

March 05, 2020

To
The Department of Corporate Services – Listing
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001

SCRIP CODE: 537254

Dear Sir,

Sub: Outcome of the Board Meeting held on Thursday, March 05, 2020

Pursuant to applicable regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including Regulation 30, this is to inform you that the Board of Directors of the Company at their Meeting held today i.e. Thursday, March 05, 2020, inter- alia, transacted the following business:

1. Considered and approved the Unaudited Standalone & Consolidated Financial Results of the Company for the Quarter and Nine months ended December 31, 2019 pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 together with Limited Review Report thereon.

Further, with reference to above, we hereby enclose the above mentioned Un-Audited Financial Results of the Company for the Quarter and Nine months ended on December 31, 2019, in the format specified under Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 together with Limited Review Report.

Kindly take the same on your record and oblige.

Yours faithfully,

FOR RCI INDUSTRIES & TECHNOLOGIES LIMITED

For RCI Industries & Technologies Ltd.



Managing Director

RAJEEV GUPTA
Managing Director

Enclosures: As above



**STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS
 FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2019**

(Amount in Rs. Lacs)

Sl. No.	Particulars	Quarter ended			Nine Months ended		Year ended
		31.12.2019	30.09.2019	31.12.2018	31.12.2019	31.12.2018	31.03.2019
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	Income						
	a. Revenue from Operations	7,139.71	8,719.53	41,816.85	32,145.79	126,297.89	163,693.87
	b. Other Income	97.10	345.18	102.31	508.95	499.30	541.97
	Total Income	7,236.82	9,064.71	41,919.16	32,654.73	126,797.19	164,235.84
2	Expenses						
	a. Cost of Material Consumed	5,792.39	7,780.48	20,837.00	26,278.34	72,884.58	97,264.62
	b. Purchase of stock-in-trade	1,297.29	932.54	17,554.49	3,216.45	45,572.45	57,919.08
	c. Change in inventories of finished goods, work-in-progress and stock-in-trade	1,405.06	1,727.28	796.38	3,724.32	811.69	(771.14)
	d. Employee Benefits Expenses	224.51	271.46	325.52	789.08	832.47	1,253.57
	e. Finance Costs	536.99	444.15	601.13	1,538.96	1,659.97	2,400.36
	f. Depreciation and Amortisation Expenses	358.81	357.01	262.19	1,035.33	830.24	1,118.84
	g. Other Expenses	432.30	503.75	862.73	1,498.56	2,159.04	2,398.89
	Total Expenses	10,047.35	12,016.67	41,239.44	38,081.03	124,750.45	161,584.22
3	Profit before tax, exceptional item and prior period items	(2,810.53)	(2,951.96)	679.72	(5,426.30)	2,046.74	2,651.62
4	Exceptional item	-	-	-	1,667.73	-	-
5	Prior period items (Refer Note 4 below)	(0.00)	1,636.32	-	1,636.32	-	-
6	Profit/(Loss) before tax	(2,810.53)	(4,588.29)	679.72	(8,730.36)	2,046.74	2,651.62
7	Tax expense						
	a. Current Tax	-	-	141.89	-	653.77	878.44
	b. Deferred Tax	(25.29)	67.31	1.41	20.65	(28.76)	20.11
	Total tax expense	(25.29)	67.31	143.30	20.65	625.01	898.55
8	Profit after tax	(2,785.24)	(4,655.59)	536.43	(8,751.01)	1,421.73	1,753.07
9	Other Comprehensive Income	1.21	1.21	1.01	3.62	3.03	4.82
10	Total Comprehensive Income	(2,784.04)	(4,654.39)	537.44	(8,747.39)	1,424.76	1,757.89
11	Paid-up Equity Share Capital (Face value of Rs.10 each)	1,567.64	1,567.64	1,343.64	1,567.64	1,343.64	1,343.64
12	Earnings Per Share (Face value of Rs. 10/- each)						
	Basic (in Rs.) (not annualised)	(17.76)	(29.69)	3.99	(55.80)	10.58	13.05
	Diluted (in Rs.) (not annualised)	(17.76)	(29.69)	3.42	(55.80)	9.07	11.18

