

Welcast Steels Limited

Works : Plot No. 15, Phase 1, Peenya Industrial Area, Bangalore - 560 058. INDIA
Phones : (91-80) 2839 4058, 2839 4059, 6450 2100, 6450 3269.
E-mail: info@welcaststeels.com Website - www.welcaststeels.com
CIN : L27104GJ1972PLC085827



5th February, 2021

To,
The Manager (Listing),
The BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001

Dear Sir / Madam,

**Sub: Unaudited Financial Result for the Quarter/Nine Months ended December 31, 2020
as per Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements)
Regulations, 2015.**

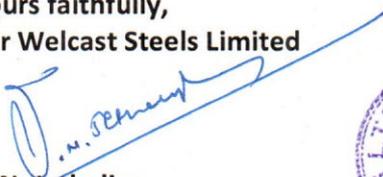
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Pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose herewith Unaudited Financial Result of the Company for the Quarter/Nine Months ended December 31, 2020 alongwith Limited Review Report taken on record by the Board of Directors of the Company in its meeting held today i.e. February 5, 2021, which was commenced at 4.00 p.m. and concluded at 5.00 p.m.

Please take the same on your record.

Thanking you.

**Yours faithfully,
For Welcast Steels Limited**


**S. N. Jetheliya
Company Secretary
Encl: As above**



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

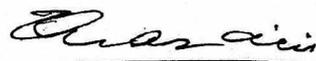
STATEMENT OF UN-AUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31st DECEMBER 2020

Sr. No.	Particulars	Quarter ended			Nine months ended		Year ended
		31.12.2020	30.09.2020	31.12.2019	31.12.2020	31.12.2019	31.03.2020
		Un-audited	Un-audited	Un-audited	Un-audited	Un-audited	Audited
1	Income						
	Revenue from operations	1910.76	3031.92	3895.59	7299.82	11748.69	14338.88
	Other Operating Income	6.14	2.76	225.58	26.07	459.98	662.66
	a) Total Revenue from operations	1916.90	3034.68	4121.17	7325.89	12208.67	15001.54
	b) Other Income	10.37	7.44	7.09	26.48	74.82	81.31
	Total Income (a+b)	1927.27	3042.12	4128.26	7352.37	12283.49	15082.85
2	Expenses						
	a) Cost of material consumed	1180.76	1679.41	2180.73	3995.85	7682.23	9293.54
	b) Changes in Inventories of finished goods, work-in-progress	(228.92)	(39.54)	365.51	67.93	(315.90)	(323.48)
	c) Employee benefits expense	239.40	214.90	251.42	685.77	764.72	989.22
	d) Finance costs	2.32	6.71	7.16	22.16	26.70	34.43
	e) Depreciation & amortisation expenses	38.45	36.67	33.49	113.52	97.96	133.54
	f) Other expenses	742.18	1030.51	1315.54	2486.44	4010.70	4960.66
	Total Expenses (a+b+c+d+e+f)	1974.19	2928.66	4163.85	7371.67	12246.41	15087.91
3	Profit / (Loss) before tax and extraordinary items (1-2)	(46.92)	113.46	(25.59)	(19.30)	37.08	(5.06)
4	Less : Extra-ordinary items (refer Note No. iii)	(369.10)	369.10	0.00	0.00	0.00	0.00
5	Profit/(Loss) before tax	322.18	(255.64)	(25.59)	(19.30)	37.08	(5.06)
6	Tax Expenses						
	(i) Current tax	0.00	0.00	(8.17)	0.00	4.16	-
	(ii) Taxes of earlier years written back	0.00	0.00	(5.27)	-	(5.27)	(5.27)
	(iii) Deferred tax	47.23	(9.53)	2.62	38.51	15.24	26.50
	Total Tax expenses (i+ii+iii)	47.23	(9.53)	(10.82)	38.51	14.13	21.23
7	Profit / (Loss) for the period (5-6)	274.95	(246.11)	(14.77)	(67.81)	22.95	(26.29)
8	Other Comprehensive Income / (Loss)						
	i) Item that will not be reclassified to profit or loss	(1.61)	4.65	1.45	(1.61)	3.94	(18.61)
	ii) Income tax relating to items that will not be reclassified to profit or loss	0.42	(1.17)	(0.26)	0.42	(0.99)	4.68
	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)	(1.19)	3.48	1.19	(1.19)	2.95	(13.93)
9	Total Comprehensive Income / (Loss) for the period (7+8)	273.76	(242.63)	(13.58)	(69.00)	25.90	(40.22)
10	Paid-up Equity Share Capital – Face Value of ₹ 10 each.	63.82	63.82	63.82	63.82	63.82	63.82
11	Other equity						3378.11
12	Earnings Per Share (EPS) (In ₹) (Not annualised)						
	Basic	43.08	(38.56)	(2.31)	(9.06)	3.60	(4.12)
	Diluted	43.08	(38.56)	(2.31)	(9.06)	3.60	(4.12)

