



FACOR STEELS LIMITED.

FSL/NGP/STX/01
November 9, 2016

To,
The Bombay Stock Exchange Ltd.
Phiroze Jeejeebhoy Towers,
Dalal Street,
MUMBAI – 400 001

Scrip Code : 532657

Kind Attn. : Ms. Gunjan Jain, Relationship Manager

Madam,

Re:- Limited Review Report of Un-audited Financial Results for the Quarter and Half Year Ended 30-09-2016.

Pursuant to clause 41 of the Listing Agreement, we are enclosing herewith a copy of the Limited Review Report dated 9th November, 2016 of the Auditor of the Company in respect of the un-audited financial results of the Company for the quarter and Half Year ended 30th September, 2016 for your information and records. The above results were approved by the Board of Directors at its meeting held on 9th November, 2016.

Thanking you,

Yours faithfully,
For Facor Steels Ltd.

Vinod Saraf
Managing Director
Encl: As above



Regd. Office & Works : 46 (A & B), Hingna M.I.D.C. Industrial Estate, Nagpur - 440 028, INDIA
TEL. - +91-7104-235701, FAX - +91-7104-235709,
Email - Info@facorsteel.com, Website - www.facorsteel.com
Corporate & Head Office : Shreeram Bhawan, Tumsar - 441912 (India) TEL. : +91-7183-232233/232251, FAX : +91-7183-232271
CIN -L 27100MH2004PLC146283

SALVE & CO.
Chartered Accountants

**G-3, Yashodhan,
Gorepeth,
NAGPUR - 440 010**

LIMITED REVIEW REPORT

Review Report to Board of Directors, FACOR STEELS LIMITED

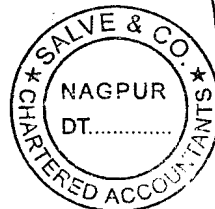
We have reviewed the accompanying statement of Un-audited Financial Results of FACOR STEELS LIMITED for the period ended 30th September, 2016. This statement is the responsibility of the Company's management and has been approved by the Board of Directors. Our responsibility is to issue a report on the statement based on our review.

We conducted our review in accordance with the Standard on Review Engagement (SRE) 2400, *Engagements to Review Financial Statements* 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 financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures 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.

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 Accounting Standards and other recognised 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 including the manner in which it is to be disclosed, or that it contains any material misstatement.

Place of signature: NAGPUR

Date : 9th November, 2016



For SALVE AND CO.,
Chartered Accountants
(Registration No.109003W)


C. A. K. P. SAHASRABUDHE
Partner
Membership No. 07021

FACOR STEELS LIMITED

Regd. Office : 46 A & B Industrial Estate, Hingna Road, NAGPUR- 440 028

CIN : L27100MH2004PLC146283 email : info@facorsteel.com

UNAUDITED FINANCIAL RESULTS

FOR THE QUARTER ENDED 30TH SEP, 2016

(Rs./Lakhs)