Notes:-

- The above financial results for the quarter and nine months ended December 31, 2019 have been reviewed by Audit committee and approved by the Board of Directors in their respective meetings held on March 05, 2020.
- The Company activity during the year revolves around manufacturing and trading of all kind of metals and metal products. Considering the nature of Company's business and operations, as well as based on review of operating results by the chief operating decision maker to make decision about resource allocation and performance measurement, there is only one reportable segment in accordance with the requirement of Ind AS 108 - "Operating Segments"
- Company has incurred heavy losses amounting to Rs. 87.47 crores during the nine months ended December 31, 2019 (Rs. 27.84 crores for quarter ended December 31, 2019). Further, many of the Company borrowings are being declared as Non performing asset (NPA) by the lenders due to non-payment of interest and borrowed amount on due dates. (Refer note 5 for details of NPA). Due to these factors there is a significant erosion in net worth of the Company. However, the current financial statements are being prepared on going concern basis as the net worth of the company is positive.
- The company's production process is such that there is an melting and processing loss which is recognized in raw material consumption. During the quarter ended September 30, 2019 Company has recognized melting losses amounting to RS. 24.41 crores. The amount includes losses for prior period amounting to Rs. 16.36 crores. The detailed note pertaining to this has been specified in the financial result for the quarter ended September 30, 2019.
- During the period ended December 31, 2019, seven of the lenders to Company State Bank of India, Corporation Bank, South Indian Bank, Punjab National Bank, Union Bank of India, Indian Bank and J&K Bank has declared the account as non performing asset (NPA). due to non payment of interest and borrowed amount.
- With effect from April 01, 2019, Company has adopted Ind AS - 116 "Leases", using the modified simplified approach and accordingly previous period information has not been reinstated. Under this approach, the Company has to recognize the lease liability and corresponding equivalent right to use (ROU) asset. However, there is no impact on Company on adoption of Ind AS 116.
- Figures for the previous periods have been re-grouped/ rearranged/ restated wherever necessary to make them comparable with those of the current period.

Place: New Delhi
 Date: March 05, 2020

For RCI INDUSTRIES & TECHNOLOGIES LTD.
 For RCI Industries & Technologies Ltd.

Managing Director
 Rajeev Gupta
 Managing Director
 DIN - 00503196



K R A & CO.

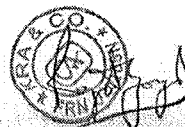
Chartered Accountants

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H -1/208, Garg Tower, Netaji Subhash Place, Pitampura, New Delhi -110034

**INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE BOARD OF DIRECTORS OF
RCI INDUSTRIES & TECHNOLOGIES LIMITED**

1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of **RCI INDUSTRIES & TECHNOLOGIES LIMITED** ('the Company') for the quarter and nine months ended December 31, 2019 ('the Statement'), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34") prescribed under section 133 of the Companies Act 2013, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (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 misstatements. 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.
4. Basis for qualified conclusions
 - a. *As the Company borrowings are declared NPA during the current period. We have not been provided with balance confirmations for acceptances (Letter of credit accepted by Bank). We therefore cannot comment on the accuracy, completeness and existence of these acceptances.*
 - b. *As mentioned in Note no 4 of the Statement, Company has recognized melting losses amounting to Rs. 24.41 crores in the previous quarter ended September 30, 2019. The amount includes losses for prior period amounting to Rs. 16.36 crores. This error arises because in earlier years the melting loss is booked based on approximate loss percentage due to continuous production process in plant. However, in previous quarter Company has identified the actual melting loss pertaining to previous year and the same has been recognized as a prior period expense.*
 - c. *As per Para 41 to 49 of Ind AS 8 "Accounting Policies, Changes in Accounting Estimates and Errors", prior period errors needs to be recognized in the financial statements of prior years by restating the accounts. However, Company has not restated previous year financial statements and all the losses (discussed in point b above) have been recognized in the previous quarter.*
5. Emphasis of matter
As mentioned in Note no 3 of the Statement, Company has incurred heavy losses amounting to Rs. 87.47 crores during the nine months ended December 31, 2019 (Rs. 27.84 crores for quarter ended December 31, 2019). Further, many of the Company borrowings are being declared as Non performing asset (NPA) by the lenders due to non-payment of interest and borrowed amount on due dates. (Refer note 5 for details of NPA). Due to these factors there is significant erosion in net worth

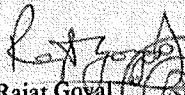



of the Company. However, the current financial statements are being prepared on going concern basis as the net worth of the company is positive.

Our conclusion on the Statement is not modified in respect of the above matter.

6. Based on our review conducted as above, *except for the effects/possible effects of the matters specified in Para 4 above*, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in term 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.

