



VBC INDUSTRIES LIMITED

(An ISO 9001 - 2008 Certified Company)

STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER/HALF YEAR ENDED 30TH SEPTEMBER, 2015



PART I

(Rs. in Lakhs)

S.No	Particulars	Quarter Ended			Half Year Ended		Previous Year Ended
		30.09.2015	30.06.2015	30.09.2014	30.09.2015	30.09.2014	31.03.2015
1	a) Net Sales / Income from Operations	(Unaudited) 60.48	(Unaudited) 355.39	(Unaudited) -	(Unaudited) 415.87	(Unaudited) -	(Audited) 1,484.11
	b) Other Operating Income	14.42	5.77	14.00	20.19	27.69	55.68
	Total Income	74.90	361.16	14.00	436.06	27.69	1,539.79
2	Expenses						
	a) Cost of materials consumed	-	82.40	-	82.40	-	647.98
	b) Changes in Inventories of finished goods	123.67	214.75	-	338.42	-	(353.64)
	c) Employee benefit expenses	52.38	61.00	45.85	113.38	93.08	219.21
	d) Power	0.20	179.70	-	179.90	-	1,131.96
	e) Other Expenses (Gross)	42.64	38.43	14.32	66.23	25.99	222.47
	Less: Adj. in respect of Excise Duty on Op.Stock of Finished Goods	21.95	23.65	-	30.77	-	32.46
	Other Expenses (Net)	20.69	14.78	14.32	35.46	25.99	190.01
	f) Depreciation	62.98	62.88	65.27	125.87	130.54	276.87
	Total Expenses	259.92	615.51	125.44	875.43	249.61	2,112.39
3	Profit / (Loss) from operations before other Income , finance costs and exceptional items	(185.02)	(254.35)	(111.44)	(439.37)	(221.92)	(572.60)
4	Other income	2.73	2.78	6.43	5.51	12.87	40.16
5	Profit / (Loss) from ordinary activities before Finance Costs	(182.29)	(251.57)	(105.01)	(433.86)	(209.05)	(532.44)
6	Finance Costs	414.14	398.14	342.16	812.28	614.84	2,200.14
7	Profit / (Loss) from ordinary activities after finance Costs	(596.43)	(649.71)	(447.17)	(1,246.14)	(823.89)	(2,732.58)
8	Exceptional Items:						
	Remission of interest allowed by ARC in respect of borrowings assigned to it by banker	-	690.99	-	690.99		
9	Profit / (Loss) after interest and exceptional items and Tax	(596.43)	41.28	(447.17)	(555.15)	(823.89)	(2,732.58)
10	Provision for Taxation :						
	Deferred Tax	-	-	-	-	-	62.61
11	Profit / (Loss) after tax	(596.43)	41.28	(447.17)	(555.15)	(823.89)	(2,669.97)



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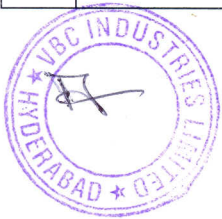
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PART I

(Rs. in Lakhs)

S.No	Particulars	Quarter Ended			Half Year Ended		Previous Year Ended
		30.09.2015	30.06.2015	30.09.2014	30.09.2015	30.09.2014	31.03.2015
12	Paid up Equity Share Capital	4,518.35	4,518.35	4,518.35	4,518.35	4,518.35	4,518.35
13	Reserves Excluding Revaluation Reserves as per Balance Sheet of previous accounting year						(965.65)
14	Diluted EPS (Not annualised)-`	(1.32)	0.09	(0.99)	(1.23)	(1.82)	(5.93)
Part II							
A. Particulars of share holding :							
1	Public share holding						
	- Number of shares	13,181,005	13,181,005	13,181,005	13,181,005	13,181,005	13,181,005
	- % of shareholding	29.26	29.26	29.26	29.26	29.26	29.26
2	Promoters and Promoter group shareholding						
	a). Pledged / Encumbered						
	- Number of shares	NIL	NIL	NIL	NIL	NIL	NIL
	- Percentage of shares (as a % of the total share holding of promoters and promoter Group)	NA	NA	NA	NA	NA	NA
	- Percentage of shares (as a % of the total share capital of the company)	NA	NA	NA	NA	NA	NA
	b). Non-Encumbered						
	- Number of shares	31,862,804	31,862,804	31,862,904	31,862,804	31,862,804	31,862,804
	- Percentage of shares (as a % of the total share holding of promoters and promoter Group)	100.00	100.00	100.00	100.00	100.00	100.00
	- Percentage of shares (as a % of the total share capital of the company)	70.74	70.74	70.74	70.74	70.74	70.74





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Sno.	Particulars	Quarter Ended 30.09.2015
B.	Investor Complaints :	
1	Pending at the beginning of the quarter	NIL
2	Received during the quarter	NIL
3	Disposed of the quarter	NIL
4	Remaining unresolved at the end of the quarter	NIL

STATEMENT OF ASSETS AND LIABILITIES AS AT 30 TH SEPTEMBER ,2015

(Rs. in Lakhs)

