

To,
BSE Ltd.
(Scrip Code-500365)
Listing Department,
P. J. Towers, Dalal Street,
Mumbai - 400 001

November 13, 2018

Reg: Un-audited financial results for the quarter and half year ended September 30, 2018

Dear Sir/ Madam,

Please be informed that pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith Un-audited Financial Results for the quarter and half year ended September 30, 2018 ("UFR") prepared in accordance with IND-AS, as reviewed by the Audit Committee and approved by the Board of Directors of the Company at their respective meetings held today. Also attached is the Limited Review Report of the Auditors of the Company on the UFR.

The Board meeting commenced at 12.30 pm and concluded at 3.10 P.M.

Kindly take the same on record.

Yours Faithfully,
For RMG Alloy Steel Limited


Rashmi Mamtura
Company Secretary
F-8658



RMG ALLOY STEEL LTD

Regd. Office : Plot No. 1, GIDC Industrial Estate, Jhagadia, Dist. Bharuch, Gujarat-393110
 Website : www.rmgalloysteel.com, Email ID : allcompanysecretaryofrmgl@welspun.com
 CIN : L27100GJ1980PLC020358

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

(Rs. In Lacs)

Sr. No	Particulars	Quarter Ended			Half Year Ended		Year Ended
		30.09.2018	30.06.2018	30.09.2017	30.09.2018	30.09.2017	31.03.2018
		Un-Audited			Un-Audited		Audited
1	Income						
a)	Revenue from Operations	13,006	11,046	1,254	24,052	5,644	24,009
b)	Other Income	56	196	20	253	232	468
	Total Revenue	13,062	11,242	1,274	24,305	5,876	24,477
2	Expenses						
a)	Cost of materials consumed	7,556	7,076	349	14,633	2,984	14,624
b)	Changes in inventories of finished goods, work in progress and stock in tra	1,063	(481)	483	582	(560)	(1,109)
c)	Excise Duty on sale of goods	-	-	-	-	483	483
d)	Employees benefits expenses	662	474	323	1,137	676	1,428
e)	Depreciation and Amortisation expenses	168	163	165	331	329	661
f)	Power & fuel	2,376	2,360	523	4,735	1,881	5,897
g)	Finance Costs	130	539	1,154	670	2,308	4,683
h)	Consumption of stores & spares	1,802	1,475	196	3,277	503	2,413
i)	Other expenses	710	717	208	1,428	449	1,348
	Total Expense	14,467	12,323	3,401	26,793	9,053	30,428
3	Profit/(Loss) before exceptional items and Tax (1-2)	(1,405)	(1,081)	(2,127)	(2,488)	(3,177)	(5,951)
4	Exceptional Items {Refer note - 5 (a) and (b)}	-	2,949	-	2,949	-	500
3	Profit/(Loss) before tax (1-2)	(1,405)	1,868	(2,127)	461	(3,177)	(5,451)
4	Tax expenses	-	-	-	-	-	-
5	Net Profit/(Loss) for the period (3-4)	(1,405)	1,868	(2,127)	461	(3,177)	(5,451)
6	Other Comprehensive Income						
a)	Items that will be reclassified to profit or loss						
	Items that will not be reclassified to profit or loss	3	3	(8)	6	(17)	13
	Total Other Comprehensive Income Net of Income tax	3	3	(8)	6	(17)	13
	Total Comprehensive Income for the period	(1,402)	1,871	(2,135)	467	(3,194)	(5,438)
7	Paid-up equity share capital (Rs.6/- per equity share)	20,802	20,802	6,506	20,802	6,506	6,506
8	Earnings per share (Face Value of Rupees 6/ Each)						
	- Basic	(0.46)	0.84	(2.13)	0.02	(3.26)	(5.84)
	- Diluted	(0.46)	0.67	(2.13)	0.01	(3.26)	(5.84)



STATEMENT OF ASSETS AND LIABILITIES

(Rs. In Lacs)

Sr No	Particulars	As at 30th	As at 31st
		Sep	Mar
		2018	2018
		(Un-Audited)	(Audited)
	ASSETS		
	I Non-current assets		
	(a) Property, Plant and Equipment	10,332	10,542
	(b) Capital Work in Progress	3,148	714
	(C) Intangible assets	2	0
	(d) Income tax assets (net)	213	192
	(e) Other non-current assets	887	247
	Total non-current Assets	14,582	11,695
	II Current assets		
	(a) Inventories	6,786	6,504
	(b) Financial assets		
	(i) Investments	-	6,711
	(ii) Trade receivables	11,590	8,002
	(iii) Cash and cash equivalents	3,641	24,258
	(iv) Bank Balance Other than Cash and Cash Equivalent	643	184
	(c) Other current assets	858	699
	Total Current Assets	23,518	46,358
	(III) Assets Held For Sale	11	-
	Total Assets	38,111	58,053
	EQUITY AND LIABILITY		
	IV Equity		
	(a) Equity share capital	20,802	6,506
	(b) Other equity	(41,660)	(39,088)
	(c) Money received against warrants	2,082	-
	Total Equity	(18,776)	(32,582)
	V Non-current liabilities		
	(a) Financial liabilities		
	(i) Borrowings	35,065	48,535
	(ii) Other financial liabilities	775	-
	(b) Long term Provisions	267	159
	(c) Other non current liabilities	4,672	-
	Total non-current liabilities	40,779	48,694
	VI Current liabilities		
	(a) Financial liabilities		
	(i) Short term borrowings	1,792	27,779
	(ii) Trade payables	10,268	7,470
	(iii) Other financial liabilities	2,971	6,330
	(b) Other current liabilities	1,038	324
	(c) Short term Provisions	38	38
	Total current liabilities	16,108	41,941
	TOTAL EQUITY AND LIABILITIES	38,111	58,053

