agreement with the Stock Exchange, including the manner in which it is to be disclosed, or that it contains any material misstatement.

We draw attention to Note 4 of the accompanying statement; the Company's net worth is eroded and the Company has continued incurring losses for the quarter and half year ended 30th September, 2015, indicating the existence of uncertainty that may cast doubt about the Company's ability to continue as a going concern. Considering the matters set out in the said note, this statement is prepared on a going concern basis. Our report is not qualified in respect of this matter.

Place: Mumbai  
Date: 30<sup>th</sup> October, 2015



**For Chaturvedi & Shah**  
**Chartered Accountants**  
Firm's Registration No. 101720W

Parag D. Mehta  
Partner  
Membership No. 113904