



# REALSTRIPS LTD.

Manufacturer of Stainless Steel Strips & Coils

An ISO 9001 : 2015 Certified Company



CIN : L27100GJ1990PLC014383

Regd. Off. : Survey No. 245-246, Village Sari, Ahmedabad-Bavla Highway, Taluka Sanand, Dist.: Ahmedabad. Pin Code - 382 220. (Gujarat)

Works : (O) +91 92280 02011 / 12 E-mail: info@realstrips.com Website: www.realstrips.com

Ref. No, RSL/2021-22/62

August 13, 2021

To,  
Department of Corporate Services  
The Bombay Stock Exchange Limited,  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai- 400 001.  
Script Code: 513558

**Sub: Statement of Unaudited Quarterly Financial Results of the Real Strips Limited (In CIRP) ("the Company") for the quarter ended on 30<sup>th</sup> June, 2021**

Dear Sir,

We hereby inform you that the unaudited quarterly financial results of the Company for the quarter ended June 30, 2021 ("Quarterly Results") were placed at a meeting between the Auditor, Chief Financial Officer (CFO), Company Secretary (CS) and the Resolution Professional (RP) on August 13, 2021. Accordingly, the unaudited financials of the Company have today been taken on record by the RP in consultation with the CFO and the Auditor.

The above financial results were approved by the Directors of the Company at a meeting held on August 13, 2021. Given that the Company is under corporate insolvency resolution process pursuant to the provisions of the Insolvency and Bankruptcy Code, 2016 (the Code), and with effect from March 9, 2021, its affairs, business and assets are being managed by, and the powers of the board of directors are vested in, the resolution professional, Mr. Ramchandra Dallaram Choudhary ("RP"), the aforesaid meeting of the Directors was chaired by the RP of the Company who, relying on the certifications, representations and statements of the Directors and management of the Company and the consequent recommendation of the Directors, took on record the Unaudited Financial Results for the quarter ended June 30, 2021.

In accordance with Regulation 33(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the following are herewith enclosed:

- a. Unaudited Financial Results for the quarter ended June 30, 2021;
- b. Limited Review Report by Auditor.

The RP has taken on record the unaudited quarterly financial results only to the limited extent of discharging the powers of the Board of Directors of the Company (suspended during CIRP) which have been conferred upon him in terms of provisions of Section 17 of the Code.

Further, please note that the Company has already made necessary arrangement to publish the same in newspaper as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.





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The meeting was concluded at 5:15 PM on August 13, 2021.

The above is for your information and records please.

Thanking you,

Yours Faithfully

For Real Strips Limited

Ramcharan Beriwal  
(Chief Financial Officer)





**Independent Auditor's Review Report on the Quarterly Unaudited Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, as amended**

**REVIEW REPORT TO  
THE RESOLUTION PROFESSIONAL OF**

**REAL STRIPS LIMITED (A Company under corporate insolvency resolution process vide NCLT order).**

1. We have reviewed the accompanying statement of unaudited financial results of **Real Strips Limited** ('the Company') for the quarter ended June 30, 2021 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, as amended (the "Listing regulations").
2. The Hon'ble National Company Law Tribunal ("NCLT"), Ahmedabad Bench has admitted the petition for initiation of Corporate Insolvency Resolution process ("CIRP") under section 7 of the Insolvency and Bankruptcy Code, 2016 ("the Code") filed by financial creditors vide order no CP(IB) No 307/7/NCLT/AHD/2020 dated March 9, 2021 and appointed Mr. Ramchandra Dallaram Choudhary as the Interim Resolution Professional (IRP) to manage the affairs of the Company in accordance with the provisions of the Code. The Committee of Creditors (CoC), in its meeting held on April 8, 2021 confirmed the IRP as Resolution Professional (RP) of the company. In view of pendency of the CIRP the management of affairs of the Company and power of Board of Directors are now vested with RP. These Financial Statements have been prepared by the management of the Company and Certified by Mr. Ramcharan Beriwalla, Chief Financial Officer and taken on record by RP.
3. We refer to note no 1, 2 and 3 to the statement with regard to the responsibility of the management in respect of the preparation of the Statement, which have been taken on records by the Resolution Professional while discharging the powers of the Board of Directors of the Company in accordance with the NCLT order dated March 9, 2021 solely for the purpose of ensuring regulatory compliances, have been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting", prescribed under Section 133 of the Companies Act, 2013 as amended, 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.
4. 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 misstatements. 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 the 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.
5. **BASIS FOR QUALIFIED OPINION / CONCLUSION**
  - (a) As mentioned in Note no. 5 of the Financial Result, regarding non-recognition of interest amounting to Rs 231.00 Lakh for the quarter ended as on June 30, 2021 and the cumulative interest from March 9, 2021 till June 30, 2021 is Rs 292.71 Lakhs, on borrowing from inter corporate deposits, which is not in compliance with requirements of Ind AS - 23



