

ADHUNIK METALIKS LIMITED

Regd. Office : Chadriharipur, P.O. Kuarmunda, Sundargarh, Odisha-770039

CIN: L28110OR2001PLC017271

STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE HALF YEAR ENDED 30TH SEPTEMBER 2016

(₹ in Lacs)

SL NO.	PARTICULARS	Quarter Ended			Year To Date	
		30th Sept 2016 (Unaudited)	30th June 2016 (Unaudited)	30th Sept 2015 (Unaudited)	Six months ended 30th Sept 2016 (Unaudited)	Three months ended 30th Sept 2015 (Refer Note 4) (Unaudited)
1	Income from operations					
	a) Net Sales / Income from Operations	14,303.37	20,820.43	14,239.97	35,123.80	14,239.97
	b) Other Operating Income	53.63	71.39	35.09	125.02	35.09
	Total income from operations (net)	14,357.00	20,891.82	14,275.06	35,248.82	14,275.06
2	Expenses					
	a) Cost of materials consumed	13,544.02	13,286.01	8,919.40	26,830.03	8,919.40
	b) Purchase of stock-in-trade	167.26	212.16	-	379.42	-
	c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	125.21	438.93	(360.05)	564.14	(360.05)
	d) Employee benefits expense	1,012.34	998.68	979.70	2,011.02	979.70
	e) Consumption of Stores and Spares	1,941.14	2,274.81	1,653.28	4,215.95	1,653.28
	f) Depreciation and amortisation expense	3,374.48	3,311.05	3,400.08	6,685.53	3,400.08
	g) Other Expenses	4,925.06	5,716.91	4,113.61	10,641.97	4,113.61
	Total Expenses	25,089.51	26,238.55	18,706.02	51,328.06	18,706.02
3	Profit / (Loss) from operations before other income, finance costs and exceptional items (1-2)	(10,732.51)	(5,346.73)	(4,430.96)	(16,079.24)	(4,430.96)
4	Other Income	479.65	57.64	43.76	537.29	43.76
5	Profit / (Loss) from ordinary activities before finance costs and exceptional items (3+4)	(10,252.86)	(5,289.09)	(4,387.20)	(15,541.95)	(4,387.20)
6	Finance Costs	7,485.49	6,751.69	6,203.57	14,237.18	6,203.57
7	Profit / (Loss) from ordinary activities after finance costs but before exceptional items (5-6)	(17,738.35)	(12,040.78)	(10,590.77)	(29,779.13)	(10,590.77)
8	Exceptional Items (Refer Note 9)	12,930.68	3,202.81	-	16,133.49	-
9	Profit / (Loss) from ordinary activities before tax (7-8)	(30,669.03)	(15,243.59)	(10,590.77)	(45,912.62)	(10,590.77)
10	Tax Expenses :					
	a) Current Tax	-	-	-	-	-
	b) Income Tax relating to Earlier Years	-	-	-	-	-
	c) MAT Credit Entitlement	-	-	-	-	-
	d) Deferred Tax Charge/ (Credit)	(10,304.72)	(4,945.83)	(3,438.20)	(15,250.55)	(3,438.20)
11	Net Profit / (Loss) from ordinary activities after tax (9-10)	(20,364.31)	(10,297.76)	(7,152.58)	(30,662.07)	(7,152.58)
12	Extraordinary items	-	-	-	-	-
11	Net Profit / (Loss) for the period (9-10)	(20,364.31)	(10,297.76)	(7,152.58)	(30,662.07)	(7,152.58)
12	Other comprehensive income (net of taxes)	(0.18)	0.29	1.89	0.11	1.89
13	Total comprehensive income after tax (11+12)	(20,364.49)	(10,297.47)	(7,150.69)	(30,661.96)	(7,150.69)
14	Paid up Equity Share Capital (Face Value ₹10 per share)	12,349.95	12,349.95	12,349.95	12,349.95	12,349.95
15	Earning per share :					
	-Basic (not annualised) (in ₹)	(16.49)	(8.34)	(5.79)	(24.83)	(5.79)
	-Diluted (not annualised) (in ₹)	(16.49)	(8.34)	(5.79)	(24.83)	(5.79)



Chief

Notes:

(1) Standalone Statement of Assets and Liabilities

(₹ in Lacs)

Particulars		As at 30th Sept 2016
A	ASSETS	
1	Non-Current Assets	
	(a) Fixed Assets	1,67,474.26
	(b) Non-Current Investments	7,325.65
	(c) Deferred Tax Assets (Net)	37,269.38
	(d) Long-term Loans and Advances	14,656.60
	(e) Other Non-Current Assets	1,036.70
	Sub-Total - Non-Current Assets	2,27,762.59
2	Current assets	
	(a) Inventories	51,502.38
	(b) Trade Receivables	6,206.38
	(c) Cash and Bank Balances	548.76
	(d) Short-Term Loans and Advances	3,819.73
	(e) Other Current Assets	697.52
	Sub-Total - Current Assets	62,774.77
	TOTAL - ASSETS	2,90,537.36
B	EQUITY AND LIABILITIES	
1	Shareholders' Funds	
	(a) Share Capital	12,349.95
	(b) Reserves and Surplus	(34,277.28)
	Sub-Total - Shareholders' Funds	(21,927.33)
2	Non-Current Liabilities	
	(a) Long-Term Borrowings	1,58,649.92
	(b) Other Long Term Liabilities	35,597.73
	(c) Long-Term Provisions	660.23
	Sub-Total - Non-Current Liabilities	1,94,907.88
3	Current Liabilities	
	(a) Short-Term Borrowings	55,315.00
	(b) Trade Payables	33,500.84
	(c) Other Current Liabilities	28,557.75
	(d) Short-Term Provisions	183.22
	Sub-Total - Current Liabilities	1,17,556.81
	TOTAL - EQUITY AND LIABILITIES	2,90,537.36

