



Ankit Metal & Power Ltd.

CIN No. : L27101WB2002PLC094979

Date: 15th September, 2020

Corporate & Communication Office :

SKP HOUSE

132A, S.P. Mukherjee Road, Kolkata - 700 026

Telephone : +91-33-4016 8000/8100

Fax : +91-33-4016 8107

E-mail : info@ankitmetal.com,

Web : www.ankitmetal.com

Works :

P.O.-Jorehire, P.S.-Chhatna,

Dist.-Bankura, Pin-722137

West Bengal

Telephone : (03242) 280593/280594

To The Listing Department BSE Limited P. J. Towers, 25 th floor Dalal Street, Mumbai – 400 001 Ref: Scrip Code 532870	To The Listing Department National Stock Exchange of India Limited Exchange Plaza Bandra Kurla Complex Mumbai – 400 051 Ref: Scrip Symbol – ANKITMETAL
--	--

Sub: Outcome of Board Meeting - Regulation 30 and 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir/Madam,

Pursuant to Regulation 30 and 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the Un-audited Financial Results of the Company for the quarter ended 30th June, 2020 in the specified format, along with the Statutory Auditors Report as considered and approved by the Board of Directors of the Company at its meeting held today, i.e. Tuesday, 15th September, 2020 commenced at 04.45 P.M. and concluded at 06.00 P.M.

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

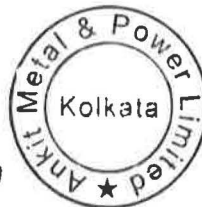
Thanking You,

For Ankit Metal & Power Limited

Vineeta Barmecha

Vineeta Barmecha

(Company Secretary & Compliance Officer)



Encl.: As above

Independent Auditor's Review Report on Unaudited Financial Results of Ankit Metal & Power Limited

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

1. We have reviewed the accompanying statement of Financial Results of Ankit Metal & Power Limited ("the Company") for the quarter ended **30th June, 2020**, ("the statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Regulation"), as amended.
2. This statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under section 133 of the Companies Act, 2013 as amended, read with relevant rules issued there under and other accounting principles generally accepted in India and in compliance with Regulation 33 of Listing Regulations. 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 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 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, except for the possible effects of the matter described in the paragraph 5 below "Basis for Qualified Conclusion" and read with our comments in paragraph 6 & 7 below, nothing has come to our attention that causes us to believe that the statement, prepared in accordance with the recognition and measurement principles laid down in the applicable Indian Accounting Standards



prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued there under and other 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, as amended, including the manner in which it is to be disclosed or that it contains any material misstatement.

Basis for Qualified Conclusion

5. We draw your attention to **Note No. 3** of the accompanying Financial Statements regarding non provision of interest expense on the borrowings of the Company amounting to ₹3,012.97 Lacs for the quarter ended 30th June, 2020 (cumulative non-provisioning of ₹56,022.28 Lacs till 30th June, 2020) and penal interest and charges thereof (amount remaining unascertained) which is not in accordance with the requirements of Ind AS 23: Borrowing Costs read with Ind AS 109: Financial Instruments.

Had the aforesaid interest expense been recognized, the finance cost for the quarter ended 30th June, 2020 would have been ₹3,710.25 Lacs instead of ₹697.28 Lacs. The total expenses for the quarter ended 30th June, 2020 would have been ₹12,830.18 Lacs instead of ₹9,817.21 Lacs. The Net Loss after tax for the quarter ended 30th June, 2020 would have been ₹5,650.24 Lacs instead of reported amount of ₹2,637.27 Lacs. Total comprehensive Loss for the quarter ended 30th June, 2020 would have been ₹5,641.17 Lacs instead of reported amount of ₹2,628.20 Lacs.

The above reported interest has been calculated by using Simple Interest rate.

