

WELCAST STEELS LIMITED

Registered. Office: 115-116, G.V.M.M. Estate, Odhav Road, Odhav, Ahmedabad – 382410, Gujarat, India

Telephone No: 079-22901078 Fax: 079-22901077 CIN: L27104GJ1972PLC085827

STATEMENT OF UN-AUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30th SEPTEMBER 2020

INR in lakhs

Sr. No.	Particulars	Quarter ended			Half year ended		Year ended
		30.09.2020	30.06.2020	30.09.2019	30.09.2020	30.09.2019	31.03.2020
		Un-audited	Un-audited	Un-audited	Un-audited	Un-audited	Audited
1	Income						
	Revenue from operations	3031.92	2357.14	3889.31	5389.06	7853.10	14338.88
	Other Operating Income	2.76	17.17	17.06	19.93	234.40	662.66
	a) Total Revenue from operations	3034.68	2374.31	3906.37	5408.99	8087.50	15001.54
	b) Other Income	7.44	8.67	0.00	16.11	67.73	81.31
	Total Income (a+b)	3042.12	2382.98	3906.37	5425.10	8155.23	15082.85
2	Expenses						
	a) Cost of material consumed	1679.41	1135.68	1985.01	2815.09	5481.50	9293.54
	b) Changes in Inventories of finished goods, work-in-progress	(39.54)	336.39	432.28	296.85	(681.41)	(323.48)
	c) Employee benefits expense	214.90	231.47	274.20	446.37	513.30	989.22
	d) Finance costs	6.71	13.13	12.53	19.84	19.54	34.43
	e) Depreciation & amortisation expenses	36.67	38.40	42.08	75.07	64.47	133.54
	f) Other expenses	1030.51	713.75	1151.38	1744.26	2695.16	4960.66
	Total Expenses (a+b+c+d+e+f)	2928.66	2468.82	3897.48	5397.48	8092.56	15087.91
3	Profit / (Loss) before tax and extraordinary items (1-2)	113.46	(85.84)	8.89	27.62	62.67	(5.06)
4	Less : Extra-ordinary items (refer Note No. iii)	369.10	0.00	0.00	369.10	0.00	0.00
5	Profit/(Loss) before tax	(255.64)	(85.84)	8.89	(341.48)	62.67	(5.06)
6	Tax Expenses						
	(i) Current tax	0.00	0.00	1.82		12.33	-
	(ii) Taxes of earlier years written back	0.00	0.00	-			(5.27)
	(iii) Deferred tax	(9.53)	0.81	(3.78)	(8.72)	12.62	26.50
	Total Tax expenses (i+ii+iii)	(9.53)	0.81	(1.96)	(8.72)	24.95	21.23
7	Profit / (Loss) for the period (5-6)	(246.11)	(86.65)	10.85	(332.76)	37.72	(26.29)
8	Other Comprehensive Income / (Loss)						
	i) Item that will not be reclassified to profit or loss	4.65	(4.65)	1.10	0.00	2.20	(18.61)
	ii) Income tax relating to items that will not be reclassified to profit or loss	(1.17)	1.17	(0.22)	-	(0.44)	4.68
	iii) Item that will be reclassified to profit or loss	-	-	-			-
	iv) Income tax relating to items that will be reclassified to profit or loss	-	-	-			-
	Total Other Comprehensive Income / (Loss) (net of tax)	3.48	(3.48)	0.88	-	1.76	(13.93)
9	Total Comprehensive Income / (Loss) for the period (7+8)	(242.63)	(90.13)	11.73	(332.76)	39.48	(40.22)
10	Paid-up Equity Share Capital – Face Value of ₹ 10 each.	63.82	63.82	63.82	63.82	63.82	63.82
11	Other equity						3378.11
12	Earnings Per Share (EPS) (In ₹) (Not annualised)						
	Basic	(38.56)	(13.58)	1.70	(52.14)	5.91	(4.12)
	Diluted	(38.56)	(13.58)	1.70	(52.14)	5.91	(4.12)

Notes :

