

METALYST FØRGINGS LIMITED

(formerly known as Ahmednagar Forgings Limited)

Registered Office :

Gat No. 614, Village Kuruli Khed, Pune, Maharashtra - 410501

Tel.: +91-2135-252148, Fax: +91-2135-252105

CIN No. : L28910MH1977PLC019569

Ref No. : MFL/BSE/NSE/2019

Date: 13th August, 2019

<p>The Manager Listing Department The Bombay Stock Exchange Limited, Phiroze Jee Jee Bhoj Towers, Dalal Street, Mumbai – 400001</p> <p>Scrip code: 513335</p>	<p>The Secretary, The National Stock Exchange of India Limited, “Exchange Plaza”, 5th Floor, Plot No. C/1, G-Block, Bandra – Kurla Complex, Bandra (E), Mumbai-400051</p> <p>Scrip code: METALFORGE</p>
--	--

Sub.: Unaudited Financial Results for the Quarter ended June 30, 2019 under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir/Ma'am,

Pursuant to the provisions of Regulation 30 of SEBI (Listing Obligations and Disclosures Requirement) Regulations, 2015,

we wish to inform you that Standalone Un-Audited Financial Results of the Company for the Quarter ended June 30, 2019 shall considered and disseminated on 13th August, 2019. Consequent to the same, we enclose, in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the following:

1. The Standalone Un-Audited Financial Results of the Company for the Quarter ended on June 30, 2019.
2. Limited Review Report on the standalone Un-audited Financial Results of the Company for the Quarter ended 30th June, 2019.


The meeting commenced at 6:00 p.m and concluded at 7:30 p.m.

You are requested to take the same on records.

Thanking You

Yours faithfully,

For Metalyst Forgings Limited
(A company under Corporate Insolvency Resolution Process)


For METALYST FORGINGS LIMITED
Authorized Signatory

METALYST FØRGINGS LIMITED

(formerly known as Ahmednagar Forgings Limited)

Registered Office :

Gat No.614, Village Kuruli Khed, Pune, Maharashtra - 410501

Tel.: +91-2135-252148 Fax: +91-2135-252105

CIN No. is L28910MH1977PLC019569

Statement of Unaudited Financial Results for the quarter ended 30th June, 2019

Rupees in Lakhs

S.No.	Particulars	Quarter Ended		Year Ended	
		30.06.2019	31.03.2019	30.06.2018	31.03.2019
		Unaudited	Unaudited	Unaudited	Audited
1	Revenue				
	Revenue from operations	7,324	6,211	11,680	38,004
	Other Income	32	19	25	64
		7,356	6,230	11,705	38,068
2	Expenses				
	Cost of Material consumed	4,564	3,945	6,975	22,738
	Changes in inventories of finished goods, work in progress and stock in trade	10	(215)	26	711
	Employee Benefits Expense	821	827	828	3,316
	Finance Costs	36	97	2,553	2,688
	Depreciation & Amortization Expense	6,339	6,271	6,419	25,531
	Other Expenses	1,946	1,871	2,840	10,159
	Total Expenses	13,716	12,796	19,641	65,143
3	Profit/(Loss) before exceptional items and tax (1-2)	(6,360)	(6,566)	(7,936)	(27,075)
4	Exceptional Items (Income) /Expenses	806	-	2,170	-
5	Profit/(Loss) before tax (3-4)	(7,166)	(6,566)	(10,106)	(27,075)
6	Tax expense:				
	(i) Deferred tax	-	-	-	2,162
	(ii) MAT reversal	-	-	-	2,162
	Total Tax Expenses	-	-	-	2,162
7	Profit/(Loss) for the period from continuing operations (5-6)	(7,166)	(6,566)	(10,106)	(29,237)
	Other Comprehensive Income				
	A (i) items that will not be reclassified to profit or loss	-	12	-	12
	(ii) income tax relating to items that will not be reclassified to profit or loss	-	-	-	-
	B (i) items that will be reclassified to profit or loss	-	-	-	-
	(ii) income tax relating to items that will be reclassified to profit or loss	-	-	-	-
8	Other Comprehensive Income(A(i)+A(ii)+B(i)+B(ii))	-	12	-	12
9	Total Comprehensive Income/(Loss) for the period (Comprising Profit (Loss) and Other Comprehensive Income for the period) (7+8)	(7,166)	(6,554)	(10,106)	(29,225)
10	Paid-up equity share capital (Face Value of Rs.10 each)	4,355	4,355	4,355	4,355
11	Reserves excluding Revaluation Reserves as per balance sheet				(103,176)
12	Earnings per equity share (for continuing operation) (not annualised)				
	(1) Basic	(16.45)	(15.41)	(23.21)	(50.58)
	(2) Diluted	(16.45)	(15.41)	(23.21)	(50.58)
13	Earning per equity share (for continuing & discontinued operation) (not annualised)				
	(1) Basic	(16.45)	(15.41)	(23.21)	(50.58)
	(2) Diluted	(16.45)	(15.41)	(23.21)	(50.58)