6. Emphasis of Matters

i) We draw your attention to **Note No. 2** to the financial result which explains the uncertainties and the management's assessment of the financial impact due to the lock-downs and other restrictions and conditions related to the COVID-19 pandemic situation, for which a definitive assessment of the impact in the subsequent period is highly dependent upon circumstances as they evolve.

ii) As referred in **Note No. 5** of the Financial Results, Certain balances of "Trade Receivables", "Trade Payables", "Borrowings", "Advances from Customers", "Advances Recoverable In Cash or Kind", "Advance to Suppliers and Other Parties", "Current Accounts and Cash Credit Accounts in Banks" etc includes balances remaining outstanding for a substantial period. The balances are subject to confirmation/reconciliation. The reported Financials might have consequential impact which remains unascertained.



iii) Substantial amount of statutory dues amounting to ₹ 2,008.21 Lacs has become overdue and remain unpaid. Interest, penalty if any in respect of the same has remained unascertained and unaccounted for.

Our opinion is not modified in these matters.

7. Material Uncertainty Relating to Going Concern

We draw your attention to **Note No. 4** of the financial statements regarding preparation of the financial statements on going concern basis, for the reason mentioned therein. The company has accumulated losses during the quarter ended 30th June, 2020. As on date the Company's current liabilities are substantially higher than its current assets and net worth has also been fully eroded. These conditions indicate the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as going concern. The appropriateness of assumption of going concern is critically dependent upon the debt resolution of the Company which is under process, the Company's ability to raise requisite finance, generation of cash flows in future to meet its obligation and to earn profit in future.

Our opinion is not modified in these matters.

For J.B.S & Company
Chartered Accountants
Firm Reg. No: 323734E



Paul

CA. Gouranga Paul
Partner
Membership No: 063711

Date: 15th September, 2020

Place: Kolkata

UDIN: 20063711AAAAGW6886

Statement of Unaudited Financial Results for the quarter ended 30th June, 2020

(₹ in Lacs)

	Particulars	Quarter ended			Year ended
		30-06-2020	31-03-2020	30-06-2019	31-03-2020
		(Unaudited)	(Audited)	(Unaudited)	(Audited)
1	Revenue				
	(a) Revenue from Operations	7,099.19	15,078.06	14,509.24	53,465.11
	(b) Other Operating Revenue	79.03	101.60	92.64	1,362.59
	Total Revenue from Operations (a+b)	7,178.22	15,179.66	14,601.88	54,827.70
	(c) Other Income	1.72	1.72	1.46	6.11
	Total Revenue (a+b+c)	7,179.94	15,181.38	14,603.34	54,833.81
2	Expenses				
	(a) Cost of Raw Materials consumed	7,062.06	6,888.66	13,224.18	34,237.54
	(b) Purchases of Stock-in-Trade	513.00	1,259.50	-	1,791.51
	(c) Changes in inventories of finished goods and work-in-progress	(1,118.64)	3,543.90	835.02	7,465.50
	(d) Employee Benefits Expense	75.57	443.70	604.08	2,063.01
	(e) Finance Cost	697.28	4,174.86	(313.86)	4,423.16
	(f) Depreciation and Amortisation Expense	960.00	1,290.53	1,215.87	5,113.38
	(g) Power	343.73	651.77	131.82	1,905.46
	(h) Other Expenses	1,284.21	540.69	1,843.10	5,338.71
	Total Expenses	9,817.21	18,793.61	17,540.21	62,338.27
3	Profit/(Loss) before Exceptional Items and Tax (1-2)	(2,637.27)	(3,612.23)	(2,936.87)	(7,504.46)
4	Exceptional Items	-	-	-	-
5	Profit/(Loss) before Tax (3-4)	(2,637.27)	(3,612.23)	(2,936.87)	(7,504.46)
6	Tax Expenses	-	-	-	-
7	Profit for the period/year (5-6)	(2,637.27)	(3,612.23)	(2,936.87)	(7,504.46)
8	Other Comprehensive Income/(Loss) (net of tax)				
	(A) (i) Items that will not be reclassified to profit or loss	9.07	(72.72)	(3.50)	(76.27)
	(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	-	-	-	-
9	Total Comprehensive Income (7+8)	(2,628.20)	(3,684.95)	(2,940.37)	(7,580.73)
10	Paid-up Equity Share Capital (Face Value of ₹ 10/- each)	14,111.05	14,111.05	14,111.05	14,111.05
11	Earnings Per Share (Face value of ₹ 10/- each):				
	(a) Basic (₹)	(1.87)	(2.56)	(2.08)	(5.32)
	(b) Diluted (₹)	(1.87)	(2.56)	(2.08)	(5.32)



