

**RMG ALLOY STEEL LTD.**

(Formerly Remi Metals Gujarat Ltd.)

Regd. Office : Plot No. 1, GIDC Industrial Estate, Jhagadia, Dist. Bharuch, Gujarat.

**STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER & HALF YEAR ENDED 30TH SEPTEMBER, 2013**

PART I		Quarter ended			Half Year ended		Rs in lacs	
Sr	No	Particulars	30th	30th June	30th September	30th	30th	31st March
			September			September	September	
			2013	2013	2012	2013	2012	
			Unaudited			Audited		
1		Income from Operations						
a)		Net sales / Income from operations	10,924	10,389	7,550	21,313	19,275	35,297
b)		Other operating income	44	-	22	44	89	122
		<b>Total</b>	<b>10,968</b>	<b>10,389</b>	<b>7,572</b>	<b>21,357</b>	<b>19,364</b>	<b>35,419</b>
2		Expenses						
a)		Cost of materials consumed	7,130	6,990	4,797	14,120	11,594	21,340
b)		Changes in inventories of finished goods, work	195	(202)	154	(7)	1,099	2,072
c)		Employees benefit expense	458	586	708	1,044	1,390	2,510
d)		Depreciation	558	558	580	1,114	1,115	2,227
e)		Power & fuel	1,690	1,720	1,706	3,410	3,804	6,846
f)		Other expenses	1,551	1,422	1,177	2,973	2,898	5,163
		<b>Total</b>	<b>11,582</b>	<b>11,072</b>	<b>9,102</b>	<b>22,654</b>	<b>21,897</b>	<b>40,166</b>
3		Profit/(Loss) from operations before other income, finance costs and exceptional	(814)	(683)	(1,530)	(1,297)	(2,533)	(4,747)
4		Other income	48	37	37	85	100	267
5		Profit/(Loss) from ordinary activities before finance costs and exceptional items (3+4)	(566)	(646)	(1,493)	(1,212)	(2,433)	(4,480)
6		Finance Costs	1,386	1,255	1,237	2,641	2,442	4,850
7		Profit/(Loss) from ordinary activities after finance costs but before exceptional items (5-6)	(1,952)	(1,901)	(2,730)	(3,853)	(4,875)	(9,330)
8		Exceptional items	-	-	-	-	-	-
9		Profit/(Loss) from ordinary activities before tax	(1,952)	(1,901)	(2,730)	(3,853)	(4,875)	(9,330)
10		Tax expenses	-	-	-	-	-	-
11		Net Profit/(Loss) from ordinary activities after tax (9-10)	(1,952)	(1,901)	(2,730)	(3,853)	(4,875)	(9,330)
		Extraordinary item (net of tax expense Rs. nil)	-	-	-	-	-	-
12		Net Profit(+)/Loss(-) for the period (11-12)	-	-	-	-	-	-
13		Paid-up equity share capital (Rs.6/- per equity share)	(1,952)	(1,901)	(2,730)	(3,853)	(4,875)	(9,330)
14		Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year	6,506	6,506	6,506	6,506	6,506	6,506
15		Earnings per share (before extraordinary items)	-	-	-	-	-	(18,110)
16i		Basic & Diluted (in Rupees) (Face Value of Rupees 6/ Each)	(1.80)	(1.75)	(2.52)	(3.55)	(4.50)	(8.65)
16ii		Earnings per share (after extraordinary items)	-	-	-	-	-	-
		Basic & Diluted (in Rupees) (Face Value of Rupees 6/ Each)	(1.80)	(1.75)	(2.52)	(3.55)	(4.50)	(8.65)
PART II								
A		PARTICULARS OF SHAREHOLDING						
Public Shareholding								
-		Number of shares	13817166	13817166	13817166	13817166	13817166	13817166
-		Percentage of shareholding	12.74	12.74	12.74	12.74	12.74	12.74
Promoters & Promoter group shareholding								
a)		Pledged/Encumbered						
-		Number of shares	-	-	-	-	-	-
-		Percentage of shares (as a % of the total share promoters & promoter group)	-	-	-	-	-	-
-		Percentage of shares (as a % of the total share company)	-	-	-	-	-	-
b)		Non-encumbered						
-		Number of shares	94818674	94818674	94818674	94818674	94818674	94818674
-		Percentage of shares (as a % of the total share promoters & promoter group)	100	100	100	100	100	100
-		Percentage of shares (as a % of the total share company)	87.26	87.26	87.26	87.26	87.26	87.26
B		Investor Complaints						
		Pending at the beginning of the quarter	-	-	-	-	-	-
		Received during the quarter	7	-	-	-	-	-
		Disposed of during the quarter	7	-	-	-	-	-
		Remaining unresolved at the end of the quarter	-	-	-	-	-	-

