

Rasandik Engineering Industries India Ltd.



RASANDIK

Passion For Excellence
corpadm@rasandik.com
www.rasandik.com

CIN: L74210HR1984PLC032293

November 12, 2022

**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 the Board Meeting held on November 12, 2022 and Submission of Un-Audited Financial Results for the Quarter and Six Months ended 30-09-2022

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 (Listing Regulations), we wish to inform you that the Board of Directors of the Company in its meeting held today, November 12, 2022, has, inter alia considered and approved the Statement showing Un-audited Financial Results of the Company for the second quarter and six months ended September 30, 2022. Copy of duly signed Un-audited Financial Results for the second quarter and six months ended September 30, 2022 along with Limited Review Report(s) thereon issued by Statutory Auditors under Regulation 33 of the Listing Regulations is enclosed herewith.

The meeting of Board of Directors commenced at 12 Noon and concluded on 3 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

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Statement of Unaudited Financial Results for the Quarter and Half year ended 30 September 2022



S No	Particulars	₹ in lakhs					
		Quarter ended			Half year ended		Year ended
		30.09.2022	30.06.2022	30.09.2021	30.09.2022	30.09.2021	31.03.2022
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	INCOME						
	Revenue from operations	4,308.11	5,334.65	5,241.81	9,642.76	9,561.84	20,659.76
	Other income (Refer Note No. 6)	474.82	0.66	16.06	475.48	33.95	74.36
	Total Income	4,782.93	5,335.31	5,257.87	10,118.24	9,595.79	20,734.12
2	EXPENSES						
	Cost of materials consumed	2,994.86	3,782.91	3,901.96	6,777.77	7,114.65	15,227.35
	Changes in inventories of finished goods, stock-in-trade and work-in-progress	(3.47)	180.63	(80.17)	177.16	(328.18)	(27.24)
	Power & Fuel	215.02	216.91	237.37	431.93	446.82	847.98
	Packing & Forwarding Expenses	54.81	38.75	51.99	93.56	135.39	217.95
	Freight & Transportation Expenses	48.54	45.60	56.27	94.14	102.47	230.12
	Employee benefits expense	387.79	340.07	389.70	727.86	732.84	1,427.83
	Finance costs	279.19	255.26	298.19	534.45	568.38	1,128.61
	Depreciation and amortization expense	184.44	182.42	112.68	366.86	430.52	837.59
	Other Expenses	261.41	250.45	296.36	511.86	610.02	1,212.16
	Total Expenses	4,422.59	5,293.00	5,264.35	9,715.59	9,812.91	21,102.35
3	Profit / (Loss) before tax (1-2)	360.34	42.31	(6.48)	402.65	(217.12)	(368.23)
4	Tax Expenses						
	Current Tax	-	-	-	-	-	-
	Deferred Tax	79.12	10.66	(1.69)	89.78	(54.04)	(97.44)
5	Net Profit / (Loss) for the period (3-4)	281.22	31.65	(4.79)	312.87	(163.08)	(270.79)
6	Other Comprehensive Income (net of tax)						
	(i) Items that will not be reclassified to Profit or Loss	-	-	-	-	-	20.35
	(ii) Income Tax relating to items that will not be reclassified to Profit or Loss	-	-	-	-	-	(5.12)
7	Total Comprehensive Income for the Period (net of tax) (OCI) (5-6)	281.22	31.65	(4.79)	312.87	(163.08)	(255.56)
8	Paid-up Equity Share Capital (Face Value ₹ 10/- each)	597.50	597.50	597.50	597.50	597.50	597.50
9	Other Equity						8,980.22
10	Basic and Diluted Earnings per Share for the period (₹)	4.71	0.53	(0.08)	5.24	(2.73)	(4.53)



RASANDIK ENGINEERING INDUSTRIES INDIA LIMITED
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Statement of Assets and Liabilities