- (2) The above financial results were reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 14th December 2016 and have been reviewed by the statutory auditors.
- (3) The Company has adopted Indian Accounting Standard ("Ind AS") w.e.f. 1st April 2016 and accordingly the financial result for the quarter and half year ended 30th September 2016 are in compliance with Indian Accounting Standard (Ind AS) notified by the Ministry of Corporate Affairs.
- (4) In terms of SEBI Circular No. CIR/CFD/FAC/62/2016 dated 5th July 2016 listed entities, who have a year end other than 31st day of March and are required to prepare financial statements for a period longer or shorter than the normal 12 months period for coinciding with 31st day of March as prescribed under Section 2(41) of the Companies Act, 2013, the Ind-AS financial statements for various periods beginning from 1st April 2016, shall have comparative information for a shorter or longer period i.e. beginning from a day other than 1st of April 2015.
The Company has adopted change of year in terms of Section 2(41) of the Companies Act 2013 from financial year 2015-16 and accordingly, the said financial year of the Company was of a nine months period from 1st July 2015 to 31st March 2016. Therefore, the year to date results in previous year for period ended September 30, 2015 are for three months as against six months for the period ended September 30, 2016 in current year, hence are not comparable. The date of transition to Ind AS for the Company is 1st July 2015.
- (5) As the Company's business activity falls within a single primary business segment, viz. "Iron & Steel Products", the disclosure requirements of Indian Accounting Standard (Ind AS) 108 "Segment Reporting", as notified by the Ministry of Corporate Affairs.
- (6) The Board of Directors of the Company in its meeting held on July 22, 2013 has approved to amalgamate Zion Steel Limited (ZSL) with the Company and to amalgamate the Company (post amalgamation of ZSL) with the wholly owned subsidiary, Orissa Manganese & Minerals Limited (OMML), through a composite scheme of amalgamation between ZSL, OMML and the Company (the Scheme) as per the provision of Section 391 to 394 of the Companies Act, 1956. The appointed date of the amalgamation is 1st July 2012. The scheme has been approved by the Shareholders and Creditors of the above Companies in their meeting held on 19th and 20th April 2014 respectively and the Official Liquidator, Orissa High Court, Cuttack has submitted its report dated 17th July 2014 that the affairs of the Company appears to have not been conducted in a manner prejudicial to the interest of its members or to public interest and the Hon'ble High Court may consider to pass order as deemed fit and proper in that manner. Upon effectiveness of the Scheme, every shareholder of ZSL holding 17 (seventeen) fully paid-up equity shares of ₹ 10/- each shall be entitled to receive 1 (one) fully paid-up equity shares of ₹ 10/- each in the Company and every shareholder of the Company (post amalgamation of ZSL) holding 1 (one) fully paid-up equity shares of ₹ 10/- each shall be entitled to receive 1 (one) fully paid-up equity shares of ₹ 10/- each in the wholly owned subsidiary, OMML.
- (7) In view of the Company incurring losses continuously and current liabilities exceeding the current assets, there has been an erosion of net worth due to accumulated losses and hence the management intend to take up the case with National Company Law Tribunal (NCLT) notified by Ministry of Corporate Affairs. Milestones under the CDR Scheme could not be achieved and therefore lenders invoked Strategic Debt Restructuring (SDR) at its meeting held on 26th July, 2016, pursuant to RBI circular dated 8th June 2015. Implementation of the same is under process. Considering the above development and prospects relating to financial structuring, the Company has presented this financial results on going concern basis.

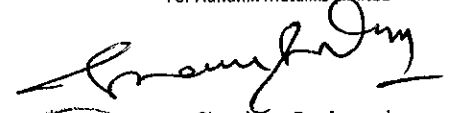
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- (8) The Auditors in their report on the accounts for the quarter ended 30th September 2016 have commented upon recognition of Deferred Tax Assets (net). Based on future profitability projections the management is optimistic that there would be sufficient taxable profits in future to claim credit of Deferred Tax Assets.
- (9) Exceptional items for the quarter and half year ended 30th September 2016 includes (i) The Company intends to surrender Kulum Mines which has resulted in Impairment Loss of ₹ 36,596.97 lacs out of which ₹ 34,390.93 lacs have been adjusted with Revaluation Reserve and balance have been debited to Statement of Profit and Loss. (ii) The Company has made provision for doubtful capital advances amounting to ₹ 6,484.97 lacs with respect to Kulum Mines and Other Project of Phase III. (iii) The Company has made provision for doubtful trade receivable amounting to ₹ 4,239.66 lacs and (iv) Quality claims receivable from vendors written off amounting to ₹ 3,202.81 lacs.
- (10) Statement of Reconciliation of net profit under Ind AS and Indian GAAP for the quarter and half year ended 30th September 2015

PARTICULARS	Quarter Ended	Year To Date
	30th Sept 2015 (Unaudited)	Three months ended 30th Sept 2015 (Refer Note 4) (Unaudited)
Net Profit after tax for the period as per Indian GAAP	(7,073.31)	(7,073.31)
Provision for Expected Credit Loss	(90.74)	(90.74)
Reclassification of net actuarial loss on employee defined benefits to OCI	1.89	1.89
Borrowing cost charged based on effective interest method	(26.97)	(26.97)
Deferred Tax impact of Ind AS adjustments	38.07	38.07
Other Adjustments	0.38	0.38
Net Profit after tax for the period as per Ind AS	(7,150.69)	(7,150.69)

By order of the Board of Directors
For Adhunik Metaliks Limited



Ghanshyam Das Agarwal
Chairman



Place : Kolkata
Date: 14th December 2016