

May 25, 2016

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

Dear Sirs/ Madam,

**Sub.: Audited Financial Results for the year ended March 31, 2016**

Pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose the following:

- (i) Statement showing the Audited Financial Results (Standalone) for the year ended March 31, 2016;
- (ii) Auditors' Report on the Audited Financial Results;
- (iii) Form A (for the audit report with unmodified opinion).

The above results, duly reviewed and recommended by the Audit Committee, have been approved by the Board of Directors of the Company at its meeting held on May 25, 2016.

Kindly take note of the above.

Yours faithfully,  
For **RMG Alloy Steel Limited**

  
**Nilesh Javker**  
Company Secretary  
ACS-24087



**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 : L27100GJ1993PLC020358

**STATEMENT OF AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED 31st MARCH 2016**

(Rs. In Lacs)

Sr. No.	Particulars	Quarter Ended			Year ended	
		31.03.2016	31.12.2015	31.03.2015	31.03.2016	31.03.2015
		Unaudited			Audited	Audited
	Refer Note 2	Reviewed	Refer Note 2			
	<b>Income from Operations</b>					
a)	Net sales / Income from operations	5,909	6,471	6,238	26,768	33,271
b)	Other operating income	19	8	42	48	102
	<b>Total</b>	<b>5,928</b>	<b>6,479</b>	<b>6,280</b>	<b>26,816</b>	<b>33,373</b>
	<b>Expenses</b>					
a)	Cost of materials consumed	2,632	3,767	3,351	15,593	21,363
b)	Purchase of Stock in Trade	-	-	-	-	140
c)	Changes in inventories of finished goods, work in progress and stock in trade	1,007	(428)	541	69	962
d)	Employees benefit expenses	441	445	368	1,665	1,606
e)	Depreciation (Refer note - 7)	(208)	290	292	663	1,177
f)	Power & fuel	1,453	1,859	1,308	6,828	6,376
g)	Other expenses	869	1,082	627	3,952	3,842
	<b>Total</b>	<b>6,194</b>	<b>7,015</b>	<b>6,487</b>	<b>28,770</b>	<b>35,466</b>
	<b>Profit/(Loss) from operations before other income, finance costs and exceptional items (1-2)</b>	<b>(266)</b>	<b>(536)</b>	<b>(207)</b>	<b>(1,954)</b>	<b>(2,093)</b>
	Other income	127	14	900	206	1,160
	<b>Profit/(Loss) from ordinary activities before finance costs and exceptional items (3+4)</b>	<b>(139)</b>	<b>(522)</b>	<b>693</b>	<b>(1,748)</b>	<b>(933)</b>
	Finance Costs	1,107	1,068	1,233	4,580	4,988
	<b>Profit/(Loss) from ordinary activities after finance costs but before exceptional items (5-6)</b>	<b>(1,246)</b>	<b>(1,590)</b>	<b>(540)</b>	<b>(6,328)</b>	<b>(5,921)</b>
	Exceptional Items (Refer note - 6)	175	-	2,259	321	2,259
	<b>Profit/(Loss) from ordinary activities before tax (7-8)</b>	<b>(1,071)</b>	<b>(1,590)</b>	<b>1,719</b>	<b>(6,007)</b>	<b>(3,662)</b>
	Tax expenses	-	-	-	-	-
	<b>Net Profit/(Loss) from ordinary activities after tax (9-10)</b>	<b>(1,071)</b>	<b>(1,590)</b>	<b>1,719</b>	<b>(6,007)</b>	<b>(3,662)</b>
	Extraordinary Item ( net of tax expense Rs. Nil)	-	-	-	-	-
	<b>Net Profit(+)/Loss(-) for the period (11-12)</b>	<b>(1,071)</b>	<b>(1,590)</b>	<b>1,719</b>	<b>(6,007)</b>	<b>(3,662)</b>
	Paid-up equity share capital (Rs.6/- per equity share)	6,506	6,506	6,506	6,506	6,506
	Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year				(30,425)	(26,418)
	<b>Earnings per share (before extraordinary items)</b>					
	Basic & Diluted (In Rupees) (Face Value of Rupees 6/ Each)	(1.12)	(1.63)	(1.45)	(6.11)	(3.90)
	<b>Earnings per share (after extraordinary items)</b>					
	Basic & Diluted (In Rupees) (Face Value of Rupees 6/ Each)	(1.12)	(1.63)	(1.45)	(6.11)	(3.90)

**STANDALONE STATEMENT OF ASSETS AND LIABILITIES**

Sr. No.	Particulars	31st March	31st March
		2016	2015
		(Audited)	(Audited)
	<b>EQUITY AND LIABILITIES</b>		
	<b>SHAREHOLDERS' FUNDS</b>		
	Share Capital	12,397	11,597
	Reserves and Surplus	(30,425)	(26,418)
		<b>(18,028)</b>	<b>(14,821)</b>
	<b>NON CURRENT LIABILITIES</b>		
	Long Term Borrowings	29,144	19,506
	Long-Term Provisions	149	160
		<b>29,293</b>	<b>19,666</b>
	<b>CURRENT LIABILITIES</b>		
	Short Term Borrowings	5,784	15,872
	Trade Payables	5,590	6,218
	Other Current Liabilities	1,985	2,360
	Short Term Provisions	25	12
		<b>13,384</b>	<b>24,462</b>
	<b>TOTAL</b>	<b>24,649</b>	<b>29,307</b>