ANKIT METAL & POWER LIMITED

Registered Office : 35, Chittaranjan Avenue, Kolkata - 700 012

Phone: 033 4016 8000, E-mail Id: cs@ankitmetal.com

CIN: L27101WB2002PLC094979

NOTES:-


- 1) The above results for the quarter ended ended 30th June, 2020 have been prepared in accordance with Indian Accounting Standard (Ind AS) notified under section 133 of the companies Act 2013 read together with the Companies (Indian Accounting Standards) Rules, 2015 and have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 15th September, 2020.
- 2) The COVID-19 pandemic has adversely impacted the economy and business. Supply Chain disruptions in India as a result of the outbreak started with restrictions on movement of goods, closure of borders etc., in several states followed by a nationwide lockdown to curb the spread of COVID-19. Due to this, the manufacturing operations of the Company along with supply and distribution got temporarily disrupted.
Accordingly, the sales volume for the quarter ended 30th June, 2020 has been impacted and therefore, the results of this period are not comparable to that of the previous corresponding period results. The Management has assessed its position and does not anticipate any challenge in the Company's ability to continue as a "Going Concern" including recoverability of the carrying value of all assets. The impact of the pandemic in the subsequent periods is dependent on the situation as they evolve.
- 3) The lenders have stopped charging interest on debts, since the dues from the Company have been categorized as Non Performing Asset. The Company is in active discussion/negotiation with it 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 as the account was declared NPA by the respective lenders. The amount of interest has been recognised in the books of accounts to the extent amount charged/realised by the banks as reflected in the Bank Statements. The amount of interest not so provided stands at ₹ 3,012.97 Lacs for the quarter ended 30th June, 2020 and penal interest and charges thereof (amount remaining unascertained). The unprovided liability in respect of interest on Long Term and Short Term Borrowings as on 30th June, 2020 amounted to ₹ 56,022.28 Lacs. The same have consequential impact on the reported figures.
- 4) The Company has incurred loss of ₹ 2,628.20 Lacs for the quarter ended 30th June, 2020. The accumulated loss as on 30th June, 2020 is ₹ 1,13,055.92 Lacs which is in excess of the entire net worth of the Company. The manufacturing operations of the Company along with supply and distribution got temporarily disrupted due to COVID-19 Pandemic. However, the Company foresees that there will be substantial improvement in raw material availability and improvement in market scenario with notification of Minimum Import Price on steel and expects that the overall financial health would improve considerably. Considering the same, the Company has prepared the financial results on the basis of "Going Concern" assumption.
- 5) In the opinion of the management, current and non current asset have a value of realization in the ordinary course of business at least equal to the amount at which they are stated in the accounts. Certain balances of "Trade Receivables", "Trade Payables", "Borrowings", "Advances from Customers", "Advances Recoverable In Cash or Kind", "Advance to Suppliers and Other Parties", "Current Accounts and Cash Credit Accounts in Banks", etc includes balances remaining outstanding for a substantial period. The balances are subject to confirmations and reconciliations. The Balance with revenue authorities are subject to final assessment order and/or submission of returns. The reported financials might have consequential impact once the confirmations are received and reconciliation if any is made.
- 6) Various credit facilities availed from SBI, Allahabad Bank, IOB, UBI and IDBI have been assigned by the respective banks in favour of Asset Reconstruction Companies under various assignment agreements between the respective banks and Asset Reconstruction Companies. In absence of information about the terms of assignments, the Company is carrying the various credit facilities as appearing in the books as per the previous terms with the respective banks.
- 7) During the financial year ended 30th June, 2020 under review, the Company has raised debit notes of ₹ 18.85 Lacs (inclusive of GST) on various suppliers which are yet to be acknowledged by the respective suppliers. Pending such acknowledgement, the Company has recognised the same in the books of accounts.
- 8) 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.
- 9) The figures for the quarter ended 31st March, 2020 are the balancing figures between the audited figures in respect of the full financial year ended 31st March, 2020 and the unaudited published figures upto third quarter ended 31st December, 2019.
- 10) The figures for the previous period/year have been regrouped and /or reclassified to conform to the classification of current period/year wherever necessary.

Place: Kolkata

Date: 15th September, 2020



On behalf of the Board of Directors
For Ankit Metal & Power Limited


Suresh Kumar Patni
Chairman