Sr.	PARTICULARS	QUARTER ENDED			HALF YEAR ENDED		YEAR ENDED
		30TH SEP 2016	30TH JUN 2016	30TH SEP 2015	30TH SEP 2015	30TH SEP 2016	31st MAR 2016
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
	Gross Sales/Income from operations	15.18	0.00	79.98	105.01	15.18	169.78
	Less: Excise duty	1.69	0.00	0.00	2.78	1.69	19.62
1) a	Net sales /Income from operations	13.49	0.00	79.98	102.23	13.49	150.16
b	Other Operating Income	0.00	0.00	0.00	0.00	0.00	0.00
	Total Income from operations (net)	13.49	0.00	79.98	102.23	13.49	150.16
2)	Expenditure						
a	Cost of materials consumed	-	-	-	-	-	-
b	Purchase of stock-in-trade	-	-	-	-	-	-
c	Changes in inventories of finished goods, work-in-progress and stock-in-trade	13.49	-	43.97	46.76	13.49	119.79
d	Employees benefits expense	3.11	11.31	35.39	109.40	14.42	302.86
e	Depreciation and amortisation expense	101.73	101.73	104.72	209.45	203.46	418.90
f	Power and Fuel	4.50	2.40	47.30	93.45	6.90	122.91
g	Other Expenditure	29.72	12.00	59.45	140.28	29.72	240.27
	Total expenses	152.55	127.44	290.83	599.34	267.99	1204.73
3)	Profit/(Loss) from Operations before Other Income, finance costs & Exceptional Items(1-2)	(139.06)	(127.44)	(210.85)	(497.11)	(254.50)	(1054.57)
4)	Other Income	1.38	9.64	27.21	32.88	11.02	38.81
5)	Profit/(Loss) from ordinary activities before finance costs & exceptional items (3+4)	(137.67)	(117.80)	(183.64)	(464.23)	(243.47)	(1,015.76)
6)	Finance costs	96.93	96.91	57.17	251.83	193.84	410.34
7)	Profit/(Loss) from ordinary activities after finance costs but before exceptional items(5-6)	(234.60)	(214.71)	(240.81)	(716.06)	(437.31)	(1426.10)
8)	Exceptional items						
9)	Profit/(Loss) from ordinary activities before tax (7+8)	(234.60)	(214.71)	(240.81)	(716.06)	(437.31)	(1426.10)
10)	Tax Expense						
a	Provision/(Credit) for Deferred Tax	-	-	-	-	-	-
	Total tax expenses	-	-	-	-	-	-
11)	Net Profit / (Loss) from ordinary activities after Tax(9-10)	(234.60)	(214.71)	(240.81)	(716.06)	(437.31)	(1426.10)
12)	Extraordinary items (Net of tax expense)	-	-	-	-	-	-
13)	Net profit/(Loss) for the period(11-12)	(234.60)	(214.71)	(240.81)	(716.06)	(437.31)	(1426.10)
14)	Paid -up equity share capital (Face Value Re.1/-per share)	2065.24	2065.24	2065.24	2065.24	2065.24	2065.24
	Reserve excluding revaluation reserves as per balance sheet of previous accounting year	-	-	-	-	-	(10011.11)
15)	Earning per share (EPS) (not annualized)						
i)	Basic and Diluted EPS before Extraordinary items	(0.11)	(0.10)	(0.12)	(0.35)	(0.21)	(0.69)
ii)	Basic and Diluted EPS after Extraordinary items	(0.11)	(0.10)	(0.12)	(0.35)	(0.21)	(0.69)
A	PART II						
	PARTICULARS OF SHAREHOLDING						
1)	Public shareholding						
	- Number of Shares	69846581	69846581	69846581	69846581	69846581	69846581
	- Percentage of shareholding	33.82%	33.82%	33.82%	33.82%	33.82%	33.82%
2)	Promoters and promoter group Shareholding						
a)	Pledged/Encumbered						
	- Number of Shares	136652098	136652098	136652098	136652098	136652098	136652098
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	99.98%	99.98%	99.98%	99.98%	99.98%	99.98%
	- Percentage of shares (as a % of the total share capital of the company)	66.17%	66.17%	66.17%	66.17%	66.17%	66.17%
b)	Non-encumbered						
	- Number of Shares	25000	25000	25000	25000	25000	25000
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	0.02%	0.02%	0.02%	0.02%	0.02%	0.02%
	- Percentage of shares (as a % of the total share capital of the company)	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%
B	INVESTORS COMPLAINTS						
	Pending at the beginning of the quarter						
	Received during the quarter						
	Disposed of during the quarter						
	Remaining unresolved at the end of the quarter						

NOTES:

1) Unaudited statement of Assets and Liabilities as at 30th September, 2016.

