



RASANDIK

Passion For Excellence

corpadm@rasandik.com

www.rasandik.com

CIN: L74210HR1984PLC032293

Rasandik Engineering Industries India Ltd.

E-Filing

September 14, 2020

**THE STOCK EXCHANGE MUMBAI
1st FLOOR, NEW TRADING RING
ROTUNDA BUILDING
P.J. TOWERS, DALAL STREET
FORT, MUMBAI – 400 001**

Stock Code: 522207

Dear Sir/Madam,

Sub: Outcome of Board Meeting held on 14-09-2020 and Submission of Un-Audited Financial Results for the Quarter ended 30-06-2020

The Board of Directors (The Board) in their meeting held on **14-09-2020** have approved the Un-Audited Financial Results of the Company for the Quarter ended 30-06-2020 in terms of Regulation 30 & 33 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 ('Listing Regulations'). Pursuant to Regulation 33 of the Listing Regulations, Statement showing Un-Audited Financial Results for the Quarter ended 30-06-2020 along with Limited Review thereon is also enclosed herewith for your information and records. In accordance with Regulation 47(1)(b) of the Listing Regulations, the Company would publishing Extract of Un-Audited Financial Results for the Quarter ended 30-06-2020.

These results are being made available on the Company's website at www.rasandik.com.

Further, Pursuant to Regulation 30 read with Part A of Schedule III to the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, this is to inform that as recommended by the Nomination & Remuneration Committee, the Board of Directors at its meeting held today i.e., September 14, 2020, has appointed the following Director on the Board of the Company pursuant to the provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015.

Appointment of Shri Abhay Kumar Khanna as an Additional Director (Non-Executive & Independent)

Shri Abhay Kumar Khanna has been appointed as an Additional Director (Non- Executive & Independent) with effect from September 14, 2020, to hold office till the conclusion of the next Annual General Meeting of the Company. Shri Abhay Kumar Khanna appointment as Independent Director (Additional Director) on the Board of the Company for a period of five consecutive years with effect from September 14, 2020, subject to approval of the members in the ensuing General Meeting of the Company. Brief profile of Shri Khanna is enclosed herewith as Annexure A.

Shri Abhay Kumar Khanna is not related to any of the existing Directors of the Company and is not debarred from holding the Office of Director by virtue of any order passed by SEBI or any other such authority.

The meeting of Board of Directors commenced at 12 Noon and concluded on 5 PM.

Kindly take this information on your record.

Thanking you,

Yours faithfully,

For Rasandik Engineering Industries India Limited

Pradeep Chandra Nayak

Company Secretary

Encl: As above



RASANDIK ENGINEERING INDUSTRIES INDIA LIMITED.
CIN : L74210HR1984PLC032293
Unaudited Financial Results for the Quarter ended 30th June, 2020

S No	Particulars	Three Months Ended			Year Ended
		30.06.2020	30.06.2019	31.03.2020	31.03.2020
		Unaudited	Unaudited	Audited	Audited
1	<u>INCOME</u>				
	Revenue from operations	872.49	6,590.92	3,901.84	20,761.15
	Other income	2.41	37.32	53.79	154.68
	Total Income	874.90	6,628.24	3,955.63	20,915.83
2	<u>EXPENSES</u>				
	Cost of materials consumed	464.86	4,256.52	2,559.77	13,636.75
	Changes in inventories of finished goods, stock-in-trade and work-in-progress	69.77	169.50	69.66	659.65
	Power & Fuel	59.22	255.99	178.31	850.01
	Packing & Forwarding Expenses	18.29	210.85	144.78	535.23
	Freight & Transportation Expenses	6.79	116.69	89.46	495.02
	Employee benefits expense	103.73	528.64	427.93	1,903.51
	Finance costs	225.59	281.34	272.20	1,113.13
	Depreciation and amortization expense	326.69	326.56	326.81	1,311.38
	Other Expenses	160.94	373.30	662.56	2,281.55
	Total Expenses	1,435.88	6,519.39	4,731.48	22,786.23
3	Profit / (Loss) before tax (1-2)	(560.98)	108.85	(775.85)	(1,870.40)
4	Tax Expenses				
	Current Tax	-	34.24	(72.49)	-
	Tax relating earlier year written back	-	-	(46.60)	(46.60)
	Deferred Tax	(144.50)	34.09	(608.08)	(1,491.84)
5	Profit /(Loss) for the period (3-4)	(416.48)	40.52	(48.68)	(331.96)
6	Other Comprehensive Income(net off tax)				
	(i) Items that will not be reclassified to Profit or Loss	-	-	16.79	16.79
	(ii) Income Tax relating to items that will not be reclassified to Profit or Loss	-	-	(4.23)	(4.23)
7	Total Comprehensive Income for the Period (net of tax) (OCI) (5+6)	(416.48)	40.52	(36.12)	(319.40)
8	Paid-up Equity Share Capital (Face Value Rs. 10/- each)	597.50	597.50	597.50	597.50
9	Other Equity				9,805.09
10	Basic and Diluted Earnings per Share (Rs.) (not annualised)	(6.97)	0.68	(0.81)	(5.56)



RASANDIK ENGINEERING INDUSTRIES INDIA LIMITED.