Handwritten signature

METALYST FØRGINGS LIMITED

(formerly known as Ahmednagar Forgings Limited)

Registered Office :

Gat No.614, Village Kuruli Khed, Pune, Maharashtra - 410501

Tel.: +91-2135-252148 Fax: +91-2135-252105

CIN No. is L28910MH1977PLC019569

Notes to financial results:

- 1 The company has been under Corporate Insolvency Resolution Process (CIRP) since December 15, 2017 under the provisions of The Insolvency and Bankruptcy Code 2016 (Code). Pursuant to the order, Mr Dinkar T. Venkatasubramanian was appointed as Interim Resolution Professional (IRP) and subsequently as per Section 22 (1) of the Code, the Resolution Professional (RP) to perform the functions as laid down in the Code. Since then the RP is managing the Company's business and assets on going concern basis.
- 2 Under the CIRP, resolution plan need to be presented to and approved by the CoC thereafter will need to be approved by NCLT to keep the company as a going concern. Pursuant to the provisions of the Code, the Committee of Creditors has approved the resolution plan submitted by Deccan Value Investors L.P. through a - voting process (held from 10 am on August 24, 2018 till 10 am on August 25, 2018) which was conducted subsequent to the meeting of Committee of Creditors held on August 21, 2018 and the same is subject to approval by the Hon'ble NCLT. Accordingly Undudited Financial Results for the quarter ended June 30th, 2019 have been prepared on a going concern basis.
- 3 As the powers of the Board of Directors have been suspended, the above results have not been adopted by the Board of Directors. However, the same have been signed by Whole Time Director of the Company confirming accuracy & completeness of the results on 13 the August, 2019. The same have also been subjected to Limited Review by the Statutory Auditor.
- 4 Considering the current operating levels of the Company, and the ongoing CIRP it is not possible to determine:
 - a. Impairment, if any, in the economic value of the fixed assets, capital work in progress and tools & dies;
 - b. Diminution, if any, in the value of Investments.
- 5 As per the Code the RP has to receive, collate and reconcile all the claims submitted by the creditors of the company. Such claims can be admitted to the RP during the CIRP, till the approval of a resolution plan by the CoC. The RP has verified and admitted the claims submitted by the creditors against the company as per the Code. Pending finalisation of resolution plan, the impact of such claims if any that may also has not been considered in the preparation of the financial statements. Further, interest on the financial debt from the date of commencement of CIRP (i.e. from 15th December 2017 till 30th June 2019) has not been provided in the books of accounts and charged to the Profit and Loss account.
- 6 Trade receivables, Loans & Advances and other recoverable at June 30th 2019, which also includes balances from the group entities, are subject to confirmation/reconciliation and recoverability assessment thereof is under process.
- 7 The company is in the business of manufacturing steel forging products and hence has only one reportable operating segment as per IND AS 108 "operating segments".
- 8 Considering the ongoing Corporate Insolvency Resolution Process, the uncertainty as to the realisation of unused tax losses and MAT credit available cannot be ascertained at this stage. Consequently, adjustment to Deferred Tax (Net) and MAT Credit available have not been given effect to.
- 9 Figures for the quarter ending 31.03.2019 are the balancing figures between audited figures in respect of the full financial year ended 31.03.2019 & the unaudited published year to date figures upto 31.12.2018 which was subjected to limited review report.
- 10 Previous period figures have been regrouped/rearranged wherever considered necessary to make them comparable with current period.