	Particulars	As at	As at
		30th September	31st March
		2013	2013
		Rs in lacs	
I	<b>EQUITY AND LIABILITIES</b>		
	<b>1 SHAREHOLDERS' FUNDS</b>		
	Share Capital	10,530	10,530
	Reserves and Surplus	(22,982)	(19,110)
		(12,452)	(8,580)
	<b>2 Share application Money Pending Allotment</b>	1,900	1,500
	<b>3 NON CURRENT LIABILITIES</b>		
	Long Term Borrowings	14,354	16,142
	Long-Term Provisions	128	268
		14,482	16,350
	<b>4 CURRENT LIABILITIES</b>		
	Short Term Borrowings		
	Trade Payables	14,753	12,821
	Other Current Liabilities	12,255	8,684
	Short Term Provisions	8,083	5,491
		17	27
		35,108	27,023
	<b>TOTAL</b>	<b>39,058</b>	<b>38,293</b>
II	<b>ASSETS</b>		
	<b>1 NON CURRENT ASSETS</b>		
	Fixed Assets	17,863	18,033
	Long-Term Loans And Advances	217	292
		18,080	18,325
	<b>2 CURRENT ASSETS</b>		
	Inventories	7,908	7,946
	Trade receivables	10,938	7,352
	Cash and Cash Equivalents	1,738	1,715
	Short term Loans and Advances	339	314
	Other Current Assets	57	41
		20,978	17,368
	<b>TOTAL</b>	<b>39,058</b>	<b>38,293</b>

**Notes :**

- The above results were 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, 2013.
- The Company is engaged in the business of steel & steel products such as Seamless Tubes & Rolled Products which in the opinion of the Management is considered the only business segment in the context of Accounting Standard 17 on "Segment Reporting".
- Deferred tax asset is more than deferred tax liability as computed in accordance with the Accounting Standard AS 22, notified in the Companies (Accounting Standards) Rules 2006, The Company, as a matter of prudence has not recognised deferred tax asset.
- The figures for the previous periods / year have been regrouped / rearranged, wherever necessary, to make them comparable.
- The prolonged slowdown in end user industries and weak business sentiment continue to weigh on and adversely impact the performance. However operating performance of current quarter, both on year on year and quarter on quarter basis, has improved. Having consideration to the impending infusion of long term funds by way of sale of assets, fresh equity/preference share issue, extension of fiscal incentives eligibility and proposed fresh loans from the lenders (sanction of the lead bank is received) to fund the planned capital expenditure as part of rationalisation of operations and implementation of turnaround strategies and other mitigating factors, financial statements have been prepared on going concern basis and no adjustments are required to the carrying amount of assets and liabilities.
- The Company expects to receive approval of Central Government to the appointment and remuneration of Shri Shashank Chaturvedi as an Executive Director, with effect from 15th October 2012, in due course.

Date: 13th November, 2013  
Place : Mumbai

On behalf of the Board

  
Shashank Chaturvedi  
Executive Director

To,  
The Board of Directors of RMG Alloy Steel Limited (formerly known as Remi Metals Gujarat Limited),

**LIMITED REVIEW REPORT ON THE UNAUDITED FINANCIAL RESULTS OF RMG ALLOY STEEL LIMITED (FORMERLY KNOWN AS REMI METALS GUJARAT LIMITED) FOR THE QUARTER AND SIX MONTH ENDED 30<sup>TH</sup> SEPTEMBER 2013.**

We have reviewed the accompanying statement of unaudited financial results ('the statement') of RMG Alloy Steel Limited (formerly known as Remi Metals Gujarat Limited) for the quarter and six month ended 30<sup>th</sup> September, 2013 except for the disclosures regarding 'Public Shareholding', 'Promoter and Promoter Group Shareholding' and undisputed number of investor complaints which have been traced from disclosures made by the management and have not been audited by us. 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 results based on our review.

We conducted our review 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. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the unaudited financial statements are free of material misstatement. A review is limited primarily to inquiries of Company personnel responsible for financial and accounting matters and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed audit and accordingly, we do not express an audit opinion.

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 has not been prepared in accordance with the accounting Standards notified under the Companies Act, 1956 (which continue to be applicable in respect of section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs) and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of clause 41 of the Listing Agreement with stock exchanges including the manner in which it is to be disclosed, or that it contains any material misstatement.

Attention is invited to notes to the financial results as under:


- a) Note 5 which describes that the Company's net worth is substantially eroded and the Company has continued incurring losses for the half year ended 30<sup>th</sup> September 2013, 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.
- b) Note 6 regarding remuneration paid to Executive Director which is pending for approval with the Central Government.

Our review opinion is not qualified in respect of these matters.



Place: Mumbai  
Date: 13<sup>th</sup> November 2013

**For Chaturvedi & Shah**  
**Chartered Accountants**  
Firm's Registration No. 101720W

  
Parag D. Mehta  
Partner  
Membership No. 113904