S.No.	Particulars	As At 30.09.2015 Unaudited	As At 31.03.2015 Audited
A.	EQUITY AND LIABILITIES		
1	Shareholders' Funds :		
	(a). Share Capital	4,518.35	4,518.35
	(b). Reserves & Surplus	(1,473.18)	(915.73)
	Sub-total - Shareholders' Funds	3,045.17	3,602.62
2	Share Application Money Pending Allotment	-	-
3	Non-Current Liabilities:		
	(a). Long Term Borrowings	12,328.64	12,063.84
	(b). Deferred Tax Liability	-	-
	c). Other Long Term Liabilities	21.96	9.96
	(d). Long Term Provisions	31.22	31.22
	Sub-Total - Non -Current Liabilities	12,381.82	12,105.02
4	Current Liabilities:		
	(a). Short Term borrowings	1,060.00	1,113.15
	(b). Trade Payables	3,653.58	3,787.91
	c). Other Current Liabilities	1,268.87	1,295.05
	(d). Short Term Provisions	13.63	10.13
	Sub-Total - Current Liabilities	5,996.08	6,206.24
	TOTAL - EQUITY AND LIABILITIES	21,423.07	21,913.88
B.	ASSETS		
1	Non-Current Assets		
	(a). Fixed Assets	3,917.52	4,045.68
	(b). Non-Current Investments	14,385.65	14,385.65
	(c). Long Term Loans and Advances	454.13	452.80
	(d). Deferred Tax Asset (Net)	236.73	236.73
	Sub-Total - Non-Current Assets	18,994.03	19,120.86
2	Current Assets :		
	(a). Inventories	1,446.80	1,785.13
	(b). Trade Receivables	45.19	117.91
	(c). Cash and Bank Balances	76.34	66.32
	(d). Short Term Loans and Advances	240.83	203.00
	(e). Other Current Assets	619.88	620.66
	Sub-Total - Current Assets	2,429.04	2,793.02
	TOTAL - ASSETS	21,423.07	21,913.88





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Notes:

- 1) The above unaudited results were reviewed by the Audit Committee and taken on record by the Board of Directors at its respective meeting held on 14th November, 2015 and the statutory auditors have carried out limited review of the above financial results
- 2) The company has entered in to an agreement for settlement of its dues to UCO bank, which are assigned by the said banker to Phoenix ARC Private limited on 21.07.2015, which has resulted in remission of interest on the said dues upto 31.03.2015. The same has been recognised as an exceptional item in the above unaudited results for the quarter ended 30.06.2015
- 3) The company has received demands for fuel surcharge adjustment (FSA) from Central Power Distribution Company of AP Ltd (CPDCL) pursuant to clause 45B of the Andhra Pradesh Electricity Regulatory Commission (Conduct of Business Amendment) Regulations 2003 (FSA Regulations) The levy has been a subject matter of challenge ever since the DISCOMS made their claim in the year 2010 in respect of the period 2008-09 onwards. The challenge with respect to 2008-09 and 2009-10 were initially accepted by a single judge of the Andhra Pradesh High Court and the appeals filed by the DISCOMS with respect to 2008-09 and 2009-10 are currently pending before the Supreme Court and a full bench of the Andhra Pradesh High Court respectively. With respect to the levy for the years 2010-11 to 2012-13 totaling to Rs. 8,28,93,739/- no stay has been granted against the levy and collection of FSA charges. Pending the resolution of the legal course being pursued by the company of the dispute no provision has been made for the said demand in the books of account.
The Statutory Auditors have qualified the above matter in their report for the year ended 31st March 2015.
- 4) By its order dated 29th April 2014, the single member bench of Hon'ble High Court of AP, has allowed the writ petition filed by the company and set aside the demands raised by Southern Power Distribution company of AP Ltd (SPDCL), previously part of Central Power Distribution company of AP Ltd (CPDCL) totaling to Rs. 52,80,34,663/- towards load factor shortfall charges for the period from September 2005 to August 2006, during which the Ferro alloy unit was closed and for the years from 2008-09 to 2012-13 & 2014-15 during load reliefs and ordered CPDCL to pass a detailed order after giving proper notice indicating the amounts due and by considering the explanations/ pleas raised by the company. Accordingly SPDCL has revised the said demands to Rs 43,49,01,815/- (which includes surcharge of Rs 15,39,74,345/-) based on the explanations/ pleas by the company, which are still contested by the company . In view of the above, no provision has been made in the books of account against the same. SPDCL has adjusted Rs. 4,28,99,805/-, being the consumption deposit against the said demands, which are shown under other current assets as "Taxes & Power dues paid under Protest.
The Statutory Auditors have qualified the above matter in their report for the year ended 31st March 2015.
- 5) The Company operates in only one business segment of manufacturing ferro alloys.
- 6) Figures of the previous period / year have been regrouped, wherever necessary to confirm to the current year figures classifications.

for VBC Industries Limited

Place: Hyderabad
Date: 14.11.2015




M S Lakshman Rao
Managing Director