

WELCAST STEELS LIMITED

Registered. Office: 115-116, G.V.M.M. Estate, Odhav Road, Odhav, Ahmedabad – 382410, Gujarat, India

Telephone No: 079-22901078 Fax: 079-22901077 CIN: L27104GJ1972PLC085827

STATEMENT OF AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31st MARCH 2020

Sr. No.	Particulars	INR in lakhs				
		Quarter ended			Year ended	
		31.03.2020	31.12.2019	31.03.2019	31.03.2020	31.03.2019
	Audited	Un-audited	Audited	Audited	Audited	
1	Income					
	Revenue from operations	2590.19	3895.59	6831.04	14338.88	26796.91
	Other Operating Income	202.68	225.58	87.59	662.66	164.74
	a) Total Revenue from operations	2792.87	4121.17	6918.63	15001.54	26961.65
	b) Other Income	6.49	7.09	25.39	81.31	50.43
	Total Income (a+b)	2799.36	4128.26	6944.02	15082.85	27012.08
2	Expenses					
	a) Cost of material consumed	1631.31	2180.73	4249.12	9293.54	17845.70
	b) Changes in Inventories of finished goods, work-in-progress	(7.58)	365.51	361.63	(323.48)	(13.31)
	c) Employee benefits expense	224.50	251.42	238.14	989.22	973.97
	d) Finance costs	7.73	7.16	1.83	34.43	35.66
	e) Depreciation & amortisation expenses	35.58	33.49	26.20	133.54	84.12
	f) Other expenses	949.96	1315.54	1982.97	4960.66	7807.80
	Total Expenses (a+b+c+d+e+f)	2841.50	4153.85	6859.89	15087.91	26733.94
3	Profit / (Loss) before tax (1-2)	(42.14)	(25.59)	84.13	(5.06)	278.14
4	Tax Expenses					
	(i) Current tax	(4.16)	(8.17)	16.90	-	63.00
	(ii) Taxes of earlier years written back	-	(5.27)	-	(5.27)	(4.98)
	(iii) Deferred tax	11.26	2.62	(3.53)	26.50	36.22
	Total Tax expenses (i+ii+iii)	7.10	(10.82)	13.37	21.23	94.24
5	Profit / (Loss) for the period (3-4)	(49.24)	(14.77)	70.76	(26.29)	183.90
6	Other Comprehensive Income / (Loss)					
	i) Item that will not be reclassified to profit or loss	(22.55)	1.45	9.17	(18.61)	5.00
	ii) Income tax relating to items that will not be reclassified to profit or loss	5.67	(0.26)	(2.77)	4.68	(1.39)
	iii) Item that will be reclassified to profit or loss	-	-	-	-	-
	iv) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-
	Total Other Comprehensive Income / (Loss) (net of tax)	(16.88)	1.19	6.40	(13.93)	3.61
7	Total Comprehensive Income / (Loss) for the period (5+6)	(66.12)	(13.58)	77.16	(40.22)	187.51
8	Paid-up Equity Share Capital – Face Value of ` 10 each.	63.82	63.82	63.82	63.82	63.82
9	Other equity				3378.11	3437.56
10	Earning Per Share (EPS) (In `) (Not annualised)					
	Basic	(7.72)	(2.31)	11.09	(4.12)	28.82
	Diluted	(7.72)	(2.31)	11.09	(4.12)	28.82

Notes :

(i)	The above annual financial results for the quarter and year ended 31 March 2020 have been reviewed by the Audit Committee and subsequently approved by the Board of Directors in their respective meetings held on 15 June 2020. The statutory auditors have expressed an unqualified opinion.
(ii)	The audited financial results are prepared in accordance with the Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Companies Act, 2013, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) (Amendment Rules), 2016.
(iii)	The Company has decided to exercise the option permitted under Section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019 from the current financial year. Accordingly, the provision for income tax and deferred tax balances have been recorded / remeasured using the new tax rate and the resultant impact is recognised in the current financial results. Pursuant to the selection of this option, the Company has reversed deferred tax asset amounting to ₹ 8.62 lakhs due to reduction in corporate tax rate.
(iv)	The company manufactures and deals with a single product, Alloy steel Cast Grinding Media, Also Company's operations are solely situated in India. Hence there are no reportable segments as required by Ind-AS -108 "Operating Segments" under the Companies (Indian Accounting Standards) Rules 2015. Further sales to a single customer amounting to 10 percent or more of the company's revenue from sales of grinding media amounted to Rs 10203.44 Lakhs during the Financial Year 2019-20
(v)	AIA Engineering Limited, holding company is holding 4,77,661 equity shares aggregating to 74.85% of the share capital.
(vi)	The board has recommended a dividend of Rs /- Per equity share of Rs.10/- each, subject to approval of the members of the company at the forthcoming annual general meeting.
(vii)	The company's Units, which had to suspend operations temporarily, due to the Government's directives relating to COVID-19, have since resumed partial operations, as per the guidelines and norms prescribed by the Government authorities. The Management has considered the possible effects, if any, that may result from the pandemic relating to COVID-19 on carrying amounts of the trade receivable and inventories. In developing the assumptions and estimates relating to the uncertainties as at the Balance Sheet date in relation to the recoverable amounts of these assets, the Management has considered the global economic conditions prevailing as at the date of approval of these financial results and has used internal and external sources of information to the extent determined by it. The actual outcome of these assumptions and estimates may vary in future due to the impact of the pandemic.
(viii)	Figures of the quarter ended March 31, 2020 and March 31, 2019 are the balancing figures between audited figures in respect of the full financial year and year to date figures up to the third quarter of the relevant financial year.
(ix)	Figures for the previous period have been regrouped, reclassified and restated wherever necessary to make them comparable with the current period's figures.
(x)	Refer Annexure - I for statement of assets and liabilities as at 31st March 2020
(xi)	Refer Annexure - II for statement of cash flows for the year ended 31st March 2020

