

Adhunik Metaliks Limited

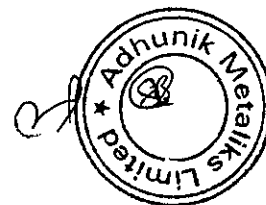
Regd. Office : Chadrihariharpur, P.O. Kuarmunda, Sundargarh, Odisha-770039

CIN: L28110OR2001PLC017271

(₹ in Lakhs)

AUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH 2018

	Particulars	Quarter Ended			Year Ended	
		31st Mar 2018 (Audited)	31st Dec 2017 (Unaudited)	31st Mar 2017 (Audited)	31st Mar 2018 (Audited)	31st Mar 2017 (Audited)
1	Revenue from operations					
	a) Gross sales / income from operations	17,075.77	15,450.65	16,989.24	72,911.47	71,993.28
	b) Other Operating Income	437.00	490.53	62.58	1,130.69	210.40
	Total revenue from operations	17,512.77	15,941.18	17,051.82	74,042.16	72,203.68
	Other Income	245.56	274.43	250.14	980.59	920.84
	Total Income	17,758.33	16,215.61	17,301.96	75,022.75	73,124.52
2	Expenses					
	a) Cost of materials consumed	12,393.21	11,007.38	11,743.77	52,489.05	47,653.30
	b) Purchase of stock-in-trade	-	-	107.01	58.67	7,838.42
	c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	3,250.87	2,219.37	(1,783.56)	9,019.36	905.62
	d) Employee benefits expense	847.34	1,083.93	953.75	4,176.50	4,013.85
	e) Finance Costs	7,973.94	7,978.68	8,301.69	30,941.22	30,223.18
	f) Depreciation and amortisation expense	2,545.32	2,612.43	2,855.25	10,411.08	12,472.97
	g) Excise Duty on Sales	-	-	1,669.35	2,004.47	6,049.69
	h) Other Expenses	4,300.77	3,698.76	5,194.02	19,851.38	18,128.68
	Total Expenses	31,311.45	28,600.55	29,041.28	1,28,951.73	1,27,285.71
3	Profit / (Loss) before exceptional items (1-2)	(13,553.12)	(12,384.94)	(11,739.32)	(53,928.98)	(54,161.19)
4	Exceptional Items net (Refer Note 8)	6,309.60	-	5,632.79	36,051.23	21,766.28
5	Profit / (Loss) before tax (3-4)	(19,862.72)	(12,384.94)	(17,372.11)	(89,980.21)	(75,927.47)
6	Tax Expenses :					
	a) Current Tax	-	-	-	-	-
	b) Deferred Tax Charge/ (Credit)	-	-	30,146.01	-	11,158.14
	c) Income Tax Related to earlier years (MAT Credit Reversal)	-	-	-	534.86	-
7	Net Profit / (Loss) after tax (5-6)	(19,862.72)	(12,384.94)	(47,518.12)	(90,515.07)	(87,085.61)
8	Other comprehensive income (net of taxes)	273.75	(38.29)	(151.41)	158.83	(153.25)
9	Total comprehensive income after tax (7+8)	(19,588.97)	(12,423.23)	(47,669.53)	(90,356.24)	(87,238.86)
10	Paid up Equity Share Capital (Face Value ₹10 per share)	12,349.95	12,349.95	12,349.95	12,349.95	12,349.95
11	Other Equity excluding Revaluation reserves	-	-	-	(2,02,044.87)	(1,11,653.50)
12	Earning per share :					
	-Basic (not annualised) (in ₹)	(16.08)	(10.03)	(38.48)	(73.29)	(70.51)
	-Diluted (not annualised) (in ₹)	(16.08)	(10.03)	(38.48)	(73.29)	(70.51)



Notes:

(1) Standalone Statement of Assets and Liabilities

(₹ in Lacs)

