



## **FACOR STEELS LIMITED**

FSL/NGP/STX/01  
January 25, 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**

Dear Sir,

**Re:- Limited Review Report of Un-audited Financial Results for the Quarter Ended 31-12-2015.**

Pursuant to clause 41 of the Listing Agreement, we are enclosing herewith a copy of the Limited Review Report dated 25<sup>th</sup> January, 2016 of the Auditor of the Company in respect of the un-audited financial results of the Company for the quarter ended 31<sup>st</sup> December, 2015 for your information and records. The above results were approved by the Board of Directors at its meeting held on 25<sup>th</sup> January, 2016.

Thanking you,

Yours faithfully,  
**For Facor Steels Ltd.**

  
**Vinod Saraf**  
**Managing Director**  
Encl: As above

**SALVE & CO.**  
Chartered Accountants

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

### **LIMITED REVIEW REPORT**

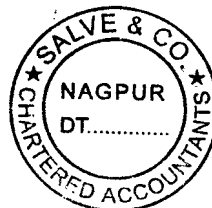
Review Report to Board of Directors, FACOR STEELS LIMITED

We have reviewed the accompanying statement of Un-audited Financial Results of FACOR STEELS LIMITED for the period ended 31<sup>st</sup> December, 2015. Except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been audited by us. This statement is the responsibility of the Company's management and has been approved by the Board of Directors/ Committee of 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) 2410, Review of Interim Financial information performed by the Independent Auditor of the Entity 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 statements is 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 statement has not been prepared in all material respects in accordance with applicable Accounting Standards notified pursuant to the Companies(Accounting Standards) Rules, 2006 as per Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and other recognised accounting practices and policies, and has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.

Place of signature: NAGPUR  
Date : 25<sup>th</sup> January, 2016



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

**C. A. K. P. SAHASRABUDHE**  
Partner  
Membership No. 7021

**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 AND NINE MONTHS ENDED 31ST DECEMBER, 2015

Sr.	PARTICULARS	(Rs./Lakhs)					
		QUARTER ENDED			NINE MONTHS ENDED		
		31st DEC 2015	30th SEP 2015	31st DEC 2014	31st DEC 2015	31st DEC 2014	31st MARCH 2015
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	
1)	Gross Sales/Income from operations	21.99	79.98	16.74	127.00	3277.88	3257.05
	Less: Excise duty	0.00	0.00	2.34	2.78	317.28	329.93
a	Net sales /Income from operations	21.99	79.98	16.40	124.22	2960.60	2927.12
b	Other Operating Income	0.00	0.00	0.00	0.00	30.62	33.84
	<b>Total Income from operations (net)</b>	<b>21.99</b>	<b>79.98</b>	<b>16.40</b>	<b>124.22</b>	<b>2991.22</b>	<b>2961.06</b>
2)	<b>Expenditure</b>						
a	Cost of materials consumed	-	-	0.00	0.00	226.18	226.17
b	Purchase of stock-in-trade	-	-	-	-	-	-
c	Changes in inventories of finished goods, work-in-progress and stock-in-trade	30.37	43.98	145.95	77.13	2725.23	2712.77
d	Employees benefits expense	25.80	35.39	57.36	135.00	433.87	559.30
e	Depreciation and amortisation expense	104.72	104.72	95.31	314.17	301.87	489.38
f	Power and Fuel	25.86	47.30	45.94	119.31	308.97	349.56
g	Other Expenditure	25.94	69.45	116.87	166.22	732.07	1038.49
	<b>Total expenses</b>	<b>212.49</b>	<b>290.85</b>	<b>461.43</b>	<b>811.84</b>	<b>4727.99</b>	<b>5355.67</b>
3)	Profit/(Loss) from Operations before Other Income, finance costs & Exceptional Items(1-2)	(190.51)	(210.87)	(445.03)	(687.62)	(1736.77)	(2394.61)
4)	Other Income	0.00	27.21	10.83	32.86	42.02	82.72
5)	Profit/(Loss) from ordinary activities before finance costs & exceptional items (3+4)	(190.51)	(183.66)	(434.20)	(654.74)	(1,694.75)	(2,311.89)
6)	Finance costs	93.16	57.17	173.78	344.98	617.19	781.29
7)	Profit/(Loss) from ordinary activities after finance costs but before exceptional items(5-6)	(283.67)	(240.83)	(607.98)	(999.73)	(2,311.94)	(3,093.18)
8)	Exceptional items	-	-	-	-	-	1842.11
9)	Profit/ (Loss) from ordinary activities before tax (7+8)	(283.67)	(240.83)	(607.98)	(999.73)	(2,311.94)	(1,251.07)
10)	Tax Expense	-	-	-	-	-	-
a	Provision/(Credit) for Deferred Tax	-	-	-	-	-	-
	<b>Total tax expenses</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
11)	Net Profit / (Loss) from ordinary activities after Tax(9-10)	(283.67)	(240.83)	(607.98)	(999.73)	(2,311.94)	(1,251.07)
12)	Extraordinary items (Net of tax expense)	-	-	-	-	-	-
13)	Net profit/(Loss) for the period(11-12)	(283.67)	(240.83)	(607.98)	(999.73)	(2,311.94)	(1,251.07)
14)	Paid-up equity share capital (Face Value Rs.1/-per share) reserve excluding revaluation reserves as per balance sheet of previous accounting year	2065.24	2065.24	2065.24	2065.24	2065.24	2065.24
15)							(8585.00)
16)	Earning per share (EPS) (not annualized)						
i)	Basic and Diluted EPS before Extraordinary items	(0.14)	(0.12)	(0.29)	(0.48)	(1.12)	(0.61)
ii)	Basic and Diluted EPS after Extraordinary items	(0.14)	(0.12)	(0.29)	(0.48)	(1.12)	(0.61)
A	<b>PART II</b>						
1)	<b>PARTICULARS OF SHAREHOLDING</b>						
	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	<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:**

- 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.
- The Statutory Auditor have carried out the limited review of the results for the quarter ended 31st December 2015
- 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 25th January 2016
- 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 31.12.2015 stand at Rs. 9853.89 lacs against the paid up Share capital of Rs. 5343.24 lacs. The current liabilities as at 31.12.2015 exceeded the current assets by Rs.4696.98 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.
- 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
- The company during the quarter under review has reached a settlement agreement with Invent Assets Securitisation & Reconstruction Pvt Ltd for the loans assigned in their favour by four banks of value Rs3491 lakhs.
- Figures for previous periods/ year are regrouped wherever necessary.

For Salve & Co.  
Chartered Accountants  
Reg. No. 10903(W)

For FACOR STEELS LIMITED

CHARTERED ACCOUNTANTS  
NAGPUR  
DT.....

Partner  
Membership No. 7021  
PLACE: NAGPUR  
DATE: 25th January, 2016

VINDO SARAF  
MANAGING DIRECTOR

Corporate & Head office: Shreeram Bhawan, Tumsar Road, District: Bhandara (Maharashtra)