on "Borrowing Cost" read with Ind AS - 109 on "Financial Instruments". Had provision for interest would be recognised, finance cost, total expenses, loss for the year and total comprehensive loss would have been higher by Rs 231.00 Lakhs for the quarter ended as on June 30, 2021 and having consequential impact on other current financial liability and other equity by Rs 292.71 Lakhs.

- (b) As mentioned in Note no. 6 of the Financial Results, no impairment assessment of tangible and intangible assets in carrying value as at June 30, 2021 is made. Therefore, we are unable to comment on consequential impairment, if any, that is required to be made in carrying value of property, plant and equipment and intangible assets.
- (c) We have been informed by Resolution Professional that certain information; including the minutes of meetings of the Committee of Creditors and the outcome of certain procedures carried out as a part of the CIRP are confidential in nature and could not be shared with anyone other than the Committee of Creditors and NCLT. Accordingly, we are unable to comment on the possible financial impact, presentation and disclosures, if any, that may arise.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

**6. MATERIAL UNCERTAINTY RELATED TO GOING CONCERN:**

We refer to Note No 3 & 4 of the statement of unaudited Financial Result, the company continues to incur losses resulting in erosion in its net-worth and its current liability exceeds current assets as at June 30, 2021 and it is now under CIRP. These conditions indicate the existence of a material uncertainty that may cast significant doubt about company's ability to continue as a going concern. However, these Statements, are drawn on a going concern basis as the company is continuing to operate its operation even after ongoing CIRP. The outcome of the CIRP cannot be presently ascertained. Therefore, Company's ability to remain as a "going concern" depends upon the outcome of the ongoing CIRP and we are unable to comment on whether the Company will be able to continue as going concern.

7. Based on our review conducted as above, except for possible effect of our observations described in the basis of Qualified opinion / conclusion paragraph 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 Standards ('Ind AS'), specified under Section 133 of the Companies Act, 2013 as amended 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 Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

PLACE: AHMEDABAD  
DATE: August 13, 2021  
UDIN:- 21124095AAAAEF7435



FOR, HITESH PRAKASH SHAH & CO  
(FIRM REGD.NO: 127614W)  
CHARTERED ACCOUNTANTS

Shah  
Hitesh

Digitally signed  
by Shah Hitesh  
Date: 2021.08.13  
16:35:14 +05'30'

HITESH P. SHAH  
(PARTNER)  
MEMBERSHIP NO.: 124095

# REAL STRIPS LIMITED

Registered Office: Survey No.245-246, Village Sari, Ahmedabad-Bavia Highway, Taluka Sanand, Dist.: Ahmedabad - 382220, Gujarat.

E-mail: ramcharan@realstrips.com; website: www.realstrips.com; Phone No.: +91 92280 02011 / 02012

CIN.: L27100GJ1990PLC014383

Com. No. Bombay Stock Exchange :- 513558

Statement of Unaudited Financial Results for the Quarter Ended 30th June 2021

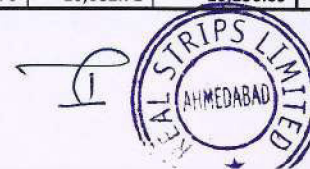
(Rs In Lakhs except as stated)