for WELCAST STEELS LIMITED

Place: Bengaluru
Date: 15th June 2020

VINOD NARAIN
CHAIRMAN
DIN:00058280

Welcast Steels Limited		
Annexure - I : Audited statement of assets and liabilities		
INR in Lakhs		
Particulars	As at 31.03.2020	As at 31.03.2019
ASSETS		
Non-current assets		
(a) Property, plant and equipment	786.75	664.96
(b) Capital work-in-progress	-	5.51
(c) Other intangible assets	3.59	0.93
(d) Financial assets		
(i) Loans	434.16	436.79
(e) Deferred tax assets (net)	68.61	90.43
(f) Other tax assets (net)	80.71	61.52
(g) Other non-current assets	188.40	188.40
Total non-current assets	1,562.22	1,448.54
Current assets		
(a) Inventories	2,040.88	2,196.08
(b) Financial assets		
(i) Trade receivables	936.58	1,259.15
(ii) Cash and cash equivalents	54.90	34.67
(iii) Bank balances other than (iii) above	28.04	24.08
(iv) Loans	14.75	15.23
(v) Derivatives	-	-
(vi) Other financial assets	25.98	28.05
(c) Other current assets	374.59	498.60
Total current assets	3,475.72	4,055.86
Total assets	5,037.94	5,504.40
EQUITY AND LIABILITIES		
EQUITY		
(a) Equity share capital	63.84	63.84
(b) Other equity	3,378.11	3,437.56
Total equity	3,441.95	3,501.40
LIABILITIES		
Non-current liabilities		
(a) Financial liabilities		
(b) Provisions	193.93	184.71
Total non-current liabilities	193.93	184.71
Current liabilities		
(a) Financial liabilities		
(i) Borrowings	400.00	120.00
(ii) Trade payables		
Total outstanding dues of micro enterprises and small enterprises	6.10	34.45
Total outstanding dues of creditors other than micro enterprises and small enterprises	585.26	1,044.30
(iii) Other financial liabilities	4.08	4.58
(b) Other current liabilities	328.16	421.77
(c) Provisions	78.46	193.19
Total current liabilities	1,402.06	1,818.29
Total liabilities	1,595.99	2,003.00
Total equity and liabilities	5,037.94	5,504.40

for WELCAST STEELS LIMITED

Place: Bengaluru
Date: 15th June 2020

VINOD NARAIN
CHAIRMAN
DIN:00058280

WELCAST STEELS LIMITED
Annexure - II :AUDITED STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31st MARCH 2020
INR in Lakh

Particulars	Year ended 31st Mar 2020	Year ended 31st Mar 2019
A. Cash flows from operating activities		
Net profit / (Loss) before tax	(5.06)	278.14
Add\Less) : adjustments		
Interest Income	(26.37)	(26.28)
Loss \ (Profit) on sale of assets (Net)	(42.21)	(2.53)
Depreciation and amortization	133.54	84.12
Finance Cost	34.43	35.66
Effect of exchange differences on translation of foreign currency	-	-
Cash generated from operations before working capital changes:	94.33	369.11
Adjustment for :		
Decrease in Trade receivable	322.57	53.33
Decrease in Loans	0.44	0.13
Decrease / (Increase) in Inventories	155.20	(154.48)
Decrease / (Increase) in Financial Assets	2.63	(1.05)
Decrease in Other Current assets	124.00	88.59
(Decrease) / Increase in Provisions	(124.11)	176.82
Decrease in Trade payables	(487.40)	(172.91)
(Decrease) / Increase in Other Current Liabilities	(93.60)	263.54
Cash (used in) / generated from operations	(5.94)	623.08
Income taxes paid	(13.92)	(58.02)
Net cash (used in) / generated from operating activities = A	(19.86)	565.06
B. Cash flows from investing activities		
Acquisition of Property, plant and equipments,CWIP & other intangibles	(276.23)	(166.16)
Proceeds from sale of Property, plant & equipments	65.96	3.28
(Increase) / Decrease in fixed deposits in Bank (net)	(3.42)	4.35
Interest income	27.45	39.30
Net cash (used in) / generated from investing activities = B	(186.24)	(119.23)
C .Cash flows from financing activities		
Increase / (Decrease) in current borrowings	280.00	(380.00)
Finance cost	(34.43)	(35.66)
Dividend paid, including dividend distribution tax	(19.23)	(15.39)
Net cash generated / (used in) from financing activities = C	226.34	(431.05)
Net Increase in cash and cash equivalents (A+B+C)	20.24	14.78
Cash and cash equivalents at the beginning of the year	34.67	19.89
Cash and cash equivalents at the end of the period	54.90	34.67
Reconciliation of Cash and Cash Equivalents with the Balance Sheet:		
Cash and Cash Equivalents at the End of the Year (Note 9)		
(a) Cash on Hand	1.78	0.77
(b) Balance with bank - In Current Accounts	53.12	33.90
Total	54.90	34.67

Note: The above statement of cashflow has been prepared under the "Indirect Method" as set out in IND AS-7 "Statement of cashflow"

for WELCAST STEELS LIMITED

Place: Bengaluru
Date: 15th June 2020

VINOD NARAIN
CHAIRMAN
DIN:00058280