Date : 13.08.2019

Place : New Delhi

For METALYST FØRGINGS LIMITED



Arun Maiti
Chief Financial
Officer



Shekha Gupta
Whole Time
Director



RAJ GUPTA & CO.

Chartered Accountants

Head Off: 3049/1 Sector 38-D

Chandigarh - 160036

Phone (0161)2430089, 9815643637

E-mail: carajguptaco@gmail.com

www.carajguptaco.com

Admin off: 271, Maya Nagar,
Near Gurudwara, Civil Lines
Ludhiana-141001

Delhi off: F-6, Shopping
Centre-1, Mansarovar Garden,
New Delhi - 110015

INDEPENDENT AUDITORS' REVIEW REPORT

To

**The Resolution Professional of
METALYST FORGINGS LIMITED**

We, the Statutory Auditors, of the Company have reviewed the accompanying statement of Standalone unaudited financial results of M/s METALYST FORGINGS LIMITED for the period ended 30th June, 2019 being submitted by the company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including relevant circulars issued by SEBI from time to time.

A corporate insolvency resolution process ("CIRP") has been initiated against the company vide an order of Mumbai bench of the National Company Law Tribunal (NCLT) dated December 15, 2017 under the provisions of the insolvency and bankruptcy code 2016 (Code). Pursuant to the order, the power of the Board of directors stands suspended and are exercisable by Mr. Dinker T. Venkatasubramanian, who was appointed as interim resolution professional (IRP) by the NCLT vide order dated December 15, 2017 and was consequently confirmed as Resolution Professional (RP) by the Committee of Creditors (COC) in its meeting held on January 12, 2018. The members of the COC (vide the meeting held 18 May 2018) authorised RP to file an application to NCLT for extension of CIRP period by 90 days (i.e. from 180 days to 270 days) as per the Code.

As the powers of the Board of Directors have been suspended, the above results have not been adopted by the Board of Directors. However, the same have been signed by Mr. Shekhar Gupta, whole time director of the Company, confirming, accuracy & completeness of the results and taken on record but not signed by Mr. Dinker T. Venkatasubramanian (Resolution professional)

This Statement, which is the responsibility of the company's management, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standards 34, Interim Financial Reporting (IND AS 34) prescribed under section 133 of the Companies Act, 2013 ("the Act"), SEBI Circular CIR/CFD/FAC/62/2016 dated 5 July 2016 (hereinafter referred to as 'the SEBI Circular') and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statements 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. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review





RAJ GUPTA & CO.

Chartered Accountants

Head Off: 3049/1 Sector 38-D

Chandigarh - 160036

Phone (0161)2430089, 9815643637

E-mail: carajguptaco@gmail.com

www.carajguptaco.com

Admin off: 271, Maya Nagar,
Near Gurudwara, Civil Lines
Ludhiana-141001

Delhi off: F-6, Shopping
Centre-1, Mansarovar Garden,
New Delhi - 110015

procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing specified under Section 143(10) of the Act, and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the SEBI Circular CIR/CFD/CMD1 /44/2019 dated 29 March 2019 issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), to the extent applicable

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit report on the statement.