Sr.No.	PARTICULARS	Quarter Ended			Year Ended
		30.06.2021	31.03.2021	30.06.2020	31.03.2021
		(Unaudited)	(Audited) (Refer Note No 7)	(Unaudited)	(Audited)
1	Revenue from operations	2,892.50	3,980.54	1,198.25	12,213.93
2	Other Income				
	(a) Other Income	38.75	57.82	9.92	266.51
	(b) Bad Debt Recovered	-	2.00	19.50	22.57
3	Total Income (1+2)	2,931.25	4,040.36	1,227.67	12,503.01
4	Expenses				
	a) Cost of Materials Consumed	2,038.11	2,461.72	893.13	7,065.98
	b) Changes in Inventories of Finished Goods, Work in Progress and Stock-in-Trade	(304.08)	(129.93)	(115.13)	(330.02)
	c) Employees Benefits Expenses	226.54	276.42	171.13	1,030.07
	d) Finance Costs	0.24	194.29	256.01	968.22
	e) Depreciation and amortisation Expenses	101.11	89.99	87.61	365.58
	f) Other Expenses	887.18	1,118.50	214.48	3,142.95
	g) Bad-Debts/Amounts written off	-	1,602.00	-	1,602.00
	Total Expenses	2,949.10	5,612.99	1,507.23	13,844.78
5	(Loss) from ordinary activities before exceptional items and tax (3-4)	(17.85)	(1,572.63)	(279.56)	(1,341.77)
6	Exceptional Items	-	-	-	-
7	(Loss) before tax (5+6)	(17.85)	(1,572.63)	(279.56)	(1,341.77)
8	Tax Expenses				
	a) Current Tax	-	-	-	-
	b) Tax on settlement	-	43.35	-	43.35
	c) Earlier year tax	-	14.51	-	14.51
9	(Loss) for the period (7-8)	(17.85)	(1,630.49)	(279.56)	(1,399.63)
10	Other Comprehensive Income				
	- Items that will not be reclassified to Profit & Loss	-	18.83	-	18.83
11	Total Comprehensive Income/(Loss) after Tax (9+10)	(17.85)	(1,611.66)	(279.56)	(1,380.80)
12	Other Equity excluding Revaluation Reserve as on 31st March	-	-	-	(3,062.72)
13	Paid-up equity share capital (Face value of Rs.10/- each)	597.50	597.50	597.50	597.50
14	Earning Per Share (EPS) (In Rs.) (Not annualized for the quarter)				
	Basic and Diluted	(0.30)	(27.27)	(4.67)	(23.41)

## SEGMENT WISE REVENUE, RESULTS, ASSETS AND LIABILITIES

(Rs. In Lakhs)

Sr.No.	PARTICULARS	Quarter Ended			Year Ended
		30.06.2021	31.03.2021	30.06.2020	31.03.2021
		(Unaudited)	(Audited) (Refer Note No 7)	(Unaudited)	(Audited)
1	Segment Revenue				
	(a) Cold Rolled Stainless Strips / Coils	2,892.50	3,980.54	1,183.36	12,199.04
	(b) Windmill	93.83	72.38	77.69	333.79
	Total	2,986.33	4,052.92	1,261.05	12,532.83
	Less: Inter Segment Revenue	93.83	72.38	62.80	318.90
	Net Sales / Income from Operations	2,892.50	3,980.54	1,198.25	12,213.93
2	Segment Results Profit Before Finance Cost, Interest & Other Income and Tax				
	(a) Cold Rolled Stainless Strips / Coils	(68.66)	(1,441.49)	(54.78)	(582.07)
	(b) Windmill	36.16	39.71	21.62	146.40
	Total	(32.50)	(1,401.78)	(33.16)	(435.67)
	Add: Interest Income, Lease Rental Income (Net) & Fair Value gain/(loss) on financial instruments at fair value through profit and loss	14.89	23.44	9.61	62.12
	Less: Interest & Finance Charges	0.24	194.29	256.01	968.22
	(Loss) Before Tax	(17.85)	(1,572.63)	(279.56)	(1,341.77)
3	Segment Assets				
	(a) Cold Rolled Stainless Strips / Coils	7,578.23	6,639.80	7,406.14	6,639.80
	(b) Windmill	1,095.77	1,103.81	1,141.89	1,103.81
	(c) Unallocable	253.64	473.88	324.69	473.88
	Total Assets	8,927.64	8,217.49	8,872.72	8,217.49
	Segment Liabilities				
	(a) Cold Rolled Stainless Strips / Coils	1,767.78	1,228.09	1,385.94	1,228.09
	(b) Windmill	11.37	23.07	62.31	23.07
	(c) Unallocable	9,631.55	9,431.55	8,788.44	9,431.55
	Total Liabilities	11,410.70	10,682.71	10,236.69	10,682.71