Particulars		As at 31st Mar 2018	As at 31st Mar 2017
I	ASSETS		
(1)	Non-Current Assets		
	(a) Property, plant and equipment	1,46,023.82	1,56,441.38
	(b) Capital work-in-progress	13.33	12.29
	(c) Other Intangible assets	-	-
	(c) Financial assets :		
	(i) Investments	1,013.04	7,325.12
	(ii) Other Financial assets	1,583.83	1,404.91
	(d) Other Non Current Assets	13,380.39	13,381.36
	Total Non-Current Assets	1,62,014.41	1,78,565.06
(2)	Current Assets		
	(a) Inventories	7,169.39	50,818.57
	(b) Financial assets:		
	(i) Trade receivables	6,100.64	5,789.88
	(ii) Cash and cash equivalents	398.54	318.87
	(iii) Bank balance other than (ii) above	303.67	839.18
	(iv) Loans	30.50	73.55
	(v) Other Financial assets	92.52	382.93
	(c) Other Current Assets	4,523.79	4,194.82
	Total Current Assets	18,619.05	62,417.80
	Total Assets	1,80,633.46	2,40,982.86
II	EQUITY AND LIABILITIES		
(1)	Equity		
	(a) Equity Share capital	12,349.95	12,349.95
	(b) Other Equity	(1,93,205.71)	(1,02,814.34)
	Total Equity	(1,80,855.76)	(90,464.39)
(2)	Non-Current Liabilities		
	(a) Financial liabilities:		
	(i) Borrowings	1,34,240.44	1,53,626.01
	(ii) Other financial Liabilities	41,834.46	38,189.66
	(b) Provisions	815.56	940.20
	Total Non-Current Liabilities	1,76,890.46	1,92,755.87
(3)	Current liabilities		
	(a) Financial liabilities:		
	(i) Borrowings	71,633.07	65,458.23
	(ii) Trade payables	26,903.38	31,806.93
	(iii) Other financial Liabilities	81,280.59	36,614.03
	(b) Other current liabilities	4,743.12	4,774.53
	(c) Provisions	38.60	37.66
	Total Current Liabilities	1,84,598.76	1,38,691.38
	Total Equity and Liabilities	1,80,633.46	2,40,982.86

- (2) The financial results of the Company for the quarter and year ended 31st March 2018 has been approved by the Resolution Professional (RP) while discharging the powers of the Board of Directors of the Company which has been conferred upon him in terms of the provisions of Section 17 of the Insolvency and Bankruptcy Code, 2016 (IBC). The said results have been audited by the statutory auditors. While approving the aforesaid financial results, the Resolution Professional (RP) has also relied on the certifications, representations and statements made by the Chief Financial Officer and other Key Managerial Personnel (KMP) of the Company.
- (3) Revenue from operations for the period up to 30th June 2017 includes excise duty, which is discontinued effectively 1st July 2017 upon implementation of Goods and Service Tax (GST). In accordance with IND AS 18- Revenue, GST is not included in Revenue from operations. In view of the aforesaid change in indirect taxes, Revenue from operations for the quarter and year ended 31st March 2018 is not comparable to the previous year.
- (4) The figure of the last quarter are the balancing figures between audited figures in respect of the full financial year up to 31st March 2018 and the unaudited published year to date figures up to 31st December 2017 being the date of the end of the third quarter of the financial year which were subjected to a limited review.
- (5) The Company is in the business of manufacturing steel products and hence has only one reportable operating segment as per IND AS 108- Operating Segment.



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Adhunik Metaliks Limited

Regd. Office : Chadrihariharpur, P.O. Kuarmunda, Sundargarh, Odisha-770039

CIN: L28110OR2001PLC017271

(₹ in Lacs)

AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE YEAR ENDED 31ST MARCH 2018