Basis for qualification

We draw attention to the following:

1. As per "**Indian Accounting Standard 36**" which talks about impairment of asset, if the carrying amount of the asset is more than recoverable amount then asset need to be impaired and as per "**Indian Accounting Standard 109**" on financial instruments which also contains provisions of impairment of financials assets through expected credit loss method basis these provisions we were required to seek for any impairment obligations from management but since the corporate debtors is still under the process CIRP and resolution professional and committee of creditors are in the process of finalization successful resolution applicant and the management has not determined value in use thus impairment of Fixed Assets including Capital Work In Progress (Rs. 233329.34 Lacs), Old Trade Receivables which have been standing in the books of account before initiation of CIRP process, accordingly we are unable to ascertain the effect of the same on the Financial statements.
2. As per "**Indian Accounting Standard 109**" company was required to get the Investment (Rs. 34706.70 Lacs) at fair value but the same has not been done by the company, accordingly we are unable to ascertain the effect of the same on the Financial Statements.
3. Considering the current operating levels of the company, and the ongoing corporate insolvency resolution process company has not made any impairment in the value of tools and dies amounts to Rs. 8269.76 Lakhs. Moreover, company is showing such tool and dies as inventory. Accordingly, we are unable to comment upon the effect of the same on the Financial Statements.





RAJ GUPTA & CO.
Chartered Accountants

Head Off: 3049/1 Sector 38-D

Chandigarh - 160036

Phone (0161)2430089, 9815643637

E-mail: carajguptaco@gmail.com

www.carajguptaco.com

Admin off: 271, Maya Nagar,
Near Gurudwara, Civil Lines
Ludhiana-141001

Delhi off: F-6, Shopping
Centre-1, Mansarovar Garden,
New Delhi - 110015

Conclusion:

In our opinion and to best of our information and according to the explanations given to us, the statement:

- a. is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016: and
- b. gives a true and fair view except for the matters described in Basis for qualified opinion as given herein above, in conformity with the aforesaid Indian Accounting Standards and other principles generally accepted in India of the total comprehensive income and other information of the company for the quarter ended June 30, 2019.

1. Emphasis of Matter

We draw attention to the following matters:-

- a. Note No. 1 regarding Corporate Insolvency Resolution Process(CIRP) initiated under Insolvency and Bankruptcy Code, 2016 ('the Code') and the outcome of the CIRP is subject to decision of APEX Court / NCLT.
- b. The Company has been continuously making losses, consequently its net worth is negative and the Company's total liabilities exceeded its total assets. This indicates the existence of material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. However, in view of the CIRP in respect of the Company, which is in progress, the accounts have been prepared on a going concern basis [Refer Note 2 to financial results];
- c. Considering the ongoing corporate insolvency resolution process (as mentioned in Note No 1 & 2) the certainty as to the realization of unused Tax Losses and MAT credit available cannot be ascertained at this stage. Consequently, adjustment to deferred tax (net) and MAT credit available have not been given effect to. (Refer Note 8 to financial results)
- d. As per the code the RP has to receive, collate and reconcile all the claims submitted by the creditors of the company. Such claims can be admitted to the RP during the CIRP, till the approval of a resolution plan by the CoC. The RP has





RAJ GUPTA & CO.

Chartered Accountants

Head Off: 3049/1 Sector 38-D

Chandigarh - 160036

Phone (0161)2430089, 9815643637

E-mail: carajguptaco@gmail.com

www.carajguptaco.com

Admin off: 271, Maya Nagar,
Near Gurudwara, Civil Lines
Ludhiana-141001

Delhi off: F-6, Shopping

Centre-1, Mansarovar Garden,

New Delhi - 110015

verified and admitted the claims submitted by the creditors against the company as per the Code. Pending finalization of resolution plan, the impact of such claims if any that may also have not been considered in the preparation of the financial statements. Further, interest on the financial debt from the date of commencement of CIRP (i.e. from 15th December 2017 till 30th June, 2019) has not been provided in the books of accounts and charged to the Profit and Loss account.

- e. We have relied upon the report of another auditor for valuation of the inventory taken in the books of account and we have not Physically verified the same.
- f. Trade receivables & other receivables are subject to confirmation/reconciliation.

Place: New Delhi

Dated: 13.08.2019

UDIN → 19017039 AAAADA 4108

For Raj Gupta & Co.
Chartered Accountants

Raj Kumar Gupta

Partner

Membership No. 017039