

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 accompanying statement of unaudited financial results ('the Statement') of M/S. Ankit Metal & Power Limited ('the Company') for the quarter ended 30th June, 2016 attached herewith, 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 and has been approved by the Board of Directors. Our responsibility is to issue a report on these financial statements 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. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of 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.
3. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results 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 has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations & Global



requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

4. Emphasis of Matter

4.1 We draw your attention to Note No.5 of the financial results which indicate that as at 30th June, 2016, the accumulated losses amounting to Rs. 53200.11 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.

4.2 Certain secured loans and advances, trade receivables, trade payables and other liabilities are subject to confirmations and reconciliations.

4.3 In general it was noticed that applicable statutory dues were not deposited within due dates to the respective authorities. Substantial amount of statutory dues amounting to Rs. 1724.42 lacs has become overdue and remain unpaid. Interest, penalty, if any, in respect of the same has remained unascertained and unaccounted for.

Our report is not modified in this matter.

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



A handwritten signature in black ink, appearing to read 'Manoj Kumar Sethia'.

Date: 20.09.2016
Place: Kolkata

C.A. Manoj Kumar Sethia
Partner
Membership No.:- 064308

(₹ in Laacs)

Statement of Unaudited Financial Results for the quarter ended 30th June, 2016			
Sr. No.	Particulars	Three months ended 30.06.2016	Three months ended 30.06.2015
		(Unaudited) #	(Unaudited) #
1	Income from Operations		
	(a) Revenue from Operations (Net of Excise Duty)	-	25,797.24
	(b) Other Operating Income	204.47	34.92
	Total Income from Operations (a+b)	204.47	25,832.16
2	Expenses		
	(a) Cost of Materials consumed	-	13,985.62
	(b) Purchase of Stock-in-Trade	-	9,149.45
	(c) Changes in inventories of finished goods and work-in-progress	2,394.80	(611.05)
	(c) Employee benefits expense	3.92	441.72
	(d) Depreciation and amortisation expense	1,021.66	1,721.77
	(e) Power	3.81	1,251.09
	(f) Other expenses	200.91	1,195.69
	Total Expenses	3,625.10	27,134.29
3	Profit from operations before other income, finance costs and exceptional items (1-2)	(3,420.62)	(1,302.13)
4	Other Income	15.48	40.41
5	Profit/(Loss) from ordinary activities before finance costs and exceptional items (3+4)	(3,405.14)	(1,261.72)
6	Finance Costs	4,150.28	3,168.26
7	Profit/(Loss) from ordinary activities after finance costs but before exceptional items (5-6)	(7,555.43)	(4,429.98)
8	Exceptional Items	-	-
9	Profit/(Loss) from ordinary activities before tax (7+8)	(7,555.43)	(4,429.98)
10	Tax expense	-	-
11	Net Profit/(Loss) from ordinary activities after tax (9-10)	(7,555.43)	(4,429.98)
12	Extraordinary items (net of tax expense)	-	-
13	Net Profit/(Loss) for the period (11-12)	(7,555.43)	(4,429.98)
14	Other Comprehensive Income/ (Loss) (net of tax)	(5.00)	(5.04)
15	Total Comprehensive Income/ (Loss) for the period (13+14)	(7,560.43)	(4,435.02)
16	Paid-up equity share capital (Face Value ₹ 10 each)	14,111.05	12,207.55
17	Reserves excluding Revaluation Reserves as per Balance Sheet of previous accounting year	-	-
18	Earnings Per Share (after extraordinary items) (of ₹ 10 each) (not annualised):		
	a) Basic (₹)	(5.36)	(3.63)
	b) Diluted (₹)	(5.36)	(3.63)
	See accompanying notes to the Unaudited Financial Results # Refer Note 2		



ANKIT METAL & POWER LIMITED

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Website: www.ankitmetal.com

NOTES:-

- 1) The above unaudited financial results have been reviewed by the Audit Committee and approved at the meeting of the Board of Directors of the Company held on 20th September, 2016
- 2) The Company has adopted Indian Accounting Standards (Ind AS) from 1 April 2016. The figures for the quarter ended 30 June 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.
- 3) After the meeting of Joint Lender Forum (JLF) of Consortium Banker held on December 16, 2015, the JLF have invoked Strategic Debt Restructuring (SDR) in the Company which is subject to approval from respective bankers. As per the minutes of JLF held on 28th April, 2016 the approvals have been received from all the Banker except four.
- 4) The Company's factory at Jorehira, Chattna, Bankura (West Bengal) is temporarily suspended since 17th February, 2016 on account of depressed domestic and global market condition in steel industry, exhaustion of water supply sources, labour unrest, excess manpower cost etc.
- 5) The company has incurred loss of ₹ 7560.43 Lacs for the quarter ended 30th June, 2016 and accumulated loss as on 30th June, 2016 is ₹ 53200.11 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.
- 6) During the year under review, the company has raised debit notes of ₹ 199.13 Lacs on various suppliers which are yet to be acknowledged by the respective suppliers. Pending such acknowledgements, the Company has recognized the same in the books of the Company.
- 7) 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.
- 8) Reconciliation of Net profit as previously reported on account of transition from the previous Indian GAAP to Ind-AS for the quarter ended 30 June 2015:

(₹ in Lacs)

Sr.No.	Particulars	Unaudited
	Net Profit/ (Loss) for the period under Previous Indian GAAP	(4,429.98)
	Adjustments on account of:	
(a)	Actuarial gain/ (loss) reclassified through Other Comprehensive Income	(5.04)
	Net Profit/ (Loss) for the period under Ind AS	(4,435.02)

9) The figures of the previous period has been regrouped / reclassified, wherever necessary to conform to the classification for the quarter ended 30 June 2016.

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

On behalf of the Board of Directors



Suresh Kumar Patni
Chairman

Place: Kolkata

Date: 20th September, 2016