Sr.	PARTICULARS	AS AT	
		30th Sep 2016 (Unaudited)	31st Mar 2016 (Audited)
A	EQUITY AND LIABILITIES		
1	Shareholders' funds		
(a)	Share Capital	5343.24	5343.24
(b)	Reserves and surplus	(10448.42)	(10011.11)
	Sub-total - Shareholders' funds	(5105.18)	(4667.87)
2	Non-current liabilities		
(a)	Long-term borrowings	4762.21	6021.93
(b)	Long-term provisions	10.47	10.47
	Sub-total - Non-current liabilities	4772.68	6032.40
3	Current liabilities		
(a)	Short-term borrowings	1862.62	1767.92
(b)	Trade payables	1760.17	1747.33
(c)	Other current liabilities	2373.25	1176.52
	Sub-total - Current liabilities	5996.04	4691.77
	TOTAL- EQUITY AND LIABILITIES	5663.53	6056.30
B	ASSETS		
1	Non-current assets		
(a)	Fixed assets		
(i)	Tangible assets	3986.46	4189.92
(ii)	Intangible assets	0.00	0.00
(iii)	Capital Work in progress	0.00	0.00
		3986.46	4189.92
(b)	Non-current investments	333.86	333.86
(c)	Long-term loans and advances	30.68	31.90
	Sub-total - Non-current assets	4351.00	4555.69
2	Current assets		
(a)	Inventories	770.27	783.76
(b)	Trade receivables	257.14	300.96
(c)	Cash and cash equivalents	4.32	0.14
(d)	Short-term loans and advances	280.81	415.75
(e)	Other current assets	0.00	0.00
	Sub-total - Current assets	1312.54	1500.61
	TOTAL - ASSETS	5663.53	6056.30

2) The company is engaged in the manufacture and sale of Steel Products only and is managed organisationally as a single unit. Hence there is no separate reportable segment as per Accounting standard - 17 on segment Reporting issued by the Institute of Chartered Accountants of India.

3) The above results, as reviewed by the Audit Committee, have been approved by the Board of Directors of the Company at its meeting held on 9th Nov 2016

4) The company's operating results continue to be materially affected by various factors particularly poor market conditions and deep recession in the steel market and general economic slow down. The accumulated losses of the company as at 30.09.2016 stand at Rs. 10717.57 lacs against the paid up Share capital of Rs. 5343.24 lacs. The current liabilities as at 30.09.2016 exceeded the current assets by Rs.4683.50 lacs. The company has been referred to the Board for Industrial & Financial Reconstruction (BIFR) under section 15 of the Sick Industrial Companies (special provision) Act, 1985 which has been registered by BIFR vide case no. 74/2014. The company has declared a consensus lockout w.e.f. 30.05.2014 due to lack of demand of its products and the lockout is still in force.

These conditions indicate the existence of a material uncertainty that may cast a significant doubt about the company's ability to continue as a going concern which is dependant on company's establishing profitable operations and sustainable cash flow. The Company is in the process of submitting a Rehabilitation package to BIFR for revival of the company. Company is hopeful that the market conditions will improve and the company will restart its manufacturing operation once the market conditions are favourable. Considering the above points, company's financial statements have been prepared on going concern basis.

5) The company has received a notice from Bank of India, Visakhapatnam under Section 13(4) of the SARFAESI Act. Bank of India has also published a notice in the local newspaper taking symbolic possession of the assets of the company on 10.10.2015. As per the legal opinion obtained by the company, the notice issued under Section 13(4) of the SARFAESI Act by BOI is in violation of the said Act and the company has filed an appeal under section 17 of the SARFAESI ACT challenging the action initiated by Bank of India

6) Figures for previous periods/ year are regrouped wherever necessary.

For Salve & Co.
Chartered Accountants
(Regi. No. 199003W)

CA: K.P. SAHASRABUDHE
Partner
Membership No. 007021
PLACE: NAGPUR
DATE: 9th Nov, 2016



For FACOR STEELS LIMITED

VINDO SARAF
MANAGING DIRECTOR

Corporate & Head office: Shreeram Bhawan, Tumsar-441912. District: Bhandara (Maharashtra)