Notes :

- (i) The above Un-audited financial results for the quarter and nine months ended 31st December 2020 have been reviewed by the Audit Committee and subsequently approved by the Board of Directors in their respective meetings held on 05th February, 2021
- (ii) The unaudited financial results are prepared in accordance with the Indian Accounting Standards 34 'Interim Financial Reporting' 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) During the quarter ended 30th September 2020, management decided to close down its only manufacturing facility at No 15, Phase I Peenya Industrial area, Peenya Bengaluru effective from 2nd November 2020. Accordingly, the financial Results for the quarter and half year ended 30th September 2020 were prepared on a non-going concern basis.
Pursuant to above all non-financial assets were recognized at lower of cost and realisable value. Fair market value of land was higher than the book value. All non-financial liabilities were assumed at expected payable values without discounting, resulting in an extraordinary expenses of ₹ 369.10 lakhs for the quarter and half year ended 30th September 2020.
However, subsequently during the current quarter, management decided to continue its operations at the above said facility, hence, the financial results of the company for the quarter and nine months ended 31st December 2020 is prepared on a going concern basis. Consequently the expenses of ₹369.10 lakhs shown as extraordinary items in the previous quarter and half year ended 30th September 2020 has been reversed during the current quarter.
- (iv) 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 previous 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 was recognised in the previous year's financial statements. Pursuant to the selection of this option, the Company had reversed deferred tax asset amounting to ₹ 8.62 lakhs due to reduction in corporate tax rate during the year ended 31 March 2020.
- (v) The Statutory Auditors of the Company have carried out a Limited Review of the above results as per Regulation 33 of SEBI(Listing obligation and Disclosure Requirements) Regulations 2015 and have expressed an unqualified opinion.
- (vi) 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.
- (vii) AIA Engineering Limited, holding company is holding 4,77,661 equity shares aggregating to 74.85% of the share capital.
- (viii) Figures for the previous period have been regrouped, reclassified and restated wherever necessary to make them comparable with the current period's figures.

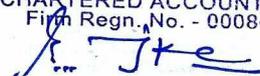
for WELCAST STEELS LIMITED



VINOD NARAIN
CHAIRMAN
DIN:00058280

Place: Bengaluru
Date: 05th February, 2021

AS PER OUR REPORT ATTACHED OF EVEN DATE
For **GANAPATH RAJ & Co.,**
CHARTERED ACCOUNTANTS
Firm Regn. No. - 0008465


MANOJ KUMAR. G.
PARTNER
Membership No. 217827

UDIN: 21219227AAAAAI4623



GANAPATH RAJ & CO.,

Ph.No. +91 80 41262821 / 26632821
Email: mk@cagraj.com / gr@cagraj.com

No.387 (71), 42nd Cross, Between 1st& 2nd Main,
Jayanagar 8th Block, Bangalore- 560 070. INDIA

Independent Auditor's Limited Review Report on Unaudited Standalone Financial Results for the Quarter ended 31st December 2020 and year to date results for the period 1st April 2020 to 31st December 2020 of Welcast Steels Limited pursuant to Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015

To,
The Board of Directors
Welcast Steels Limited

1. We have reviewed the accompanying statement of unaudited financial results of **WELCAST STEELS LTD, AHMEDABAD** ("the Company") for the quarter ended 31st December, 2020 and the year to date results for the period April 1, 2020 to December 31, 2020 ("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. 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 Listing Regulations. 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 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.

Emphasis of Matter

Preparation of Financial Statements on Going Concern Basis:

Attention is invited to note (iii) of the un audited financial results for the Quarter and Nine Months ended 31st December 2020.





GANAPATH RAJ & CO.,

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During the quarter ended 30th September 2020 management decided to close down its only manufacturing facility at No 15, Phase I Peenya Industrial area, Peenya Bengaluru effective from 2nd November 2020.

Accordingly, the financial Results for the quarter and half year ended 30th September 2020 were prepared on a non-going concern basis.

Pursuant to above all non-financial assets were recognized at lower of cost and realisable value. Fair market value of land was higher than the book value. All non-financial liabilities were assumed at expected payable values without discounting, resulting in an extraordinary expense of Rs. 369.10 lakhs for the quarter and half year ended 30th September 2020.

However, subsequently during the current quarter, management decided to continue its operations at the above said facility, hence, the financial results of the company for the quarter and nine months ended 31st December 2020 is prepared on a going concern basis. Consequently, the expenses of Rs. 369.10 lakhs shown as extraordinary items in the previous quarter and half year ended 30th September 2020 has been reversed during the current quarter.

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

Place: Bangalore
Date: 05.02.2021

For GANAPATH RAJ & CO.,
Chartered Accountants
Firm Regn No.000846S

MANOJ KUMAR G
Partner



Membership No. 217827
UDIN:21217827AAAAAI4683