ASSETS		
<b>1 NON CURRENT ASSETS</b>		
Fixed Assets		
(i) Tangible assets	11,754	12,256
(ii) Intangible assets	6	14
(iii) Capital work-in-progress	-	138
Long-Term Loans And Advances	259	231
	<b>12,019</b>	<b>12,639</b>
<b>2 CURRENT ASSETS</b>		
Inventories	4,566	4,527
Trade receivables	6,523	6,647
Cash and Cash Equivalents	403	1,135
Short term Loans and Advances	1,122	4,288
Other Current Assets	16	72
	<b>12,630</b>	<b>16,669</b>
<b>TOTAL</b>	<b>24,649</b>	<b>29,308</b>

Notes :

- 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 25 May, 2016.
- The figures of the last quarter are balancing figure between the audited figures in respect of the full financial year and the published figures year to date figures up to the third quarter of the financial year
- 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" as specified under section 133 of Companies Act, 2013, read with rule 7 of the companies (Accounts) rules, 2014.
- Deferred tax asset is more than deferred tax liability as computed in accordance with the Accounting Standard AS 22, specified under section 133 of Companies Act, 2013, read with rule 7 of the companies (Accounts) rules, 2014, The Company, as a matter of prudence has not recognised deferred tax asset.
- The slowdown in end user industries and overall global weakness continues to weigh on and is adversely impacting the performance. During the current year, the company has received Rs. 28 crore from promoters/strategic investor and Consortium banks have disbursed loans, which has resulted in improved liquidity situation. Expected receipt of loan from Consortium banks and fiscal incentive will also result in further improvement in the liquidity of the company. The value added products approved by major OEM's will also result in increased demand of company's products. Management thus, expects substantial improvement in the utilization of the capacity in the coming period. Accordingly, the financial statements have been prepared on going concern basis and no adjustments are required to the carrying amount of assets and liabilities.
- The Company has already received final certificate of Entitlement from industries commissioner and issuance of notification by finance department of Gujarat. Accordingly, the company has become entitled to the benefits available under the relevant scheme as provided in such eligibility certificate. Accordingly, during the year ended 31st March 2015, the Company had accounted for the refund on the purchase tax an amount of Rs. 2,259 lac net off Sales tax Liability Rs. 624 lac. Further, during this current quarter/year, the company had accounted for Rs. 175 Lacs and Rs. 146 Lacs respectively over and above the purchase tax receivable shown in the last year.
- During the Financial Year 2015-16 the management has re-assessed the estimated useful life of the Fixed Assets based on technical advice received from an independent technical consultant effective from 1st April 2015 and consequently revised the estimated useful lives of Plant and Machinery. Accordingly, the depreciation charged in excess was reversed during the current quarter of Rs. 207 lacs. This has resulted in the decrease of depreciation for the year by Rs. 541 lacs.
- The figures for the previous periods / year has been regrouped / rearranged, wherever necessary, to make them comparable.

Date: 25th May, 2016  
Place: Mumbai



For and on behalf of Board

*Anuj Burakia*  
Anuj Burakia  
Director



Auditor's Report on Financial Results of RMG ALLOY STEEL LIMITED Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015.

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

We have audited the accompanying Financial Results of RMG Alloy Steel Limited ("the Company") for the year ended 31st March 2016 (the 'Financial Results'), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015. These financial results, which are the responsibility of the company's management and approved by the Board of Directors, have been prepared on the basis of the related financial statements which is in accordance with the Accounting Standard prescribed under Section 133 of the Companies Act, 2013 (the 'Act'), read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express an opinion on these Financial Results based on our audit.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standard requires that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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

- (i) are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; and
- (ii) give a true and fair view in conformity with the aforesaid Accounting Standards and other accounting principles generally accepted in India of the net loss and other financial information for the year ended 31st March 2016.

We draw attention to Note 5 of the accompanying statement; the Company's net worth is eroded and the Company has continued incurring losses for the quarter and Year ended 31st March, 2016, 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 opinion is not modified in respect of this matter.

The Financial Results includes the results for the Quarter ended 31<sup>st</sup> March 2016 being the balancing figure between audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subjected to limited review by us.

For Chaturvedi & Shah

Chartered Accountants

(Firm's Registration No: 101720W)







Parag D. Mehta

Partner

Membership No. 113904

Place: Mumbai  
Date : 25<sup>th</sup> May, 2016

**FORM A**

1.	Name of the Company	RMG Alloy Steel Limited
2.	Annual financial statement for the year ended	March 31, 2016
3.	Type of Audit observation	Matter of Emphasis (Unqualified)
4.	Frequency of observation	Note No. 27 of the financial statements stating that Company's net worth is eroded and the Company has continued incurring losses for the current year, 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.  Frequency of observation – Since period ended October 1997 to December 1998.
5.	To be signed by - <b>Whole Time Director</b> <b>Mr. Anuj Burakia</b>	
	<b>CFO</b> <b>Mr. Narendra Kumar Bhandari</b>	
	<b>Auditor of the Company</b> <b>For Chaturvedi &amp; Shah</b> <b>Mr. Parag D. Mehta</b> <b>Partner</b> <b>Membership No. 113904</b>	 
	<b>Audit Committee Chairman</b> <b>Mr. Atul Desai</b>	