



Ankit Metal & Power Ltd.

CIN No. : L27101WB2002PLC094979

Corporate & Communication Office :

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West Bengal

Telephone : (03242) 280593/280594

Dated: 14th February, 2017

The Listing Department BSE Limited P.J. Towers, 25th floor Dalal Street Mumbai - 400 001 <u>BSE SCRIP CODE : 532870</u>	The Listing Department National Stock Exchange of India Limited Exchange Plaza Bandra Kurla Complex Mumbai - 400 051 <u>NSE SCRIP CODE : ANKITMETAL</u>
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Sub: Outcome of Board Meeting held on 14th February, 2017

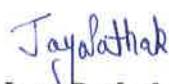
Dear Sir(s),

Pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the Unaudited Financial Results of the Company for the quarter and nine months ended 31st December, 2016 along with Limited Review Report as considered and approved by the Board of Directors of the Company at its meeting held today, i.e. Tuesday, 14th February, 2017 commenced at 08:20 p.m. and concluded at 8:50 p.m.

This is for your information. Kindly take the same on your record.

Thanking You,
Yours faithfully,

For Ankit Metal & Power Limited


Jaya Pathak

(Company Secretary & Compliance Officer)

R. Kothari & Company

CHARTERED ACCOUNTANTS
MUMBAI, KOLKATA, NEW DELHI

REVIEW REPORT

To
The Board of Directors
M/S. Ankit Metal & Power Limited

- 1) We have reviewed the unaudited financial results of Ankit Metal & Power Limited (the "Company") for the quarter ended December 31, 2016 which are included in accompanying "Statement of Unaudited Financial Results for Quarter and Nine Months Ended 31st December, 2016" together with the notes thereon (the "Statement"). The Statement has been prepared by the Company pursuant to Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations, 2015") and SEBI Circular dated July, 2016, which has been initialed by us for identification purposes. The Statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Further, the Management is also responsible to ensure that the accounting policies used in preparation of this Statement are consistent with those used in the preparation of the Company's opening unaudited Balance Sheet as at April 1, 2015 prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under Section 133 of Companies Act, 2013 and other recognised accounting practices and policies. Our responsibility is to issue a report on the Statement based on our review.
- 2) 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. The Standard requires that we plan and perform the review to obtain moderate assurance as to whether the statement is free from material misstatement.
- 3) A review is limited primarily to inquiries of the 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.
- 4) We draw your attention to Note No. 8 of the unaudited financial results which indicate that the Company has not provided interest expense amounting to Rs.3,751.85 Lacs and Rs.7,172.49 Lacs on the borrowings of the company for the



quarter and nine months ended December 31, 2016 which is not in accordance with the requirements of Ind AS 23: Borrowing Costs read with Ind AS 109: Financial Instruments. The Company has also reversed the interest provided in the earlier periods from the date the dues have been categorized as Non Performing Asset by the respective lenders amounting to Rs.400.53 Lacs for the quarter ended 31st December,2016 and Rs.5,170.20 for Nine months ended 31st December,2016. This has consequential impact on the reported figures of this quarter as well as earlier periods. Had the aforesaid interest expense been recognized the total comprehensive loss for the quarter ended 31st December, 2016 would have been Rs. 13,666.96 Lacs instead of Rs. 9,915.11 Lacs and for the nine months ended 31st December,2016 would have been Rs.30,084.34 Lacs instead of Rs. 22,911.85Lacs.

- 5) Based on our review conducted as above, except for the matter referred in Paragraph 4 above, nothing has come to our attention that causes us to believe that the accompanying statement of the unaudited financial results prepared in accordance with the applicable Accounting Standards prescribed under section 133 of the Companies Act, 2013 has not been prepared in all material respects in accordance with Ind AS and other recognised accounting practices and policies and has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, 2015 and SEBI circular dated July 5 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.
- 6) We draw your attention to the following matters:
 - a. Note 2 of the Statement which states that the Company has adopted Ind AS for the financial year commencing from April 1, 2016, and accordingly, the Statement has been prepared by the Company's Management in compliance with Ind AS.
 - b. We were neither engaged to review, nor have we reviewed the comparative figures including the reconciliation to the Total Comprehensive Income for the quarter ended December, 2016 and accordingly, we do not express any conclusion on the results in the Statement for the quarter ended December 31, 2016. As set out in Note 2 to the Statement, these figures have been furnished by the Management.
- 7) (a) We draw your attention to Note No. 10 of the financial results which indicate that as at 31st December, 2016, the accumulated losses amounting to Rs.68,551.54 lacs has eroded the entire net worth of the company, indicating the existence of a material uncertainty about the Company's ability to continue as a



going concern. These financial statements have been prepared on a going concern basis for the reasons stated in the said note.