Notes :

- 1 The above results have been reviewed by the Audit Committee and thereafter were approved and taken on record by the Board of Directors at its meeting held on 13th November, 2018.
- 2 The Company is engaged in the business of steel & steel products which in the opinion of the Management is considered the only business segment in the context of IND AS 108 on "Operating Segment", as specified under section 133 of Companies Act, 2013, read with the Companies (Indian Accounting Standards) Rules, 2015.
- 3 As the deferred tax asset is higher than the deferred tax liability as computed in accordance with the IND AS 12, specified under section 133 of Companies Act, 2013, read with the Companies (Indian Accounting Standards) Rules, 2015, the Company, as a matter of prudence, has not recognised any deferred tax asset.
- 4 With the ongoing fund raising activities through preferential allotment of shares and warrants to Welspun Steel Limited & other investors and the amount raised have been / will be utilized mainly for repayment of borrowings, augmentation of working capital and capex for offering new / improved product range, there is significant reduction of debt and interest burden and better potential from the product range. Accordingly, inspite of negative net worth of the Company, the financial result have been prepared on a going concern basis and no adjustments are required to the carrying amount of assets and liabilities. This matter has been referred to by Auditors in the report as matter of emphasis.
- 5 a) During the quarter ended 30th June 2018, the Company paid Rs.29,458 Lacs to lenders and got waiver of Rs. 3,091 Lacs. In the year ended on 31st March 2018, the Company paid Rs.2,264 Lacs and got waiver of Rs. 500 Lacs .
 b) As per the recent Judgement of Supreme Court of India in case of Civil Appeal Nos 13047-13048 of 2017 held that reduction in input tax credit in case of sale in course of inter-state would be applied whenever a case gets covered by sub-clause (ii) and again when sub-clause (iii) of section 11(3) of Gujarat Value Added tax Act, 2003 is attracted. Accordingly during the quarter ended 30th June 2018 the Company has calculated and reversed Vat refundable amount of Rs 141.78 lacs pertaining to the earlier years.



- 6 On June 1, 2018, the Nomination and Remuneration Committee has granted 17,82,000 employees stock options to the eligible employees under "RMG Alloy Steel Limited Employees Stock Option (Senior Management Personnel) Plan - 2018" each Option giving the right but not obligation to the holder to opt for one fully paid-up Equity Share in the Company of face value of Rs.6/- each fully paid up in terms of the Scheme and grant letter.
- 7 With effect from 1st April 2018, the Company has adopted Ind AS 115, 'Revenue from Contracts with Customers'. The Company has applied cumulative effect method which does not require comparative information to be restated in the above standalone financial results. Further, the standard is applied retrospectively only to contracts that were not completed as at the date of initial application (i.e. 1st April, 2018). There is no significant net impact on retained earnings as at 1st April, 2018 and net loss / profit for the Quarter and Half Year ended 30th September, 2018.
- 8 The figures for the previous periods have been regrouped / rearranged, wherever necessary, to make them comparable.

Date: 13th November 2018
Place: Mumbai

For and on behalf of Board



[Handwritten Signature]
Director

Independent Auditor's Review Report

Limited Review Report on unaudited quarterly and year-to-date Financial Results of RMG ALLOY STEEL LIMITED Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

To,
The Board of Directors of **RMG Alloy Steel Limited**,

1. We have reviewed the accompanying statement of unaudited Financial Results ("the Statement") of **RMG Alloy Steel Limited ("the Company")** for the quarter ended 30th September 2018 and year to date from 1st April 2018 to 30th September 2018, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with relevant circulars issued by SEBI.
2. This Statement is the responsibility of the Company's management and has been approved by the Board of Directors in their meeting held on 13th November, 2018. Our responsibility is to issue a report on the Statement based on our review.
3. 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' specified under Section 143 (10) of the Companies Act, 2013 ('the Act'). 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's 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.
4. 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 ('Ind AS') prescribed under Section 133 of the Act read with relevant rules issued thereunder and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 read with relevant circulars issued by SEBI, including the manner in which it is to be disclosed, or that it contains any material misstatement.

Emphasis of Matter

5. We draw attention to Note 4 of the accompanying statement; the Company's net worth is eroded indicating the existence of uncertainty that may cast doubt about the Company's ability to continue as a going concern. Considering the matters set out in the said note, this statement is prepared on a going concern basis. Our review report is not modified in respect of this matter.

For Pathak H.D. & Associates
Chartered Accountants
(Firm's Registration No: 107783W)



Vishal D. Shah
Partner
Membership No. 119303

Place: Mumbai
Date : 13th November, 2018