(i)	The above Un-audited financial results for the quarter and half year ended 30th September 2020 have been reviewed by the Audit Committee and subsequently approved by the Board of Directors in their respective meetings held on 29th October 2020. The statutory auditors have expressed an unqualified opinion.
(ii)	The Un-audited financial results are prepared in accordance with the Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Companies Act, 2013, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) (Amendment Rules), 2016.
(iii)	<p>The Management has decided to permanently close its only factory located at Plot No.15, Phase 1, Peenya Industrial Area, Bangalore-560058 with effect from the close of business hours on 2 November 2020. However the Company is not under liquidation and the Board of Directors are in the process of deciding the future course of the Company's activity.</p> <p>Accordingly, financial information of the Company for the quarter and half year ended 30 September 2020 has not been prepared on going concern basis.</p> <p>All the non-financial assets have been recognised at lower of cost or realisable value, however the fair market value of some of the non-financial assets, being Land is higher than the book value. All non-financial liabilities are assumed at expected payable values without discounting.</p> <p>All financial assets and liabilities continue to be recognised at fair value or amortised cost adjusted for any loss allowances.</p> <p>The above has resulted into an exceptional charge aggregating to INR 369.10 Lakhs in the statement of Profit and Loss which comprise of closure compensation and impairment of non-financial assets.</p>
(iv)	The Statutory Auditors of the Company have carried out a Limited Review of the above results as per Regulation 33 of SEBI(Listing obligation and Disclosure Requirements) Regulations 2015.
(v)	The company manufactures and deals with a single product, Alloy steel Cast Grinding Media, Also Company's operations are solely situated in India. Hence there are no reportable segments as required by Ind-AS -108 "Operating Segments" under the Companies (Indian Accounting Standards) Rules 2015.
(vi)	AIA Engineering Limited, holding company is holding 4,77,661 equity shares aggregating to 74.85% of the share capital.
(vii)	Figures for the previous period have been regrouped, reclassified and restated wherever necessary to make them comparable with the current period's figures.
(viii)	Refer Annexure - I for statement of assets and liabilities as at 30 September 2020
(ix)	Refer Annexure - II for statement of cash flows for the half year ended 30 September 2020

for WELCAST STEELS LIMITED

Place: Bengaluru
Date: 29.10.2020

VINOD NARAIN
CHAIRMAN
DIN:00058280

WELCAST STEELS LIMITED

Annexure - I : Statement of Assets and Liabilities as at 30th September 2020

Particulars	INR in Lakhs	INR in Lakhs
	As at 30.09.2020 Un- audited	As at 31.03.2020 Audited
ASSETS		
Non-current assets		
(a) Property, plant and equipment	600.83	786.75
(b) Capital work-in-progress	-	-
(c) Other intangible assets	2.94	3.59
(d) Financial assets		
(i) Loans	434.16	434.16
(e) Deferred tax assets (net)	77.33	68.61
(f) Other tax assets (net)	63.04	80.71
(g) Other non-current assets	188.40	188.40
Total non-current assets	1,366.70	1,562.22
Current assets		
(a) Inventories	1,372.03	2,040.88
(b) Financial assets		
(i) Trade receivables	1,545.14	936.58
(ii) Cash and cash equivalents	44.16	54.90
(iii) Bank balances other than (iii) above	36.23	28.04
(iv) Loans	5.40	14.75
(v) Derivatives	-	-
(vi) Other financial assets	38.41	25.98
(c) Other current assets	80.43	374.59
Total current assets	3,121.78	3,475.72
Total assets	4,488.49	5,037.94
EQUITY AND LIABILITIES		
EQUITY		
(a) Equity share capital	63.84	63.84
(b) Other equity	3,045.33	3,378.11
Total equity	3,109.17	3,441.95
LIABILITIES		
Non-current liabilities		
(a) Financial liabilities		
(b) Provisions	73.13	193.93
Total non-current liabilities	73.13	193.93
Current liabilities		
(a) Financial liabilities		
(i) Borrowings	210.00	400.00
(ii) Trade payables		
Total outstanding dues of micro enterprises and small		
Total outstanding dues of creditors other than micro enterprises and		
small enterprises	420.36	585.26
(iii) Other financial liabilities	4.08	4.08
(b) Other current liabilities	156.98	328.16
(c) Provisions	514.76	78.46
Total current liabilities	1,306.18	1,402.06
Total liabilities	1,379.31	1,595.99
Total equity and liabilities	4,488.49	5,037.94