CIN : L74210HR1984PLC032293

Unaudited Financial Results for the Quarter ended 30th June, 2020

Notes:

- 1 The above unaudited results have been reviewed and recommended by the Audit Committee and approved by the Board of Directors at their respective meetings held on 14th September, 2020.
- 2 The Company has only one reportable primary business segment i.e. "Auto Components". Accordingly, separate Segment Information are not required to be disclosed.
- 3 For the quarter ended 30th June 2020, the Company has recorded a net loss after tax of Rs. 416.48 lacs. The Company's net current liabilities as 30th June, 2020 is Rs. 4,971.71 lacs. Notwithstanding the above, the financial statements are prepared on a going concern basis as the Company believes that its business operations would be able to generate sufficient cash flow to meet its short-term obligations as and when they fall due. Towards this objective, the management is implementing various initiatives like rationalizing costs, negotiating extended credit terms with suppliers and lenders, evaluating monetising certain assets and taking appropriate initiatives to improve revenues. In addition, the Company has received a letter of financial support from a substantial shareholder (Managing Director) / promoter to provide continuing financial support to the Company as and when required to meet the Company's working capital needs.
- 4 The Company's operations and financial results for the quarter ended June 30, 2020 have been adversely impacted by the outbreak of COVID-19 pandemic and the consequent lockdown announced by the Government of India due to which the operations were suspended for part of the quarter. The operations of the Company has resumed gradually, but, with reduced capacity. As the Company is dealing with manufacture and supply of auto-components and is dependent on business from a few customers, the revenue for the quarter is significantly impacted due to low business volume. The results for the quarter are therefore not comparable with those for the previous quarters. Management has used internal and external information upto to the date of approval of these financial results in determining the possible impact on its business operation, liquidity position, contractual obligations, the recoverability of property, plant & equipment, inventories, other financial assets and trade receivables as at the quarter end. However, given the effect of the pandemic on the overall economic environment and in particular the automotive industry, the impact assessment of COVID-19 is subject to significant estimation uncertainties and, accordingly, the actual impact in future may be different from those estimated as at the date of approval of these financial results. The Company will continue to closely monitor any material changes arising of future economic conditions and impact on its business.
- 5 Capital work in progress includes certain plant & equipment (purchased mainly for Singur Project, West Bengal) carried at a valuation of Rs. 320 lacs (PY Rs. 320 lacs) after impairment during the last quarter. Due to business reasons, the installation and commissioning of the said plant & equipment could not be proceeded with. The management is considering various options to utilise such machinery. The company continues to show such plant & equipment under Capital work in progress. Further, notice under section 80(1) of Code of Civil Procedure has been served upon Govt. of West Bengal for filing of suit for recovery of expenditure loss and reliance loss incurred on Singur Project.
- 6 The Company had imported certain plant & equipment including the machinery referred in note no. 5 above under EPCG license scheme. The Company has not been able to meet the export obligations during the stipulated 9 year period. The possible interest liability, if the export obligations are not met under EPCG license is estimated at Rs. 2162.78 lacs (PY Rs. 2042.04 lacs). The same has not been provided for in the books and continues to be shown as contingent liability.
- 7 The figures of last quarter are the balancing figures between the audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the previous financial year.
- 8 Figures of the previous periods are re-grouped, wherever necessary, to correspond to the current period figures.