For KRA & Co.
Chartered Accountants
(Firm Registration No.020266N)



Rajat Goyal
Partner
Membership No. 503150

UDIN: 20503150AAAAJS3509
Place: New Delhi
Date: March 05, 2019



**STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS
 FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2019**

(Amount in Rs. Lacs)

Sl. No.	Particulars	Quarter ended			Nine Months ended		Year ended
		31.12.2019	30.09.2019	31.12.2018	31.12.2019	31.12.2018	31.03.2019
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	Income						
	a. Revenue from Operations	7,165.54	8,788.08	54,157.13	37,919.40	148,766.51	199,780.49
	b. Other Income	97.19	364.24	42.25	533.43	513.03	559.40
	Total Income	7,262.73	9,152.32	54,199.38	38,452.82	149,279.53	200,339.89
2	Expenses						
	a. Cost of Material Consumed	5,792.39	7,780.48	20,837.00	26,278.34	72,884.58	97,264.62
	b. Purchase of stock-in-trade	1,322.86	998.67	28,804.87	8,931.30	66,140.90	91,968.12
	c. Change in inventories of finished goods, work-in-progress and stock-in-trade	1,405.06	1,727.28	796.38	3,724.32	811.69	(771.14)
	d. Employee Benefits Expenses	233.61	266.94	327.54	798.41	846.66	1,279.68
	e. Finance Costs	537.29	446.10	599.11	1,541.86	1,662.04	2,404.83
	f. Depreciation and Amortisation Expenses	380.45	379.14	262.19	1,099.72	830.25	1,201.04
	g. Other Expenses	425.59	518.84	1,103.01	1,508.74	2,407.79	2,427.61
	Total Expenses	10,097.26	12,117.45	52,730.10	43,882.68	145,583.91	195,774.76
3	Profit before tax and exceptional item	(2,834.53)	(2,965.13)	1,469.28	(5,429.86)	3,695.63	4,565.13
4	Exceptional item	-	-	-	1,667.73	-	-
5	Prior period items (Refer Note 4 below)	(0.00)	1,636.32	-	1,636.32	-	-
6	Profit/(Loss) before tax	(2,834.53)	(4,601.45)	1,469.28	(8,733.92)	3,695.63	4,565.13
7	Tax expense						
	a. Current Tax	-	-	141.89	-	653.77	878.46
	b. Deferred Tax	(25.29)	67.31	1.41	20.65	(28.76)	20.10
	Total tax expense	(25.29)	67.31	143.30	20.65	625.01	898.56
8	Profit after tax attributable to owners of the parent	(2,809.24)	(4,668.76)	1,325.98	(8,754.57)	3,070.62	3,666.57
9	Other Comprehensive Income	58.74	224.53	(305.13)	241.20	378.10	409.88
10	Total Comprehensive Income attributable to owners of the parent	(2,750.50)	(4,444.23)	1,020.86	(8,513.37)	3,448.72	4,076.44
11	Paid-up Equity Share Capital (Face value of Rs.10 each)	1,567.64	1,567.64	1,343.64	1,567.64	1,343.64	1,343.64
12	Earnings Per Share (Face value of Rs. 10/- each)						
	Basic (in Rs.) (not annualised)	(17.92)	(29.78)	9.87	(55.85)	22.85	27.29
	Diluted (in Rs.) (not annualised)	(17.92)	(29.78)	8.46	(55.85)	19.59	23.39

Notes:-

- The above financial results for the quarter and nine months ended December 31, 2019 have been reviewed by Audit committee and approved by the Board of Directors in their respective meetings held on March 05, 2020.
- The Group's activity during the year revolves around manufacturing and trading of all kind of metals and metal products. Considering the nature of Group's business and operations, as well as based on review of operating results by the chief operating decision maker to make decision about resource allocation and performance measurement, there is only one reportable segment in accordance with the requirement of Ind AS 108 - "Operating Segments"
- Parent Company has incurred heavy losses amounting to Rs. 87.47 crores during the nine months ended December 31, 2019 (Rs. 27.84 crores for quarter ended December 31, 2019). Further, many of the Company borrowings are being declared as Non performing asset (NPA) by the lenders due to non-payment of interest and borrowed amount on due dates. (Refer note 5 for details of NPA). Due to these factors there is a significant erosion in net worth of the Company. However, the current financial statements are being prepared on going concern basis as the net worth of the company is positive.
- The Parent Company's production process is such that there is an melting and processing loss which is recognized in raw material consumption. During the quarter ended September 30, 2019 Company has recognized melting losses amounting to RS. 24.41 crores. The amount includes losses for prior period amounting to Rs. 16.36 crores. The detailed note pertaining to this has been specified in the financial result for the quarter ended September 30, 2019.
- During the period ended December 31, 2019, seven of the lenders to Parent Company State Bank of India, Corporation Bank, South Indian Bank, Punjab National Bank, Union Bank of India, Indian Bank and J&K Bank has declared the account as non performing asset (NPA). due to non payment of interest and borrowed amount.
- With effect from April 01, 2019, Group has adopted Ind AS - 116 "Leases", using the modified simplified approach and accordingly previous period information has not been reinstated. Under this approach, the Company has to recognize the lease liability and corresponding equivalent right to use (ROU) asset. However, there is no impact on Company on adoption of Ind AS 116.
- Figures for the previous periods have been re-grouped/ rearranged/ restated wherever necessary to make them comparable with those of the current period.