for WELCAST STEELS LIMITED

VINOD NARAIN
CHAIRMAN
DIN:00058280

WELCAST STEELS LIMITED
ANNEXURE - II : CASH FLOW FOR THE PERIOD ENDED 30th SEPTEMBER 2020

INR in Lakh

Particulars	Half year ended 30th Sept 2020	Half year ended 30th Sept 2019	Year ended 31st Mar 2020
	Un-audited	Un-audited	Audited
A. Cash flows from operating activities			
Profit / (Loss) before tax and extraordinary items	(341.48)	62.67	(5.06)
Add\ (Less) : adjustments			
Extra-ordinary items	369.10	-	-
Interest Income	(14.25)	(15.95)	(26.37)
Loss\ (Profit) on sale of assets (Net)	-	(42.22)	(42.21)
Depreciation and amortization	75.07	64.47	133.54
Finance cost	19.84	19.54	34.43
Effect of exchange differences on translation of foreign currency	-	-	-
Cash generated from operations before working capital changes:	108.28	88.51	94.33
Adjustment for:			
Decrease/(Increase) in Trade receivable	(608.55)	810.37	322.57
Decrease in Loans	9.35	0.21	0.44
Decrease / (Increase) in Inventories	668.86	(456.60)	155.20
Decrease / (Increase) in Financial Assets	(12.43)	9.77	2.63
Decrease in Other Current assets	294.17	97.72	124.00
(Decrease) / Increase in Provisions	64.82	(37.02)	(124.11)
(Decrease) in Trade payables	(171.00)	(518.15)	(487.40)
(Decrease) / Increase in Other Current Liabilities	(171.18)	(67.13)	(93.60)
Cash(used in) / generated from operations	182.31	(72.34)	(5.94)
Income taxes paid	17.67	(12.32)	(13.92)
Net cash (used in) / generated by operating activities = A	199.99	(84.66)	(19.86)
B. Cash flows from investing activities			
Acquisition of Property, plant and equipment, CWIP & other intangibles	(6.94)	(190.08)	(276.23)
Proceeds from sale of Property, plant & equipment / Impairment of assets	-	64.83	65.96
(Increase) / Decrease in fixed deposits in Bank (net)	(8.19)	(0.35)	(3.42)
Interest income	14.25	16.69	27.45
Net cash (used in)/generated from investing activities = B	(0.88)	(108.91)	(186.24)
C. Cash flows from financing activities			
Increase / (Decrease) in current borrowings	(190.00)	215.00	280.00
Finance cost	(19.84)	(19.54)	(34.43)
Dividend paid, including dividend distribution tax	-	(19.23)	(19.23)
Net cash generated /(used in) from financing activities = C	(209.84)	176.23	226.34
Net changes in cash and cash equivalents (A+B+C)	(10.73)	(17.34)	20.23
Cash and cash equivalents at the beginning of the year	54.90	34.67	34.67
Cash and cash equivalents at the end of the period	44.17	17.33	54.90
Reconciliation of Cash and Cash Equivalents with the statement of Assets and Liabilities			
Cash and Cash Equivalents at the End of the period			
(a) Cash on Hand	0.27	0.44	1.78
(b) Balance with bank - In Current Accounts	43.90	16.89	53.12
Total	44.17	17.33	54.90

Note : The above statement of cash flow has been prepared under the "indirect Method" as set out in the IND AS-7 "Statement of Cash flows".

for WELCAST STEELS LIMITED

Place: Bengaluru
Date: 29th Oct 2020

VINOD NARAIN
CHAIRMAN
DIN:00058280