## Notes to the financial results:

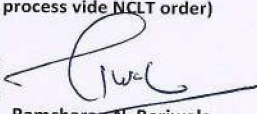
- 1 The company had defaulted in the repayment of loan amounting to Rs 7,700.00 Lakhs being principal amount during the period from October 7, 2019 till June 30, 2021 and Rs 1,721.55 Lakhs towards interest during the period from October 7, 2019 till March 9, 2021 to the financial creditor namely Raajratna Metal Industries Limited. Accordingly, Raajratna Metal Industries Limited filed a petition before the Hon'ble National Company Law Tribunal (NCLT), Ahmedabad Bench under section 7 of The Insolvency and Bankruptcy Code, 2016 (the Code) read with the rule 4 of the Insolvency and Bankruptcy Code (Application to the Adjudicating Authority) Rules, 2016 to initiate corporate insolvency resolution process against the Corporate Debtor. Further, on March 9, 2021, the Hon'ble NCLT, Ahmedabad Bench had admitted the petition filed by financial creditor for initiation of Corporate Insolvency Resolution process (CIRP) under the Insolvency and Bankruptcy Code, 2016 and appointed Mr. Ramchandra Dallaram Choudhary as the Interim Resolution Professional (IRP). Thereafter, in the first meeting of committee of creditors (CoC) held on 08th April, 2021 the members of the Committee of Creditors approved the appointment of Mr. Ramchandra Dallaram Choudhary having IBBI No: IBBI/PA-001/IP-P00157/2017-2018/10326 as Resolution Professional (RP) to carry out the functions entrusted by the provisions of the Insolvency and Bankruptcy Code, 2016, Rules and Regulations thereto. Further, in accordance with the provisions of section 23 of the Code, the resolution professional shall conduct the entire corporate insolvency resolution process and manage the operations of the corporate debtor during the corporate insolvency resolution process period. Further, the resolution professional shall continue to manage the operations of the corporate debtor until an order approving the resolution plan under sub-section (1) of section 31 or appointing a liquidator under section 34 is passed by the Adjudicating Authority.  
  
With respect to the unaudited financial results for the quarter ended June 30, 2021, the RP has signed the same solely for the purpose of ensuring compliance by the Corporate Debtor with applicable laws, and subject to the following disclaimers:  
a) The RP has signed and furnished the report in good faith and accordingly, no suit, prosecution or other legal proceedings shall lie against the RP in terms of Section 233 of the Code.  
b) No statement, fact, information (whether current or historical) or opinion contained herein should be construed as a representation or warranty, express or implied, of the RP including, his authorised representative.  
c) The RP, in review of the unaudited financial results and while signing this statement of financial results, has relied upon the assistance provided by the directors of the Corporate Debtor, and certifications, representations and statements made by the directors of the Corporate Debtor, in relation to these financial results. The statement of financial results of the Corporate Debtor for the quarter ended June 30, 2021 have been taken on record by the RP solely on the basis of and on relying the aforesaid certifications, representations and statements of the aforesaid directors and the erstwhile management of the Corporate Debtor. For all such information and data, the RP has assumed that such information and data are in the conformity with the Companies Act, 2013 and other applicable laws with respect to the preparation of the financial results and that they give true and fair view of the position of the Corporate Debtor as of the dates and period indicated therein. Accordingly, the RP is not making any representations regarding accuracy, veracity or completeness of the data or information in the financial results.  
  