For V. Sankar Aiyar & Co.
Chartered Accountants
Firm Registration No.109208W

Karthik Srinivasan

Karthik Srinivasan
Partner
Membership No. 514998

New Delhi
14th September, 2020

For Rasandik Engineering Industries India Limited



Rajiv Kapoor
Chairman & Managing Director
DIN: 00054659





V. SANKAR AIYAR & CO.
CHARTERED ACCOUNTANTS

Satyam Cinema Complex, Ranjit Nagar Community Centre, New Delhi – 110 008
Flat No. 202, 203 Tel. (011) 25702691, 25704639, 43702919
& 301 Tel. (011) 25705233, Telefax : (011) 25705232
E-mail : newdelhi@vsa.co.in

Independent Auditor's limited review report on unaudited financial results of Rasandik Engineering Industries India Limited for the quarter ended 30th June, 2020

**To The Board of Directors
Rasandik Engineering Industries India Limited**

1. We have reviewed the accompanying statement of un-audited financial results of Rasandik Engineering Industries India Limited ('statement') for the quarter ended 30th June, 2020 being submitted by the Company pursuant to the requirement of Regulation 33 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement, which is the responsibility of the Company's management and has been approved by the Company's Board of Directors in their meeting held on 14th February 2020 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 express a conclusion on the statement based on our review.
3. We conducted our review 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 financial statements are 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.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement of un-audited standalone financial results prepared in accordance with the recognition and measurement principles laid down in the applicable Indian Accounting Standards specified under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder 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.

Material uncertainty relating to going concern

5. We draw attention to Note no. 3 of the accompanying Statement regarding preparation of the financial statements on going concern basis for the reasons stated therein. The appropriateness of going concern assumption is dependent upon realization of the initiatives to be undertaken by the Company, such as ability to raise funds / generate cash flows including monetization of non-core assets and projected increase in turnover. Further, we draw attention to note no. 4 of the accompanying statement which explains how the economic environment surrounding the automotive industry has become highly uncertain due to COVID 19.

The accompanying results indicate that the Company has recorded a loss after tax of Rs. 416.48 lacs during the quarter during the quarter ended June 30, 2020. As of date, the Company's total current liabilities exceeds total current assets by Rs. 4971.71 lacs.



These conditions indicate existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as going concern, in the event the proposed initiative/ plans to infuse sufficient funds is not implemented.

Our Conclusion is not modified in respect of the above matter.

Emphasis of Matter

6. We draw attention to note no. 5 and 6 of the accompanying statement regarding certain plant and equipment classified as "capital work in progress" as explained therein and possible interest liability on non-fulfilment of export obligations.

Our Conclusion is not modified in respect of the above matters.

Other Matters

7. Due to spread of COVID19, the limited review process, for the quarter under report, was carried out from remote locations i.e. other than the Office of the Company where books of account and other records are kept, based on the data / details made available and based on financial information / records remitted by the management through digital medium.

Our report is not modified in respect of this matter.

Place : New Delhi
Dated : 14th September, 2020

For V. Sankar Aiyar & Co.
Chartered Accountants
ICAI Firm Regn. 109208W

Karthik Srinivasan

Karthik Srinivasan
Partner
Membership No. 514998
UDIN : 20514998AAAAGU8378





Rasandik Engineering Industries India Ltd.

RASANDIK

Passion For Excellence

corpadm@rasandik.com

www.rasandik.com

CIN: L74210HR1984PLC032293

Annexure A

Appointment of Additional Director (Non-Executive & Independent)

Sr. no.	Particulars	Details of Shri Abhay Kumar Khanna
1	Reason for change viz. appointment, resignation, removal, death or otherwise;	Appointment of Shri Abhay Kumar Khanna as an Additional Director (Non-Executive & Independent)
2	Date of appointment & term of Appointment;	With effect from September 14, 2020.
3	Brief profile (in case of appointment);	<p>Shri Abhay Kumar Khanna (1976, Indian Railway Accounts Service) has served the Government of India for 36 years and superannuated in June 2013. Thereafter, he was appointed as Advisor/consultant with Dedicated Freight Corridor Corporation of India (DFCL) and is currently serving on the Board of Institute Of Director (IOD) as Executive Member as well as Independent External Monitor of RITES and BVFCL, GOI PSUs.</p> <p>Mr. Khanna superannuated as General Manager, Integral Coach Factory (Chennai) one of the largest Rail Coach Production Unit and has worked as DRM Jodhpur. He has also served as Additional Member Budget (Ministry of Railways) besides Construction organization, Research Design and Standards Organization (RDSO) and Economic Directorates (MOR) in senior positions.</p> <p>His educational and professional qualifications include:</p> <p>M.Phil (Public Administration), Masters Diploma in Public Administration (IIPA), M.Sc. (Maths) , Diploma in HRD (UNE- Australia) , Diploma in Strategic Planning and Management (HEC Paris), Project Finance (UK), PPP (USA) and several programs organized by World Bank, Asian Development Bank and MDI.</p> <p>He has qualified Masterclass program for independent Directors held by IOD.</p>
4	Disclosure of relationships between directors (in case of appointment of a director)	Shri Abhay Kumar Khanna is not related to any Directors of the Company

