



Modern Steels Limited

CORPORATE OFFICE : 98-99, SUB CITY CENTRE, SECTOR 34, CHANDIGARH - 160 022 (INDIA)

Tel : +91-172-2609001, 2609002, FAX : +91-172-2609000

E-mail : info@modernsteels.com, CIN : L27109PB1973PLC003358

Ref: MSL/SECT/BSE/

Date: 13th December, 2017

The Secretary
Bombay Stock Exchange Limited
PhirozeJeejeebhoy Towers
Dalal Street,
Mumbai-400001

SUB: OUTCOME OF THE MEETING OF BOARD OF DIRECTORS

Dear Sir,

We wish to inform you that the Company in its Board meeting held today i.e. Wednesday, the 13th December, 2017, took the following decisions :-

- (i) Took note of the resignation of Mr. D.K. Gupta as Nominee of State Bank of India.
- (ii) Approved the relinquishment of Mr. Amarjit Goyal from the office of Whole Time Director of the Company but he will continue to be non-executive Chairman.
- (iii) Considered and approved the IND-AS based Un-audited Financial Results (Reviewed) for the quarter and half year ended 30th September, 2017. Copy of the financial results along with Limited Review Report for the quarter and half year ended 30th September, 2017 from Statutory Auditors of the Company is enclosed.

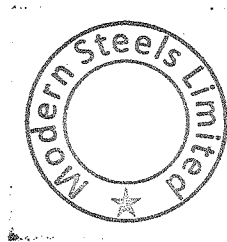
Please note that the Board of Directors meeting started at 4:00 p.m. and concluded at 5:40 p.m. on 13th December, 2017.

This is for your information and necessary action at your end.