Particulars	(₹ in lakhs)	
	As at 30.09.2022	As at 31.03.2022
	Unaudited	Audited
ASSETS		
Non Current Assets		
Property, plant and equipment	16,155.81	16,730.09
Capital work-in-progress	77.68	333.61
Financial assets		
Others	90.20	173.02
Non current tax assets (Net)	23.23	93.89
Other non-current assets	99.27	72.49
Subtotal (A)	16,446.19	17,403.10
Current Assets		
Inventories	4,732.53	4,934.67
Financial assets		
Trade receivables	1,832.52	1,657.86
Cash and cash equivalents	4.20	3.70
Bank balance other than above	38.05	20.09
Others	402.00	215.83
Other current assets	347.93	459.98
Subtotal (B)	7,357.23	7,292.13
Non Current Assets held for sale	323.43	-
Total Assets (A+B)	24,126.85	24,695.23
EQUITY AND LIABILITIES		
EQUITY		
Equity share capital	597.50	597.50
Other equity	9,293.09	8,980.22
Total equity (C)	9,890.59	9,577.72
LIABILITIES		
Non Current Liabilities		
Financial Liabilities		
Borrowings	1,670.27	2,022.85
Provisions	49.66	55.37
Deferred tax liabilities (net)	2,230.16	2,140.38
Other non current liabilities	654.47	654.47
Total Non Current Liabilities (D)	4,604.56	4,873.07
Current Liabilities		
Financial Liabilities		
Borrowings	6,491.23	6,733.71
Trade payables		
Micro Enterprises and Small Enterprises	-	-
Other than Micro Enterprises and Small Enterprises	2,271.22	2,396.56
Other financial Liabilities	277.05	249.85
Provisions	25.94	28.64
Other current liabilities	566.26	753.64
Current tax liabilities (Net)	-	82.04
Total Current Liabilities (E)	9,631.70	10,244.44
Total Equity and Liabilities (C+D+E)	24,126.85	24,695.23



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Statement of Cash Flow

		(₹ in lakhs)	
		Half year ended	
		30.09.2022	30.09.2021
		Unaudited	Unaudited
A	Cash Flow from Operating Activities:		
	Profit / (Loss) after exceptional Items & before Tax	402.65	(217.12)
	Adjustments for :		
	Depreciation	366.86	430.52
	Interest income on bank deposit	(0.93)	(0.92)
	EPCG grant income	-	(28.04)
	Profit on sale of fixed assets	(467.61)	-
	Finance costs	534.45	568.38
	Operating profit before working capital changes	835.42	752.82
	Adjustments for :		
	Trade receivables	(174.66)	(92.86)
	Inventories	202.14	(414.89)
	Other financial asset	82.82	(42.99)
	Other current/non current asset	(100.90)	349.91
	Trade payables	(125.34)	(824.97)
	Other financial liabilities	57.64	(586.73)
	Other liabilities	(187.38)	186.78
	Provisions	(8.41)	(4.06)
	Cash generated from operations	581.33	(676.99)
	Direct taxes paid	(11.38)	(9.99)
	Net Cash from Operating Activities	569.95	(686.98)
B	Cash Flow from Investing Activities:		
	Purchase of fixed asset including capital work in progress	(179.47)	(15.88)
	Sale of fixed assets	787.00	-
	Refund claim received on Leasehold Land	(17.96)	-
	Investment in fixed deposits (Net)	0.93	0.92
	Interest received		
	Net Cash used in Investing Activities	590.50	(14.96)
C	Cash Flow from Financing Activities		
	Repayments of long term borrowings	(858.87)	(517.11)
	Proceeds from long term borrowings	-	1,127.24
	(Repayments) / proceeds from short term borrowings (Net)	263.81	633.15
	Interest paid	(564.89)	(569.20)
	Net Cash used in Financing Activities	(1,159.95)	674.08
	Net Increase in Cash and Cash Equivalents	0.50	(27.86)
	Cash and Cash Equivalents (Opening Balance)	3.70	33.34
	Cash and Cash Equivalents (Closing Balance)	4.20	5.48
	Break up of closing cash & cash equivalent		
	Current Accounts	3.06	3.73
	Cash in Hand	1.14	1.75
		4.20	5.48



RASANDIK ENGINEERING INDUSTRIES INDIA LIMITED

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Statement of Unaudited Financial Results for the Quarter and Half year ended 30 September 2022



Notes:

- 1 The above unaudited results for the quarter ended 30 September 2022 have been reviewed and recommended by the Audit Committee and approved by the Board of Directors at their respective meetings held on 12 November 2022. The statutory auditors have expressed an unmodified opinion on the aforesaid results.
- 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 The Company has earned profit before tax of ₹ 402.65 lakhs for the half year ended 30 September 2022. As of 30 September 2022, the Company's net current liabilities as at 30 September 2022 is ₹ 2,274.47 lakhs as compared to ₹ 2,952.31 lakhs as at 31 March 2022. Further, notwithstanding the above, the financial results 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 in future. Towards this objective, the management is implementing various initiatives like rationalizing costs, negotiating extended credit terms with suppliers, evaluating monetising of certain assets (refer note no. 6) 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 Till 30 June 2022, capital work in progress included certain plant & equipment (purchased mainly for Singur Project, West Bengal) carried at a valuation of ₹ 320.00 lakhs (PY ₹ 320.00 lakhs) net of impairment. Due to business reasons, the installation and commissioning of the said plant & equipment could not be proceeded with. Further, the management was considering various options to utilise such machinery. During the quarter, the Board of Directors in their meeting held on 13 August 2022 has decided to sell the said equipment on "as is where is" basis. Considering the Company's intention to sell the equipment in the near future, it is considered appropriate to classify the said plant and equipment as "non current asset held for sale" at lower of cost or fair value less costs to sell. The Company is in the process of obtaining necessary approvals as may be required.
- 5 The Company had imported certain plant & equipment including the machinery referred in note no. 4 above under EPCG license scheme. The Company has not been able to meet the export obligations during the stipulated 9 year period. Further, during the quarter ended 30 September 2022, the Company has filed an appeal before Commissioner of Customs (Appeal) to set aside the impugned Order passed by Assessing Authority. The Company has made a pre-deposit of ₹ 24.36 lakhs being 7.50% of total demand of duty of ₹ 324.76 lakhs. The duty liability on account of pending export obligation aggregates to ₹ 559.22 lakhs as on 30 September 2022, is continued to be shown under head Other Non Current Liabilities. The possible interest liability, if the export obligations are not met under EPCG license is estimated at ₹ 651.32 lakhs (PY ₹ 609.66 lakhs). The same has not been provided for in the books and continues to be shown as contingent liability.
- 6 Other income for the quarter and half year ended 30 September 2022 includes profit on sale of assets of ₹ 467.61 lakhs. The Company has sold certain Plant and Machinery for a total consideration of ₹ 787.00 lakhs. Out of total consideration, amount of ₹ 555.45 was received upto the end of the quarter and balance amount of ₹ 231.55 was received subsequent to the end of the quarter. The entire proceeds were utilised for repayment of term loans obtained from Banks.
- 7 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

Place : New Delhi

Date : 12 November 2022

For Rasandik Engineering Industries India Limited

Rajiv Kapoor

Rajiv Kapoor

Chairman & Managing Director

DIN: 00054659





V. SANKAR AIYAR & CO.

CHARTERED ACCOUNTANTS

Sarojini House, 6 Bhagwan Das Road, New Delhi – 110001

Tel.(011) 44744643; e-mail: newdelhi@vsa.co.in

Limited Review Report on unaudited financial results of Rasandik Engineering Industries India Limited for the quarter and half year ended 30 September 2022 pursuant to Regulation 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

To the Board of Directors of Rasandik Engineering Industries India Limited

1. We have reviewed the accompanying Statement of unaudited financial results of Rasandik Engineering Industries India Limited ("the Company") for the quarter and half year ended 30 September 2022 ("the Statement").
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 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 and in compliance with Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. 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 Statement 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.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with applicable accounting standards and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.
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. While there has been an improvement in business operations and the Company has earned net profit before tax of ₹ 402.65 lakhs during the half year ended 30 September 2022, the Company's liabilities as at date exceed the total assets by ₹ 2,274.47 lakhs.

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.

Our opinion is not modified in respect of this matter.



6. We draw attention to note no. 4 and 5 of the accompanying statement regarding certain plant and equipment classified as "non current assets held for sale" as explained therein and possible interest liability on non-fulfilment of export obligations.

Our opinion is not modified in respect of this matter.

For **V. Sankar Aiyar & Co.**
Chartered Accountants
ICAI FRN: 109208W

Karthik Srinivasan

Karthik Srinivasan
Partner
M. No. 514998

Place: New Delhi
Date: 12 November 2022
UDIN: 22514998BCXKRN2857

