

# Monnet Ispat & Energy Limited

(Joint Venture Company by AION & JSW Steel Limited)

Village & P.O.: Naharpali, Tehsil.: Kharsia, Raigarh – 496 661 (Chhattisgarh)

CIN : L02710CT1990PLC009826, GST : 22AAACM0501D1ZK

Phone : +91 7762 275 502 / 03 / 04, Fax : +91 7762 275 505, +91 7762 391 510

E-mail : raigarh@alionjsw.in, Website : www.alionjsw.in

## E-mail/ Online Upload Copy

MIEL/CS/2018-19/MH/

October 15, 2018

DGM-Deptt. of Corporate Services

BSE Limited

Phiroze Jeejeebhoy Towers, Dalal Street,

MUMBAI-400001

Listing Department

National Stock Exchange of India

'Exchange Plaza', Bandra Kurla Complex,

MUMBAI-400051

Listing Department

Calcutta Stock Exchange Limited

"7, Lyons Range,

KOLKATA-700001

BSE Scrip Code: 513446 / NSE Scrip Code: AIONJSW

### SUB : Outcome of the Board Meeting held on 15<sup>th</sup> October, 2018 in accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir,

Pursuant to Regulation 30 and 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, we wish to inform you that the Board of Directors of the Company at their meeting held today i.e. 15<sup>th</sup> October, 2018, has, inter alia approved the following:

1. Un-audited Financial Results for the quarter and half year ended 30<sup>th</sup> September, 2018. A certified copy of the results along with the limited review report is enclosed herewith as **Annexure 1**.
2. Appointment of M/s Shome & Banerjee, Cost Accountants as Cost Auditors for the financial year 2018-19.
3. Appointment of Mr. Haresh Dua as Internal Auditor for the financial year 2018-19.
4. Appointment of M/s S. Srinivasan & Co, Company Secretaries to conduct Secretarial Auditors for the financial year 2018-19.

The Meeting commenced at 04:30 P.M. and concluded at 09:15 P.M

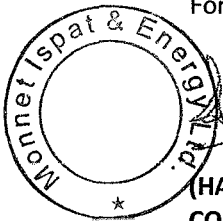
You are requested to take the above information on record.

This is for your information and record.

Thanking you,

Yours faithfully,

For **MONNET ISPAT & ENERGY LIMITED**



(HARDEEP SINGH)

COMPANY SECRETARY

Corporate Office: MONNET HOUSE, 11 Masjid Moth, Greater Kailash Part II, New Delhi- 110 048

Phone : +91 11-2921 8542 / 43 / 44/ 45 / 46, Fax : +91 11 2921 8541, E-mail : alionjsw@alionjsw.in

Regd. Office & Works: Monnet Marg, Mandir Hasaud, Raipur- 492 101 (Chhattisgarh)

Phone : +91 771 2471 334 to 339, Fax: +91 771 2471 250, E-mail : raipur@alionjsw.in



**APAS & CO.**  
CHARTERED ACCOUNTANTS

8/14, BASEMENT,  
KALKAJI EXTENSION  
NEW DELHI – 110019  
TEL: 011-26239079

**INDEPENDENT AUDITOR'S REVIEW REPORT**

**TO THE BOARD OF DIRECTORS OF MONNET ISPAT & ENERGY LIMITED**

We have reviewed the accompanying statement of unaudited Standalone Financial Results of M/s Monnet Ispat & Energy Limited ("the company") for the quarter and six months ended 30<sup>th</sup> September, 2018 attached herewith ("the statement"), being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

This statement is the responsibility of the Company's Management. 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 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 requires that we plan and perform the review to obtain moderate assurance as to whether the statement is 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.

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 applicable Accounting Standards i.e., Ind AS prescribed under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other recognized accounting practices and policies generally accepted in India, 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 APAS & CO.  
CHARTERED ACCOUNTANTS  
Firm Regn.No.000340C

*Rajeev Ranjan*

(RAJEEV RANJAN)  
PARTNER  
M.No. 535395

PLACE : Mumbai  
DATED : 15-10-2018

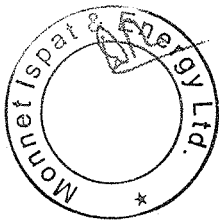


# MONNET ISPAT & ENERGY LIMITED

Corporate Office : MONNET HOUSE, 11 Masjid Moth, Greater Kailash Part II, New Delhi - 110048  
 Regd. Office : Monnet Marg, Mandir Hosaud, Raipur - 492 101 (Chhattisgarh)  
 Tel. No. 011-29218542-46; Fax : 011-29218541 E-mail: isc\_miel@monnetgroup.com  
 www.monnetgroup.com CIN No. L02710CT1990PLC039826

## STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER, 2018

| (Rs. in Crore except per share data) |                                                                                        |               |               |               |                 |                 |            |
|--------------------------------------|----------------------------------------------------------------------------------------|---------------|---------------|---------------|-----------------|-----------------|------------|
| Sl No.                               | Particulars                                                                            | Quarter Ended | Quarter Ended | Quarter Ended | Half Year Ended | Half Year Ended | Year Ended |
|                                      |                                                                                        | 30.09.2018    | 30.06.2018    | 30.09.2017    | 30.09.2018      | 30.09.2017      | 31.03.2018 |
|                                      |                                                                                        | Unaudited     | Unaudited     | Unaudited     | Unaudited       | Unaudited       | Audited    |
| 1                                    | Income                                                                                 |               |               |               |                 |                 |            |
|                                      | (a) Gross sales                                                                        | 417.97        | 432.21        | 315.22        | 850.18          | 661.07          | 1,410.93   |
|                                      | (b) Other operating income                                                             | 1.75          | 0.84          | 0.52          | 2.59            | 1.67            | 8.16       |
|                                      | Revenue from operations (net)                                                          | 419.72        | 433.05        | 315.74        | 852.77          | 662.74          | 1,419.09   |
|                                      | Other income                                                                           | 3.31          | 10.93         | 2.65          | 14.24           | 5.09            | 12.14      |
|                                      | Total income                                                                           | 423.03        | 443.98        | 318.39        | 867.01          | 667.83          | 1,431.23   |
| 2                                    | Expenses                                                                               |               |               |               |                 |                 |            |
|                                      | (a) Cost of materials consumed                                                         | 374.44        | 364.93        | 236.42        | 739.37          | 471.51          | 1,097.60   |
|                                      | (b) Changes in inventories of finished goods, work-in-progress and stock-in-trade      | (41.44)       | (17.97)       | 4.52          | (59.41)         | (3.42)          | (24.19)    |
|                                      | (c) Employee benefits expense                                                          | 19.03         | 19.23         | 22.43         | 38.26           | 42.75           | 73.79      |
|                                      | (d) Finance costs                                                                      | 16.04         | 326.92        | 278.10        | 342.96          | 569.04          | 1,181.66   |
|                                      | (e) Depreciation and amortization expense                                              | 81.57         | 87.57         | 91.17         | 169.14          | 179.83          | 351.61     |
|                                      | (f) Excise duty                                                                        |               |               |               |                 | 35.82           | 35.83      |
|                                      | (g) Other expenses                                                                     | 60.14         | 53.04         | 36.99         | 113.18          | 77.98           | 175.36     |
|                                      | Total Expenses                                                                         | 509.78        | 833.72        | 671.63        | 1,343.50        | 1,373.51        | 2,891.66   |
| 3                                    | Profit/(loss) from operations before exceptional items and tax (1-2)                   | (86.75)       | (389.74)      | (353.24)      | (476.49)        | (705.68)        | (1,460.43) |
| 4                                    | Exceptional items (refer note 2)                                                       | 2,772.81      |               |               | 2,772.81        | 47.62           | 440.53     |
| 5                                    | Profit/(loss) before tax (3-4)                                                         | (2,859.56)    | (389.74)      | (353.24)      | (3,249.30)      | (753.30)        | (1,900.96) |
| 6                                    | Tax expense:                                                                           |               |               |               |                 |                 |            |
|                                      | (i) Current tax                                                                        |               |               |               |                 |                 |            |
|                                      | (ii) Deferred tax                                                                      |               |               |               |                 |                 |            |
| 7                                    | Profit/(loss) for the period / year (5-6)                                              | (2,859.56)    | (389.74)      | (353.24)      | (3,249.30)      | (753.30)        | (1,900.96) |
| 8                                    | Other comprehensive income (after tax)                                                 |               |               |               |                 |                 |            |
|                                      | (i) Items that will not be reclassified to profit or loss                              | 0.29          | (1.87)        | 0.05          | (1.58)          | 0.32            | (30.84)    |
|                                      | (ii) Income tax relating to items that will not be reclassified to profit and loss     |               |               |               |                 |                 |            |
| 9                                    | Total comprehensive income for the period/year (7+8)                                   | (2,859.27)    | (391.61)      | (353.19)      | (3,250.88)      | (752.98)        | (1,931.80) |
| 10                                   | Paid-up equity share capital                                                           | 469.55        | 200.77        | 200.77        | 469.55          | 200.77          | 200.77     |
| 11                                   | Reserve excluding revaluation reserve as per balance sheet of previous accounting year |               |               |               |                 |                 | (3,278.48) |
| 12                                   | Earnings per share (EPS) of Rs. 10/- each (not annualized)                             |               |               |               |                 |                 |            |
|                                      | Basic and diluted                                                                      | (103.60)      | (19.51)       | (17.59)       | (123.11)        | (37.52)         | (94.68)    |