Thanking you

Yours truly,
for **Modern Steels Limited**

(Ashish Sharma)
General Manager (Secretarial)
& Company Secretary





MODERN STEELS LIMITED

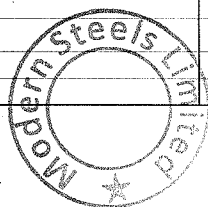
CIN : L27109PB1973PLC003358

Corporate Office : SCO 98-99, Sub City Centre, Sector 34, Chandigarh-160 022

Registered Office & Works : G.T. Road, Mandi Gobindgarh (Punjab) - 147 301

Website: www.modernsteels.com, Email: secretarial@modernsteels.com

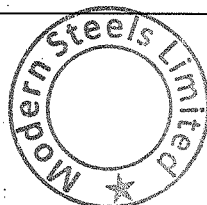
UNAUDITED FINANCIAL RESULTS (REVIEWED) FOR THE QUARTER AND SIX MONTHS PERIOD ENDED 30TH SEPTEMBER 2017						
Particulars	Rs. in Lacs except EPS					
	Quarter ended			Half Year ended		Year ended
	30.09.2017	30.06.2017	30.09.2016	30.09.2017	30.09.2016	31.03.2017
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Part I: Statement of Financial Results						
I Net sales/Income from Operations	10,396	10,358	9,185	22,800	18,231	35,415
II Other Income	42	50	61	92	117	255
III Total Income (I+II)	10,438	10,408	9,246	22,892	18,348	35,670
IV Expenses						
a) Cost of material consumed	5,692	5,090	4,341	10,782	8,139	17,117
b) Purchases of Stock - in - trade	464	367	-	831	182	193
c) Changes in inventory of finished goods and work in progress	(156)	(148)	53	(304)	401	(98)
d) Employees benefits expense	582	557	479	1,139	926	1,993
e) Finance Costs	55	41	578	96	1,191	486
f) Depreciation	141	135	134	276	269	535
g) Power and fuel	1,765	1,679	1,501	3,444	3,078	6,190
h) Excise Duty	-	1,146	1,014	3,192	2,016	3,911
i) Other expenditure	1,972	1,601	1,429	3,573	2,730	5,401
IV Total Expenses	10,516	10,468	9,529	23,029	18,932	35,728
V. Profit/(Loss) before Exceptional Items (III-IV)	(77)	(60)	(283)	(137)	(584)	(58)
VI. Exceptional items	-	-	-	-	-	-
VII. Profit / (Loss) from Ordinary Activities before tax (V-VI)	(77)	(60)	(283)	(137)	(584)	(58)
VIII. Tax expense:	-	-	-	-	-	-
IX. Profit / (Loss) for the period from continuing operations (VII-VIII)	(77)	(60)	(283)	(137)	(584)	(58)
X. Profit/Loss from discontinued operations	-	-	-	-	-	-
XI. Tax expenses of discontinued operations	-	-	-	-	-	-
XII. Profit / loss from discontinued operations (X-XI)	-	-	-	-	-	-
XIII. Net Profit/Loss for the period (XI-XII)	(77)	(60)	(283)	(137)	(584)	(58)
XIV Other Comprehensive Income	-	-	-	-	-	-
A (i) Items that will not be reclassified to profit and loss	-	-	-	-	32	-
(ii) Income tax relating to items that will not be reclassified to profit and loss	-	-	-	-	-	-
B (i) Items that will be reclassified to profit and loss	-	-	-	-	-	-
(ii) Income tax relating to items that will be reclassified to profit and loss	-	-	-	-	-	-
XV Total Comprehensive Income for the period comprising profit/(loss) and other comprehensive Income for the period.	(77)	(60)	(283)	(137)	(552)	(58)
XVI. Paid-up equity share capital	1,440	1,440	1,440	1,440	1,440	1,440
XVII. Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year	-	-	-	-	-	(2,481)
XVIII EPS after Extraordinary items for the period and for the previous year (not to be annualised)						
i) Basic EPS	(0.56)	(0.43)	(2.05)	(0.99)	(4.02)	(0.42)
ii) Diluted EPS	(0.56)	(0.43)	(2.05)	(0.99)	(4.02)	(0.42)



Statement of Assets & Liabilities as on 30th September, 2017

Rs. in lacs

Particulars	As at 30.09.2017 Unaudited	As at 31.03.2017 Audited
A ASSETS		
1 Non-Currents Assets		
Fixed Assets		
a) Property, plant and equipment	6,696	6,821
b) Capital work-in-progress	21	-
c) Other Intangible Assets	10	1
d) Other non-current assets	687	874
Sub-total-Non Current Assets	7,414	7,696
2 Current Assets		
a) Inventories	6,110	5,827
b) Financial Assets		
(i) Investments	3	3
(ii) Trade Receivables	9,944	8,344
(iii) Cash and cash equivalents	240	1,057
(iv) Bank balances	124	79
(v) Loans	-	-
(vi) Short Term advances	495	447
c) Other Current Assets	74	60
Sub-total- Current Assets	16,990	15,817
TOTAL ASSETS	24,404	23,513
B EQUITY AND LIABILITIES		
1 Equity		
(a) Equity Share capital	1,440	1,440
(b) Other Equity	(2,616)	(2,481)
Sub-total-Shareholders funds	(1,176)	(1,041)
2 LIABILITIES		
Non-current-liabilities		
(a) Financial liabilities		
(i) Borrowings	8,432	8,592
(b) Provisions	174	180
(c) Other non-current liabilities	4	4
Sub-total-Non current liabilities	8,610	8,776
3 Current Liabilities		
(a) Financial liabilities		
(i) Borrowings	9,849	10,030
(ii) Trade payables	5,625	4,553
(iii) Other financial liabilities	-	-
(b) Other current liabilities	1,423	1,123
(c) Provisions	73	72
Sub-total- Current liabilities	16,970	15,778
TOTAL EQUITY AND LIABILITIES	24,404	23,513



Notes to the Financial Results :

