

**FACOR STEELS LIMITED**

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

CIN : L27100MH2004PLC146283 email : info@facorsteel.com

**AUDITED FINANCIAL RESULTS**

**FOR THE QUARTER AND YEAR ENDED 31ST MARCH, 2016**

(Rs./Lakhs)

Sr.	PARTICULARS	QUARTER ENDED			YEAR ENDED YEAR ENDED	
		31st Mar 2016	31st Dec 2015	31st Mar 2015	31st Mar 2016	31st Mar 2015
		(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
1)	Gross Sales/Income from operations	29.18	29.19	(20.83)	169.78	3257.05
	Less: Excise duty	3.24	3.60	12.65	19.62	329.93
a	Net sales /Income from operations	25.94	21.99	(33.48)	150.16	2927.12
b	Other Operating Income	0.00	0.00	3.32	0.00	33.94
	<b>Total Income from operations (net)</b>	<b>25.94</b>	<b>21.99</b>	<b>(30.16)</b>	<b>150.16</b>	<b>2961.06</b>
2)	Expenditure					
a	Cost of materials consumed	-	-	-	0.00	226.17
b	Purchase of stock-in-trade	-	-	-	-	-
c	Changes in inventories of finished goods, work-in-progress and stock-in-trade	42.67	30.37	(12.46)	119.79	2712.77
d	Employees benefits expense	167.87	25.60	125.43	302.86	559.30
e	Depreciation and amortisation expense	104.73	104.72	167.71	418.90	469.38
f	Power and Fuel	3.60	25.86	40.59	122.91	349.56
g	Other Expenditure	74.04	25.94	306.49	240.27	1038.58
	<b>Total expenses</b>	<b>392.90</b>	<b>212.49</b>	<b>627.75</b>	<b>1204.73</b>	<b>5355.76</b>
3)	Profit/(Loss) from Operations before Other income, finance costs & Exceptional Items(1-2)	(366.96)	(190.51)	(657.91)	(1054.57)	(2384.70)
4)	Other Income	5.93	0.00	40.77	38.81	82.81
5)	Profit/(Loss) from ordinary activities before finance costs & exceptional items (3+4)	(361.04)	(190.51)	(617.14)	(1,015.76)	(2,311.89)
6)	Finance costs	65.35	93.16	164.10	410.34	781.29
7)	Profit/(Loss) from ordinary activities after finance costs but before exceptional items(5-6)	(426.39)	(283.67)	(781.24)	(1426.10)	(3093.18)
8)	Exceptional Items			1842.11		1842.11
9)	Profit/ (Loss) from ordinary activities before tax (7+8)	(426.39)	(283.67)	1060.87	(1426.10)	(1251.07)
10)	Tax Expense					
a	Provision/(Credit) for Deferred Tax	-	-	-	-	-
	<b>Total tax expenses</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
11)	Net Profit / (Loss) from ordinary activities after Tax(9-10)	(426.39)	(283.67)	1060.87	(1426.10)	(1251.07)
12)	Extraordinary Items (Net of tax expense)	-	-	-	-	-
13)	Net profit/(Loss) for the period(11-12)	(426.39)	(283.67)	1060.87	(1426.10)	(1251.07)
14)	Paid -up equity share capital (Face Value Rs.1/-per share) reserve excluding revaluation reserves as per balance sheet of previous accounting year	(10011.11)				(8585.00)
16)	Earning per share (EPS) (not annualized)					
i)	Basic and Diluted EPS before Extraordinary items	(0.21)	(0.14)	0.51	(0.69)	(0.61)
ii)	Basic and Diluted EPS after Extraordinary items	(0.21)	(0.14)	0.51	(0.69)	(0.61)
A	<b>PART II</b>					
1)	<b>PARTICULARS OF SHAREHOLDING</b>					
	Public shareholding					
	- Number of Shares	69846581	69846581	69846581	69846581	69846581
	- Percentage of shareholding	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
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	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%
b)	Non-encumbered					
	- Number of Shares	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%
	- Percentage of shares (as a % of the total share capital of the company)	0.01%	0.01%	0.01%	0.01%	0.01%
B	<b>INVESTORS COMPLAINTS</b>					
	Pending at the beginning of the quarter	NIL				
	Received during the quarter	NIL				
	Disposed of during the quarter	NIL				
	Remaining unresolved at the end of the quarter	NIL				

NOTES:

1) Audited statement of Assets and Liabilities as at 31st March, 2016.		YEAR ENDED	
Sr.	PARTICULARS	31ST MARCH 2016 (AUDITED)	31ST MARCH 2015 (AUDITED)
<b>A</b>	<b>EQUITY AND LIABILITIES</b>		
1	Shareholders' funds		
(a)	Share Capital	5343.24	5343.24
(b)	Reserves and surplus	(10011.11)	(8585.00)
	Sub-total - Shareholders' funds	(4667.87)	(3241.77)
2	Non-current liabilities		
(a)	Long-term borrowings	6021.93	4048.69
(b)	Deferred tax liabilities(Net)	0.00	0.00
(c)	Other long-term liabilities	0.00	0.00
(d)	Long-term provisions	10.47	37.82
	Sub-total - Non-current liabilities	6032.40	4086.51
3	Current liabilities		
(a)	Short-term borrowings	1767.92	3664.30
(b)	Trade payables	1747.33	1745.30
(c)	Other current liabilities	1176.52	834.50
(d)	Short-term provisions	0.00	0.00
	Sub-total - Current liabilities	4691.77	6244.11
	<b>TOTAL - EQUITY AND LIABILITIES</b>	<b>6056.30</b>	<b>7088.85</b>
<b>B</b>	<b>ASSETS</b>		
1	Non-current assets		
(a)	Fixed assets		
(i)	Tangible assets	4189.92	4607.19
(ii)	Intangible assets	0.00	0.00
(iii)	Capital Work In progress	0.00	0.00
		4189.92	4607.19
(b)	Non-current investments	333.86	333.86
(c)	Long-term loans and advances	31.90	49.54
	Sub-total - Non-current assets	4555.69	4990.58
2	Current assets		
(a)	Inventories	783.76	1042.76
(b)	Trade receivables	300.96	406.32
(c)	Cash and cash equivalents	0.14	33.10
(d)	Short-term loans and advances	415.75	613.73
(e)	Other current assets	0.00	2.34
	Sub-total - Current assets	1500.61	2098.27
	<b>TOTAL - ASSETS</b>	<b>6056.30</b>	<b>7088.85</b>

- 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 6th May 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 31.03.2016 stand at Rs. 10280.24 lacs against the paid up Share capital of Rs. 5343.24 lacs. The current liabilities as at 31.03.2016 exceeded the current assets by Rs.3191.17 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  
(Registration No.109003W)

CA. K. P. SAHASRABUDHE  
(PARTNER)  
Membership No. 07021  
PLACE: NAGPUR  
DATE: 6th May 2016



For FACOR STEELS LIMITED

VINDO SARAF  
MANAGING DIRECTOR

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

# **SALVE & CO.**

CHARTERED ACCOUNTANTS  
PLOT NO.G-3, YASHODHAN, GOREPETH, NAGPUR-440 010  
TEL:(O) 0712-2532354  
Email ID: salve\_co@hotmail.com

K.P.SAHASRABUDHE M 9422101354  
S.D. PARANJPE M 9422101171

**Auditor's Report on Quarterly Financial Results and Year to Date Results of the Company  
Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements)  
Regulations, 2015**

To  
Board of Directors of Facor Steels Limited

We have audited the quarterly financial results of Facor Steels Limited for the quarter ended 31<sup>st</sup> March, 2016 and the year to date results for the period 1<sup>st</sup> April, 2015 to 31<sup>st</sup> March, 2016 attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. These quarterly financial results as well as the year to date financial results have been prepared on the basis of the interim financial statements, which are the responsibility of the company's management. Our responsibility is to express an opinion on these financial results based on our audit of such interim financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard for Interim Financial Reporting (AS25/Ind AS 34), prescribed, under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder, or by the Institute of Chartered Accountants of India, as applicable and other accounting principles generally accepted in India.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement(s). An audit also includes assessing the accounting principles used and significant estimates made by Management. We believe that our audit provides a reasonable basis for our opinion.



# SALVE & CO.

CHARTERED ACCOUNTANTS  
PLOT NO.G-3, YASHODHAN, GOREPETH, NAGPUR-440 010  
TEL:(O) 0712-2532354  
Email ID: salve\_co@hotmail.com

K.P.SAHASRABUDHE M 9422101354  
S.D. PARANJPE M 9422101171

In our opinion and to the best of our information and according to the explanations given to us these quarterly financial results as well as the year to date results:

- (i) are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in this regard; and
- (ii) give a true and fair view of the net loss and other financial information for the quarter ended 31<sup>st</sup> March, 2016 as well as the year to date results for the period from 1<sup>st</sup> April, 2015 to 31<sup>st</sup> March, 2016.

For Salve & Co.

Chartered Accountants

Firm Registration Number: 109003W



CA. K. P. SAHASRABUDHE

Partner

Membership No.: 07021



Place: Nagpur

Date: 6<sup>th</sup> May, 2016