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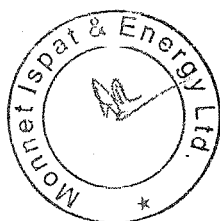
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CIN No. L02710CT1990PLC009826

## STANDALONE STATEMENT OF ASSETS AND LIABILITIES

(Rs in Crore)

| Particulars |                                            | As at 30.09.2018 | As at 31.03.2018  |
|-------------|--------------------------------------------|------------------|-------------------|
|             |                                            | Unaudited        | Audited           |
| I.          | <b>ASSETS</b>                              |                  |                   |
| 1           | <b>Non-current assets</b>                  |                  |                   |
|             | (a) Property, Plant and Equipment          | 3,464.89         | 6,017.26          |
|             | (b) Capital work-in-progress               | 126.04           | 166.14            |
|             | (c) Financial assets                       |                  |                   |
|             | (i) Investments                            | 0.77             | 622.75            |
|             | (ii) Loans                                 | -                | 24.44             |
|             | (iii) Others                               | 0.47             | 14.15             |
|             | <b>Sub-total - Non-current assets</b>      | <b>3,592.17</b>  | <b>6,844.74</b>   |
| 2           | <b>Current assets</b>                      |                  |                   |
|             | (a) Inventories                            | 293.64           | 320.96            |
|             | (b) Financial assets                       |                  |                   |
|             | (i) Trade receivables                      | 29.45            | 60.30             |
|             | (ii) Cash and cash equivalents             | 218.08           | 91.38             |
|             | (iii) Bank balances other than (ii) above  | 25.47            | 11.78             |
|             | (iv) Loans                                 | 70.49            | 772.87            |
|             | (v) Others                                 | 14.64            | 14.46             |
|             | (c) Current tax assets (net)               | 58.58            | 58.25             |
|             | (d) Other current assets                   | 36.03            | 35.01             |
|             | <b>Sub-total - Current assets</b>          | <b>746.38</b>    | <b>1,365.01</b>   |
|             | <b>TOTAL - ASSETS</b>                      | <b>4,338.55</b>  | <b>8,209.75</b>   |
| II.         | <b>EQUITY AND LIABILITIES</b>              |                  |                   |
| 1           | <b>Equity</b>                              |                  |                   |
|             | (a) Equity share capital                   | 994.97           | 200.79            |
|             | (b) Other equity                           | 1,285.43         | (3,278.48)        |
|             | <b>Sub-total - Equity</b>                  | <b>2,280.40</b>  | <b>(3,077.69)</b> |
| 2           | <b>Non-current liabilities</b>             |                  |                   |
|             | (a) Financial liabilities                  |                  |                   |
|             | (i) Long-term borrowings                   | 2,003.85         | 3,395.14          |
|             | (b) Provisions                             | 2.37             | 3.40              |
|             | (c) Other non-current liabilities          | -                | 22.76             |
|             | <b>Sub-total - Non-current liabilities</b> | <b>2,006.22</b>  | <b>3,421.30</b>   |
| 3           | <b>Current liabilities</b>                 |                  |                   |
|             | (a) Financial liabilities                  |                  |                   |
|             | (i) Short-term borrowings                  | -                | 1,908.85          |
|             | (ii) Trade payables                        | 26.42            | 110.05            |
|             | (iii) Other financial liabilities          | 12.70            | 5,827.09          |
|             | (b) Other current liabilities              | 12.81            | 20.15             |
|             | <b>Sub-total - Current liabilities</b>     | <b>51.93</b>     | <b>7,866.14</b>   |
|             | <b>TOTAL - EQUITY AND LIABILITIES</b>      | <b>4,338.55</b>  | <b>8,209.75</b>   |



## Notes

1. Pursuant to the corporate insolvency resolution process under the Insolvency and Bankruptcy Code, 2016 initiated on 18 July 2017, the National Company Law Tribunal (NCLT) on 24 July 2018 (Order date) approved (with modifications), the Resolution Plan (the Plan) submitted by the consortium of JSW Steel Limited and AION Investments Private II Limited, which, inter alia, resulted in the following:

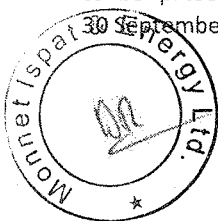
- (a) Extinguishment of 5,07,32,841 equity shares of Rs. 10 each and 1,75,00,000 preference shares of Rs. 100 each held by the erstwhile promoters.
- (b) Reduction in the face value of the balance 36,52,33,620 equity shares (including the equity shares issued under (c) and (d) below) held by the non-promoter equity shareholders to Rs. 3.30 per share and their consolidation into 12,05,27,534 equity shares of Rs. 10 each.
- (c) Settlement of debts of financial creditors amounting to Rs. 10,247.86 crores, partly by issue of 20,00,56,892 equity shares of Rs. 10 each, partly by cash payment of Rs. 2,457.00 crores, and partly by the effective purchase of the remaining debt, (on deemed conversion into Optionally Convertible Preference shares), for a sum of Rs. 199.85 crores by a company of the consortium, Milloret Steel Limited (MSL).
- (d) Settlement of corporate guarantees issued to financial creditors amounting to Rs 767.05 crores, partly by issue of 1,51,41,327 equity shares of Rs. 10 each and cash payment of Rs. 20.07 crores.
- (e) Settlement of operational creditors, (other than employees and workmen), amounting to Rs. 114.81 crores for a sum of Rs. 25 crores payable by the Company within one year from the Order date.
- (f) Extinguishment of other current and non-current liabilities amounting to Rs. 128.36 crores standing as on the Order date .
- (g) Extinguishment of all contingent liabilities, commitments and other claims and obligations including all taxes and other government dues standing as on the effective date (i.e. 31 August 2018).
- (h) Merger of MSL into the Company, resulting in the extinguishment of the deemed Optionally Convertible Preference shares, contemporaneously with (c) above. The shareholders of MSL were issued 34,90,20,000 equity shares of Rs 10 each and 52,59,80,000 Compulsorily Convertible preference shares of Rs 10 each.

Consequent to the foregoing, as on the effective date, the Equity Share Capital, the Preference Share Capital and the Reserves and Surplus stood at Rs. 469.55 crores, Rs. 525.98 crores and Rs. 5,315.53 crores respectively.

2. Exceptional items for the quarter and half year ended 30 September 2018 comprise of:

- (a) Impairment of property plant and equipment amounting to Rs. 2,440.93 crores, which has been recognised based on the recoverable value of these assets.
- (b) Impairment of investments, inventories, receivables, current and non-current assets aggregating to Rs. 1,558.37 crores considered not realizable.
- (c) write back of current and non-current liabilities, including those described in Note 1 above, aggregating to Rs. 1,226.49 crores.

3. Post the implementation of GST with effect from 1 July 2017, Revenue from operations is required to be presented net of GST. Accordingly, Revenue from operations for the half year ended 30 September 2018 is not comparable to the half year ended 30 September 2017.



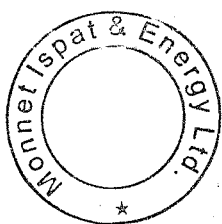
4. Upon approval of the Plan by the Hon'ble NCLT Mumbai, the then existing Board of Directors of the Company was deemed to have resigned and as provided in the approved Resolution Plan, a new interim board had been constituted for the purpose of implementation of the Resolution Plan. Subsequently, on the effective date of the Plan (refer note 1 above) the interim board has been reconstituted and the present composition of the Board of Directors consists of

| Names                             | Designation            |
|-----------------------------------|------------------------|
| Mr. Jyotin Kantilal Mehta         | Chairman               |
| Mr. Ravichandar Moorthy Dhakshana | Whole-Time Director    |
| Mr. Seshagiri Rao MVS             | Non-Executive Director |
| Ms. Anuradha Ambar Bajpai         | Independent Director   |
| Mr. Kalpesh Pankaj Kilkani        | Non-Executive Director |
| Mr. Sanjay Kumar                  | Non-Executive Director |
| Mr. Nikhil Omprakash Gahrotra     | Non-Executive Director |
| Mrs. Sutapa Banerjee              | Independent Director   |

5. The Company is in the business of manufacturing steel products and allied products having similar characteristics and reviewed by the Chief Operating Decision Maker for assessment of Company's performance and resource allocation. Accordingly, the Company has only one reportable operating segment as per Ind AS 108 - Operating Segments.

6. The figures for the corresponding previous periods have been restated / regrouped wherever necessary to make them comparable.

7. The above results have been reviewed by the Audit committee and approved by the Board of Directors at their meetings held on 15 October 2018. The Statutory Auditors have carried out a Limited Review of the results for the quarter ended 30 September 2018.



For Monnet Ispat & Energy Limited

*Ravichandar*

Ravichandar Moorthy Dhakshana  
Whole-Time Director  
15 October 2018