	Particulars	Year Ended	
		31st Mar 2018 (Audited)	31st Mar 2017 (Audited)
1	Revenue from operations		
	a) Gross sales / income from operations	72,911.47	71,985.87
	b) Other Operating Income	1,130.69	210.40
	Total revenue from operations	74,042.16	72,196.27
	Other Income	980.82	1,001.48
	Total Income	75,022.98	73,197.75
2	Expenses		
	a) Cost of materials consumed	52,489.05	47,653.30
	b) Purchase of stock-in-trade	58.67	7,838.42
	c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	9,019.36	905.62
	d) Employee benefits expense	4,176.50	4,013.85
	e) Finance Costs	30,941.21	30,223.18
	f) Depreciation and amortisation expense	10,411.30	12,473.22
	g) Excise Duty on Sales	2,004.47	6,048.87
	h) Other Expenses	19,851.31	18,227.09
	Total Expenses	1,28,951.87	1,27,383.55
3	Profit / (Loss) before exceptional items (1-2)	(53,928.89)	(54,185.80)
4	Share of Profit & Loss of Associates and joint venture accounted for using the equity method	-	-
5	Exceptional Items (Refer Note 6)	36,051.23	21,766.28
6	Profit / (Loss) before tax (3-4-5-6)	(89,980.12)	(75,952.08)
7	Tax Expenses :		
	a) Current Tax	-	-
	b) Income Tax relating to Earlier Years	534.86	-
	c) Deferred Tax Charge/ (Credit)	-	11,158.14
8	Net Profit / (Loss) after tax (6-7) from continuing operation	(90,514.98)	(87,110.23)
9	Profit/(Loss) from discontinued operation	(11,150.60)	(63,433.94)
10	Tax expenses/ (credit) of discontinued operations	(0.02)	(2,534.29)
11	Loss From Discounting Operation After Tax	(11,150.58)	(60,899.65)
12	Loss for the Year	(1,01,665.56)	(1,48,009.88)
13	Other comprehensive income (net of taxes)	158.82	(131.11)
14	Total comprehensive income/(loss) after tax (12+13)	(1,01,506.74)	(1,48,140.99)
15	Total Income/ (Loss) for the year		
	Attributable to:		
	Equity holders of the parent	(1,01,665.54)	(1,48,010.37)
	Non-controlling interests	(0.02)	0.49
16	Other comprehensive income		
	Attributable to:		
	Equity holders of the parent	158.82	(131.11)
	Non-controlling interests	-	-
17	Total Comprehensive Income /(Loss) for the year		
	Attributable to:		
	Equity holders of the parent	(1,01,506.72)	(1,48,141.48)
	Non-controlling interests	(0.02)	0.49
18	Paid up Equity Share Capital (Face Value ₹10 per share)	12,349.95	12,349.95
19	Other Equity excluding Revaluation reserves	(2,02,041.45)	(2,08,898.06)
20	Earning per share :		
	-Basic (not annualised) (in ₹)	(82.32)	(119.85)
	-Diluted (not annualised) (in ₹)	(82.32)	(119.85)



Notes:

(1) Consolidated Statement of Assets and Liabilities

(₹ in Lacs)

Particulars		As at 31st March 2018	As at 31st March 2017
I	ASSETS		
(1)	Non-Current Assets		
	(a) Property, plant and equipment	1,46,035.80	2,27,722.72
	(b) Capital work-in-progress	13.33	394.14
	(c) Other Intangible assets	-	4,102.88
	(d) Financial assets :		
	(i) Investments	1,007.67	8.40
	(ii) Other Financial assets	1,583.83	3,032.17
	(e) Goodwill on Consolidation	-	5,972.29
	(f) Other Non Current Assets	13,380.39	18,693.49
	Total Non-Current Assets	1,62,021.02	2,59,926.09
(2)	Current Assets		
	(a) Inventories	7,173.85	70,378.12
	(b) Financial assets:		
	(i) Trade receivables	6,100.73	53,876.59
	(ii) Cash and cash equivalents	401.25	624.09
	(iii) Bank balance other than (ii) above	303.67	1,489.04
	(iii) Loans	30.50	143.14
	(iv) Other Financial assets	94.15	1,760.12
	(c) Other Current Assets	4,529.66	14,776.78
	Total Current Assets	18,633.81	1,43,047.88
	Total Assets	1,80,654.83	4,02,973.97
II	EQUITY AND LIABILITIES		
(1)	Equity		
	(a) Equity Share capital	12,349.95	12,349.95
	(b) Other Equity	(1,93,202.27)	(2,00,058.89)
	Equity attributable to owners of the Company	(1,80,852.32)	(1,87,708.94)
	Non Controlling interest	-	13,212.07
	Total Equity	(1,80,852.32)	(1,74,496.87)
(2)	Non-Current Liabilities		
	(a) Financial liabilities:		
	(i) Borrowings	1,34,240.44	3,49,583.17
	(ii) Other financial Liabilities	41,834.46	208.39
	(b) Deferred Government Grants	-	475.00
	(c) Provisions	815.56	1,296.89
	(d) Deferred tax liabilities (net)	-	(0.14)
	Total Non-Current Liabilities	1,76,890.46	3,51,563.31
(3)	Current liabilities		
	(a) Financial liabilities:		
	(i) Borrowings	71,633.07	96,052.32
	(ii) Trade payables	26,906.40	37,108.98
	(iii) Other financial Liabilities	81,280.59	82,464.33
	(b) Other current liabilities	4,758.03	10,211.99
	(c) Provisions	38.60	69.91
	Total Current Liabilities	1,84,616.69	2,25,907.53
	Total Equity and Liabilities	1,80,654.83	4,02,973.97