As per the requirement of the "IBC, 2016" and "CIRP Regulations" Resolution Professional has invited expression of Interested (EOI) from prospective Resolutions Applicants (PRAs) to submit the Resolution Plan for the Company. The resolution plan received was placed in the third meeting of CoC held on June 25, 2021 and the same was approved by all the members of the CoC with requisite majority through the e-voting process. Accordingly, the Resolution Professional has filed an application for approval of resolution plan under Section 30(6) read with Section 31 of the Insolvency and Bankruptcy Code, 2016 and read along with the Regulation 39(4) of the Insolvency and Bankruptcy Board of India (Insolvency Process of Corporate Persons) Regulations, 2016 and the same is pending before the Hon'ble NCLT, Ahmedabad Bench.
- 2 The financial results for the quarter ended on June 30, 2021 have been prepared by the management of the Company and certified by Mr Ramcharan Beriwal, Chief Finance Officer ("CFO") of the company in accordance with Regulation 33(2) of the SEBI (Listing Obligations and Disclosure Requirements) Rules 2015.  
  
The financial results were placed before the RP, the Chief Financial Officer and the Company Secretary on August 13, 2021 for their consideration. Accordingly, the unaudited financial results were considered and recommended in their meeting. In view thereof, the RP, in reliance of such examination by and the representation, clarifications and explanation provided by the CFO, has taken record of the same. The RP has taken on record these unaudited financial results only to the limited extent of discharging the powers of the Board of Directors of the Company which has been suspended pursuant to initiation of CIRP and to ensure compliance under section 17 of the IBC, 2016.
- 3 The company is continuing to operate as a going concern even after commencement of CIRP as per the directions issued by the Hon'ble NCLT, Ahmedabad Bench vide its order dated 9th March, 2021.  
  
The future prospects of the Company would be determined on the completion of CIRP. Hence, in view of the above facts and continuing operations of the Company, the financial results have been prepared on a going concern basis.
- 4 During the quarter ended as on June 30, 2021, the company has incurred a total comprehensive loss of Rs 17.85 Lakhs and as of June 30, 2021, the Company's accumulated losses amounted to Rs 6897.46 Lakhs as against the company net worth of Rs (-)2483.06 Lakhs as at June 30, 2021.
- 5 The company has not recognized interest payable on borrowings from financial creditors after the insolvency commencement date i.e. March 9, 2021. Accordingly, interest amounting to Rs 231.00 Lakhs for the quarter ended as on June 30, 2021 and the cumulative interest from March 9, 2021 till June 30, 2021 is Rs 292.71 Lakhs. The same is not in compliance with Ind AS 23 on "Borrowing Cost" and read with Ind AS 109 on "Financial Instruments".  
  
Had provision for interest would be recognized, finance cost, total expenses, loss for the year and total comprehensive loss would have been higher by the equivalent amount as mentioned above having consequential impact on other current financial liability and other equity.
- 6 As explained in note no 1 above, the Corporate Debtor is under CIRP and therefore the company has not taken into consideration any impact on the value of the tangible and intangible assets, if any, in preparation of financial results as required by Ind AS 10 on "Events after the reporting period". Further, the Company has also not made full assessment of impairment as required by Ind AS 36 on impairment of Assets, if any, as at June 30, 2021 in the value of tangible and intangible assets. Further, various other items of the balance sheet can also undergo changes based on the final decision of the Adjudicating Authority.
- 7 The figures of the last quarter ended March 31, 2021 are the balancing figures between audited figures in respect of the full financial year ending March 31, 2021 and the unaudited published year-to-date figures upto December 31, 2020 respectively, being the date of the end of the third quarter of the respective financial year which was subjected to limited review.



8	No deferred tax assets are recognized in the absence of reasonable certainty that taxable income will be generated by the company to offset the losses.
9	The amounts of inventories are as taken by the management.
10	The comparative periods presented has been regrouped/ reclassified in conformity with the current period classification.

For Real Strips Limited  
(a company under Corporate Insolvency Resolution process vide NCLT order)



  
Ramcharan N. Beriwal  
Chief Financial Officer

  
Taken on Record  
CA Ramchandra Dallaram Choudhary  
Resolution Professional  
IP Registration No. IBBI/PA-001/  
IP-P00157/2017-2018/10326



Place: Sari-Village  
Date: 13th August 2021