- (b) Substantial amount of statutory dues amounting to **Rs. 1860.68 Lacs** has become overdue and remain unpaid. Interest, penalty, if any, in respect of the same has remained unascertained and unaccounted for.
- (c) As referred in Note No. 11, the balance of sundry debtors, advances, creditors etc. includes balances remaining outstanding for a substantial period. The balances are subject to confirmations and reconciliation. The reported financials might have consequential impact which remains unascertained.

Our conclusion is not qualified in respect of these matters.

For R. Kothari & Company
Chartered Accountants
Firm Reg. No.:-307069E



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Date: 14.02.2017

Place: Kolkata

C.A. Manoj Kumar Sethia

Partner
Membership No.:- 064308

Statement of Unaudited Financial Results for the quarter and nine months ended 31st December 2016						
(₹ in Lacs)						
	Particulars	Quarter Ended			Nine months ended	
		Three months ended 30.12.2016	Three months ended 30.09.2016	Three months ended 30.12.2015	Nine months ended 31.12.2016	Nine months ended 31.12.2015
		(Unaudited) #	(Unaudited) #	(Not subject to review/ audit) #	(Unaudited) #	(Not subject to review/ audit) #
1	Income from Operations					
	(a) Revenue from Operations (Net of Excise Duty)	882.31	-	19,020.77	882.31	73,902.62
	(b) Other Operating Income	6.66	75.04	51.26	286.17	143.84
	Total Income from Operations (a+b)	888.97	75.04	19,072.03	1,168.48	74,046.46
2	Expenses					
	(a) Cost of Materials consumed	2,935.37	6,763.90	13,873.90	9,699.27	46,752.10
	(b) Purchase of Stock-in-Trade	-	-	6,837.16	-	28,561.62
	(c) Changes in inventories of finished goods and work-in-progress	6,211.13	1,283.74	(934.76)	9,889.67	(4,242.80)
	(c) Employee benefits expense	13.26	6.22	420.29	23.40	1,279.51
	(d) Depreciation and amortisation expense	1,020.01	1,009.20	1,738.83	3,050.87	5,200.67
	(e) Power	169.89	2.83	1,371.99	176.52	3,859.25
	(f) Other expenses	145.21	489.08	708.05	433.38	2,905.84
	Total Expenses	10,494.86	9,554.97	24,015.46	23,273.11	84,316.19
3	Profit from operations before other income, finance costs and exceptional items (1-2)	(9,605.89)	(9,479.93)	(4,943.43)	(22,104.63)	(10,269.73)
4	Other Income	12.67	13.93	35.94	42.08	113.14
5	Profit/(Loss) from ordinary activities before finance costs and exceptional items(3+4)	(9,593.23)	(9,466.00)	(4,907.49)	(22,062.55)	(10,156.59)
6	Finance Costs	316.89	(3,632.88)	3,373.82	834.30	9,750.85
7	Profit/(Loss) from ordinary activities after finance costs but before exceptional items (5-6)	(9,910.11)	(5,833.12)	(8,281.31)	(22,896.85)	(19,907.44)
8	Exceptional Items	-	-	-	-	-
9	Profit/(Loss) from ordinary activities before tax (7+8)	(9,910.11)	(5,833.12)	(8,281.31)	(22,896.85)	(19,907.44)
10	Tax expense	-	-	-	-	-
11	Net Profit/(Loss) from ordinary activities after tax (9-10)	(9,910.11)	(5,833.12)	(8,281.31)	(22,896.85)	(19,907.44)
12	Extraordinary items (net of tax expense)	-	-	-	-	-
13	Net Profit/(Loss) for the period (11-12)	(9,910.11)	(5,833.12)	(8,281.31)	(22,896.85)	(19,907.44)
14	Other Comprehensive Income/ (Loss) (net of tax)	(5.00)	(5.00)	(5.04)	(15.00)	(15.11)
15	Total Comprehensive Income/ (Loss) for the period (13+14)	(9,915.11)	(5,838.12)	(8,286.35)	(22,911.85)	(19,922.55)
16	Paid-up equity share capital (Face Value ₹ 10 each)	14,111.05	14,111.05	14,111.05	14,111.05	14,111.05
17	Earnings Per Share (after extraordinary items) (of ₹ 10 each) (not annualised):					
	a) Basic (₹)	(7.03)	(4.14)	(5.87)	(16.23)	(14.11)
	b) Diluted (₹)	(7.03)	(4.14)	(5.87)	(16.23)	(14.11)
	See accompanying notes to the Unaudited Financial Results #Refer Note No 2					