- (2) The Consolidated financial results of the Company for the year ended 31st March 2018 has been approved by the Resolution Professional (RP) while discharging the powers of the Board of Directors of the Company which has been conferred upon him in terms of the provisions of Section 17 of the Insolvency and Bankruptcy Code, 2016 (IBC). The said results have been audited by the statutory auditors. While approving the aforesaid financial results, the Resolution Professional (RP) has also relied on the certifications, representations and statements made by the Chief Financial Officer and other Key Managerial Personnel (KMP) of the Company.



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- (3) The Company is in the business of manufacturing steel products and hence has only one reportable operating segment as per IND AS 108- Operating Segment relating to continuing operation .
- (4) The Board of Orissa Manganese & Minerals Limited (OMML) at its meeting held on 12th May 2017 has issued and allotted 132,110,000 fully paid-up equity shares pursuant to conversion of 132,110,000, 0.01% Cumulative Compulsorily Convertible Non-Cumulative Preference shares and consequent to the said allotment the holding of Adhunik Metaliks Limited in OMML has reduced from 100% to 13.15%. In view of the aforesaid allotment Orissa Manganese & Minerals Limited ceased to be a subsidiary of Adhunik Metaliks Limited w.e.f. 12th May 2017 and the figure current year figure includes balance relating to subsidiary till the date of cessation and hence figure are not comparable with the previous year. On account of above the Investment related to OMML has been restated in the consolidated financial statement at cost with an adjustment of pre acquisition profit/loss with the Other equity.

Details of the discontinued businesses as on 31st March,2018 included therein are given below in terms of requirement of Indian Accounting Standard (Ind AS) 105:

Particulars	Year Ended	
	31st Mar 2018 (till the date of discontinuance) (Audited)	31st Mar 2017 (Audited)
Gross Sales/ Income from Operation	5,173.40	49,918.21
Loss before Tax	(11,150.60)	(63,433.96)
Net Loss after Tax	(11,150.58)	(60,899.67)

Particulars	Year Ended	
	31st Mar 2018 (till the date of discontinuance) (Audited)	31st Mar 2017 (Audited)
Segment Revenue (Net)		
a) Mining	2,239.32	10,126.38
b) Iron and Steel	2,934.08	39,791.83
Total	5,173.40	49,918.21
Less: Inter segment revenue	-	-
Total Net Sales/ Income from operations	5,173.40	49,918.21
Segment Results		
Profit before exceptional item ,finance Costs and tax		
a) Mining	444.59	3,335.12
b) Iron and Steel	(843.50)	(7,321.75)
Total	(398.91)	(3,986.63)
Less: i) Finance costs (Net of interest income)	3,291.66	28,316.16
ii) Exceptional Item	7,460.01	31,108.67
iii) Other Un-allocable expenditure	-	22.50
Total Profit before Tax	(11,150.58)	(63,433.96)
Capital Employed (Segment Assets - Segment Liabilities)		
a) Mining	-	(19,618.05)
b) Iron and Steel	-	87,067.54
c) Unallocated	-	(1,64,972.64)
Total capital employed		(97,523.15)

The Consolidated Statement of Assets and Liabilities as at 31st March,2018 and 31st March,2017 includes following assets and liabilities relating to discontinued businesses

Particulars	As at	
	31st March 2018	31st March 2017
Non Current Assets	-	89,316.33
Current Assets	-	80,003.58
Non Current Liabilities	-	1,96,997.23
Current Liabilities	-	87,285.22
Net Assets to Subsidiary Companies	-	(1,14,962.54)



- (5) The Company has incurred significant amount of losses leading to erosion of net worth and the current liabilities exceeds the current assets. Since due compliance of the sanctioned CDR package could not be met with, the lenders had since invoked the "Strategic Debt Restructuring" (SDR) pursuant to RBI Circulars dated June 08, 2015 and Sept 24, 2015. Further, due to SDR also having not been implemented, the State Bank of India, in its capacity as financial creditor had filed a petition under the Insolvency and Bankruptcy Code, 2016 (IBC) with The Hon'ble National Company Law Tribunal, Kolkata Bench (NCLT). On 3rd August 2017, the NCLT vide its order of even date, has admitted the Corporate Insolvency Resolution Process (CIRP) in respect of the Company and appointed Mr. Sumit Binani, as the Interim Resolution Professional (IRP) in terms of the IBC. Further the Committee of Creditors (COC) in its meeting held on 4th September 2017 has approved the appointment of Mr. Sumit Binani as Resolution Professional (RP).