1. The statement has been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable. Beginning April 1, 2017, the Company has for the first time adopted Ind AS.
2. The financial results of the quarter as well as six months ended under review are not comparable with corresponding quarter as well as half year ended on that date only to the extent that interest payable to the lenders on long term and short term borrowings amounting to Rs.604 lac and Rs.1190 lac respectively have not been provided for, in view of the fact that the Company's accounts with lenders have become non performing assets (NPA) whereas interest amounting to Rs.502 lac and Rs.1012 lac respectively were provided in the quarter as well as six months ended on 30 September 2016. Hence loss for the quarter and half year ended under review is under stated to that extent.
3. These Financial results have been prepared in accordance with the Indian Accounting Standards(IndAS) Prescribed under section 133 of the Companies Act 2013, read with the rules thereunder and in terms of SEBI circular no. CIR/CFD/FAC/62/2016 dated 5th July, 2016. Consequently, the figures for the quarter as well as half year ended 30th September 2016 have been restated to make them comparable, the same has not been subjected to limited review by the statutory auditors of the company. However, the management has exercised necessary due diligence and ensured that the Financial results provide a True and Fair view of its Affairs.
4. The statement does not include Ind AS compliant statement of results for the preceding quarter and previous year ended 31.03.2017 as the same is not mandatory as per SEBI's Circular CIR/CFD/FAC/62/2016 dated July 5, 2016.
5. The Company is primarily engaged in the business of steel products only which is a single primary reportable segment as per Accounting Standard 17, Segment Reporting as specified in the Companies (Accounting Standard) Rules, 2006.



6. As per the provisions of Ind AS 16 in respect to capitalization of spares and standby equipments having a life of more than one operating period, the company has capitalized spares for Rs. 11,04,157 during the year. Further capitalization could not be done, since the probable life of the spares could not be determined, the process of which is under process. No such capitalization has been done in respect to the spares and standby equipments as on 30th September, 2016.
7. The reconciliation of net profit or loss reported in accordance with Indian GAAP to total comprehensive income in accordance with Ind AS is given below:-

Description	3 months ended 30.09.2016 (INR in lakhs)	6 months ended 30.09.2016 (INR in lakhs)
Net Profit/(Loss) as per Previous GAAP (Indian GAAP)	-283	-584
Net Profit /(Loss) as per Ind AS	-283	-584
Other Comprehensive income (fair value gain on investments)	--	32
Total comprehensive income for the period	-283	-552

8. The financial results of Modern Steels Limited ('MSL', or 'the Company') were reviewed by the Audit Committee and taken on record by the Board of Directors at its meeting held on 13th December 2017. The Statutory Auditors of the Company have carried out a limited review of the above financial results.
9. The figures of the previous period have been reclassified /recasted/ regrouped wherever necessary to conform to current period's.

For and on behalf of the Board of Directors



R.K. Sinha
Director (Operations)
DIN: 00556694

Place: Chandigarh
Date: 13th December, 2017



www.aaryaa.net

AARYAA & ASSOCIATES

CHARTERED ACCOUNTANTS

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LIMITED REVIEW REPORT

To,
The Board of Directors
Modern Steels Limited

1. We have reviewed the accompanying statement of un-audited financial results of **Modern Steels Limited** for the Quarter as well as half year ended 30th September 2017 prepared as per the applicable Indian Accounting Standards (IndAS) being submitted by the company pursuant to the requirements of regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated 5th July, 2016. These statements are the responsibility of the company's Management and has been approved by Board of Directors. Our responsibility is to issue a report on the Statement 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 Statements are free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedure, 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.
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 Indian Accounting Standards (IndAS) 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 and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated 5th July, 2016 including the manner in which it is to be disclosed, or that it contains any material misstatement.

FOR AARYAA & ASSOCIATES
CHARTERED ACCOUNTANT

HARSHARANJIT SINGH CHAHAL
(Partner)
M No. 091689

Place: Chandigarh
Dated: 13th December, 2017