NOTES:-

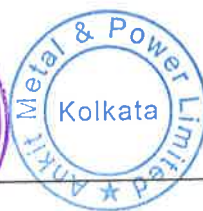
- 1) The above results have been reviewed by the Audit Committee and approved by the Board of Directors in their respective meetings held on 14th February, 2017.
- 2) The Company has adopted Indian Accounting Standards (Ind AS) from 1st April 2016. The figures for the quarter ended 31st December 2015 are also Ind AS compliant. They have not been subject to limited review or audit. However, the management has exercised necessary diligence to ensure that the financial results provide a true and fair view of the Company's affairs. The Statement has been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable. Beginning 1st April 2016, the Company for the first time Adopted Ind AS with a transition date of 1st April 2015.
- 3) The format for Un-audited Quarterly and Nine Months Ended Results as prescribed in SEBI's circular CIR/CFD/CMD/15/2015 dated 30th November, 2015 has been modified to comply with requirements of SEBI's circular dated 5th July, 2016, Ind AS and Schedule III (Division-II) to the Companies Act, 2013 applicable to Companies that are required to comply with Ind AS.
- 4) This statement does not include Results for the previous year ended 31st March 2016 and Statement of Assets & Liabilities as on that date as the same is not mandatory as per SEBI's circular dated 5th July 2016.
- 5) Cost of Material Consumed includes ₹1,466.86 Lacs for the quarter ended 31st December 2016 and ₹8,230.76 Lacs for Nine Months Ended 31st December 2016 on account of write down in value of Raw Material to its Net Realisable Value.
- 6) Sponge Iron and TMT/ Wire Rod of 13,000 MT & 16,563.57 MT respectively has been transferred as scrap from Finished goods for reprocessing and treated as Work-in-Progress. The same has been valued at Net Realisable Value resulting in write down in carrying amount by ₹1,930.10 Lacs & ₹1,573.54 Lacs respectively.
- 7) The company has made a reference to the erstwhile Board for Financial and Industrial Reconstruction (BIFR) as per provisions of Section 15(1) of the Sick Industrial Companies (Special Provisions) Act, 1985 since repealed November 24, 2016 in terms of Resolution passed by Circulation on November 23, 2016.
- 8) The lenders have stopped charging interest on debts, since the dues from the company have been categorised as Non Performing Asset. The company is in active discussion/negotiation with its lenders to restructure its debt at a sustainable level. In view of the above, pending finalization of the restructuring plan, the company has not provided accrued interest in its books during the quarter and reversed interest provided in earlier quarters pertaining to the period the account was declared NPA by the respective lenders. The amount of interest not so provided stands at ₹3,751.85 Lacs for the quarter ended 31st December, 2016 & ₹7,172.49 Lacs for Nine Months ended 31st December, 2016. The company has also reversed ₹400.53 lacs for the quarter ended 31st December, 2016 & ₹5,170.02 Lacs for Nine Months ended 31st December, 2016. The same have consequential impact on the reported figures of this quarter as well as earlier periods.
- 9) The company's Factory at Jorehira, Chattna, Bankura (West Bengal) has resumed its operations during the quarter ended 31st December, 2016
- 10) The company has incurred loss of ₹9,915.11 Lacs for the quarter ended 31st December, 2016 and accumulated loss as on 31st December, 2016 is ₹6,8551.54 Lacs which is in excess of the entire net worth of the company. The lenders of the Company are in the process of approving Strategic Debt Restructuring (SDR) as a part of financial revival process. The steel industry scenario has since improved, the management, as understood, is taking initiative to resume operations in the very near future. Considering the above initiative of the Company, the management is of the view of foreseeable future about the operations of the Company and accordingly the financial statements have been prepared under Going Concern basis.
- 11) In the opinion of the management, current and non current asset have a value of realisation in the ordinary course of business at least equal to the amount at which they are stated in the accounts. Certain Balances of the sundry creditors, sundry debtors, unsecured loans and advances are subject to confirmations and reconciliation.
- 12) The Company operates in one reportable segment only viz. Iron & Steel. However, the Company also generates power which is entirely used for the captive consumption. Hence, Segment Reporting is not applicable.
- 13) Reconciliation of Net profit as previously reported on account of transition from the previous Indian GAAP to Ind-AS is given below:

		(₹ in Lacs)	
	Particulars	Quarter Ended 31.12.2015 (₹ in Lacs) (Not subject to review/ audit)	Nine Months Ended 31.12.2015 (₹ in Lacs) (Not subject to review/ audit)
	Net Profit/ (Loss) for the period under Previous Indian GAAP	(8,281.31)	(19,907.44)
	Adjustments on account of:		
(a)	Actuarial gain/ (loss) reclassified through Other Comprehensive	(5.04)	(15.11)
	Net Profit/ (Loss) for the period under Ind AS	(8,286.35)	(19,922.55)

14) The figures of the previous period has been regrouped / reclassified, wherever necessary to conform to the classification for the quarter ended 31st December, 2016.

15) This Financial Statement has been prepared in accordance with Regulation 33 of SEBI (Listing Obligation & Disclosure Requirements) Regulation 2015.

Place: Kolkata
Date: 14th February, 2017



On behalf of the Board of Directors
For ANKIT METAL & POWER LIMITED

Suresh Kumar Patni
Chairman