The time allowed for resolution process is 180 days from the date of admission, which can be further extended for a period of not more than 90 days. Further, the NCLT, on the basis of the resolution passed by the COC and on the application made by the RP, has granted further extension of period of CIRP by 90 days w.e.f. 30th January, 2018. Accordingly, the CIRP period of the Company has ended on 29th April, 2018. No resolution plan could be approved by the Committee of Creditors (COC) within such time. The RP has filed an application before NCLT for seeking 20 additional days for completion of the resolution process as there is a possibility of approval of a resolution plan by the CoC for the revival of the Company. If the said application is not allowed or if there is no resolution plan approved even after allowing the said application by NCLT, the Company shall face the consequences of Liquidation. Since there is a possibility of resolution as stated above, the financial statements of the Company have been prepared on a going concern basis and no impairment loss have been recognized.

- (6) The Company has investment of ₹ 1,000.02 lakhs in Adhunik Power and Natural Resources Limited ('APNRL'), as at 31st March 2018. APNRL has been incurring losses since the commencement of its commercial operation and performance has been adversely affected due to non-availability of raw materials at viable prices, non-availability of working capital for operations, continued stress in power sector and other external factors beyond the management control. It is expected that with the improvement in raw material availability, likely improvement in market scenario and debt restructuring, the overall financial health of the Company would improve and accordingly, the investments in APNRL has been carried at cost and no impairment in the value of investments has been made as at 31st March 2018. The statutory auditors of the Company have drawn an Emphasis of Matter in their Audit Report in this regard.
- (7) a) During the year the Company has completed a detailed technical, commercial and market evaluation of all its inventories owing to decline in effective operations due to working capital stress with an objective to identify, inter-alia, inventory that are not usable in the reduced production capacity and also to determine the cost of carrying such inventories. Based on the results of such assessments, the management took corrective action, and has accordingly recorded loss amounting to ₹ 29,741.63 lakhs arising therefrom under the head exceptional item. The statutory auditors of the Company have drawn an Emphasis of Matter in their Audit Report in this regard.
- b) The Company has investment of ₹ 6,309.60 lakhs in Orissa Manganese & Minerals Limited ('OMML') as at 31st March 2018. The performance of OMML has been adversely affected due to non operational of mines, non-availability of raw materials at viable prices for pellet plant, non-availability of working capital for operations, continued stress in steel sector and other external factors beyond the management control. OMML is also currently undergoing insolvency resolution process under the provision of the Insolvency and Bankruptcy Code, 2016 (IBC) and the networth being fully eroded the Company during the year has provided for impairment loss amounting to ₹ 6,309.60 lakhs which has been shown under the head exceptional items.
- (8) Advances, Trade Payable and Trade Receivables are subject to confirmation from respective parties and consequential reconciliation / adjustment arising there from, if any. No material variation, however is expected.
- (9) As part of the CIRP, creditors of the Company were called upon to submit their claims to the Resolution Professional in terms of the applicable provisions of the Insolvency and Bankruptcy Code, 2016. Claims submitted by financial and operational creditors have been verified and admitted by the RP. In some instances, the amount of claim admitted by the RP is different than the amount reflecting in the books of accounts of the Company. Pending final outcome of the CIRP, process no adjustments has been made in the books for the differential amount in the claims admitted.
- (10) The figures of previous period's/year have been rearrange to confirm to current period/year classification and presentation.

For Adhunik Metaliks Limited
Adhunik Metaliks Limited

Niraj Kumar
Managing Director
DIN: 00605669

For Adhunik Metaliks Limited
For Adhunik Metaliks Limited

Sumit Binani
Resolution Professional
Resolution Professional

Place : Kolkata
Date : 29th May 2018