Place: New Delhi
 Date: March 05, 2020

For RCI INDUSTRIES & TECHNOLOGIES LTD.

For RCI Industries & Technologies Ltd.


Managing Director
 Rajeev Gupta
 Managing Director
 DIN - 00503196



H -1/208, Garg Tower, Netaji Subhash Place, Pitampura, New Delhi -110034

**INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE BOARD OF DIRECTORS OF
RCI INDUSTRIES & TECHNOLOGIES LIMITED**

1. We have reviewed the accompanying statement of consolidated unaudited financial results of RCI INDUSTRIES & TECHNOLOGIES LIMITED ("the Parent") and its subsidiaries (the Parent and its subsidiaries constitute "the Group") for the quarter and nine months ended December 31, 2019 (the Statement), being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended. Attention is drawn to the fact that the consolidated figures for the quarter and nine months ended December 31, 2018, as reported in these financial results have been approved by the Parent's Board of Directors, but have not been subjected to review since the requirement of submission of quarterly consolidated financial results has become mandatory only from April 01, 2019.
2. This Statement, which is the responsibility of the Parent's management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34") prescribed under section 133 of the Companies Act 2013 and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the entity", issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

4. The Statement includes the results of the following entities:

- i. RCI Skills & Development Pvt Ltd
- ii. RCI World Trade Link DMCC, Dubai

5. Basis for qualified conclusions

- a. *As the Company borrowings are declared NPA during the current period. We have not been provided with balance confirmations for acceptances (Letter of credit accepted by Bank). We therefore cannot comment on the accuracy, completeness and existence of these acceptances.*
- b. *As mentioned in Note no 4 of the Statement, Parent Company has recognized melting losses amounting to Rs. 24.41 crores in the previous quarter ended September 30, 2019. The amount includes losses for prior period amounting to Rs. 16.36 crores. This error arises because in earlier years the melting loss is booked based on approximate loss percentage due to continuous production process in plant. However, in previous quarter Company has identified the actual melting loss pertaining to previous year and the same has been recognized as a prior period expense.*



- c. *As per Para 41 to 49 of Ind AS 8 "Accounting Policies, Changes in Accounting Estimates and Errors", prior period errors needs to be recognized in the financial statements of prior years by restating the accounts. However, Company has not restated previous year financial statements and all the losses (discussed in point b above) have been recognized in the previous quarter.*
- d. *All the trade receivables held by one of the subsidiary company incorporated in Dubai are due for a period exceeding six months. Due to this, in our opinion, there is a significant increase in credit risk to Group in relation to these receivables and the subsidiary Company should recognize expected credit losses for atleast 20% of these receivables. The same has not been recognized by the subsidiary company and accordingly the Total Comprehensive loss of the Group is lower by Rs. 17.5 crores approx.*

6. Emphasis of matter

As mentioned in Note no 3 of the Statement, Parent Company has incurred heavy losses amounting to Rs. 87.47 crores during the nine months ended December 31, 2019 (Rs. 27.84 crores for quarter ended December 31, 2019). Further, many of the Company borrowings are being declared as Non performing asset (NPA) by the lenders due to non-payment of interest and borrowed amount on due dates. (Refer note 5 for details of NPA). Due to these factors there is significant erosion in net worth of the Company. However, the current financial statements are being prepared on going concern basis as the net worth of the company is positive.



Our conclusion is not modified in respect of this matter.

7. The consolidated unaudited financial results include the interim financial information of one subsidiary which has not been reviewed by their auditors, whose interim financial information reflects total revenue of Rs. 5790.09 Lacs, total net loss after tax of Rs. 10.20 Lacs and total comprehensive income of Rs. 227.37 Lacs for the nine months ended December 31, 2019. According to the information and explanations given to us by the Management, this interim financial information is not material to the Group.

Our conclusion on the Statement is not modified in respect of the above matter.

8. Based on our review conducted and procedures performed as stated in paragraph 3 above, *except for the effects/possible effects of the matters specified in Para 5 above*, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

**For KRA & Co.
Chartered Accountants
(Firm Registration No.020266N)**



**Rajat Goyal
Partner
Membership No.: 503150**

**UDIN: 20503150AAAAJT9997
Place: New Delhi
Date: March 05, 2020**