

**Ref:** RCIIND/BSE/BM/Result/Q2(2020-21)**November 12, 2020**

To  
**BSE Limited**  
**Listing & Compliance Department**  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai – 400 001

**SCRIP CODE: 537254****Sub: Outcome of the Board Meeting held on Thursday, November 12, 2020****Dear Sir/Ma'am,**

Pursuant to the provision of Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable Regulations, if any, we would like to inform you that the Board of Directors of the Company at their meeting held today i.e. Thursday, November 12, 2020, has *inter-alia* approved the Un-Audited Financial Results (Standalone & Consolidated) of the Company for the Quarter and Half year ended September 30, 2020. Consequent to the same, we enclose, in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the following:

1. Standalone & Consolidated Un-Audited Financial Results for the 2<sup>nd</sup> Quarter and Half year ended on September 30, 2020.
2. Limited Review Report on the aforesaid Un-Audited Financial Results (Standalone & Consolidated) of the Company for the 2<sup>nd</sup> Quarter and Half year ended on September 30, 2020.

The extract of the result would be published in the Newspaper in term of Regulation 47(1) of SEBI (LODR) Regulations, 2015, as amended from time to time and the aforesaid information shall also be placed on the website of the Company at [www.rciind.com](http://www.rciind.com).

The meeting of the Board of Directors commenced at 03.00 P.M. and concluded at 04.35 P.M.

You are requested to kindly take the above information in your records and oblige.

Yours faithfully,

**FOR RCI INDUSTRIES & TECHNOLOGIES LIMITED**

**For RCI Industries & Technologies Ltd.**

**JYOTI SHARMA**  
**COMPANY SECRETARY**  
**M. No.: A55135**

*(Signature)*  
**Company Secretary**



**RCI INDUSTRIES & TECHNOLOGIES LTD.**

Regd. Office : Unit No. 421, 4th Floor, Pearl Omaze Tower,  
Netaji Subhash Place, Pitampura, New Delhi - 110034

उत्पत्ति व विकास प्रौद्योगिकी निगम लि.

Website: [www.rciind.com](http://www.rciind.com)

Email: [compliance@rciind.com](mailto:compliance@rciind.com)

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**STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS  
FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2020**

(Amount in Rs. Lacs)

		Quarter ended			Half Year ended		Year
		Q1 2020	Q2 2020	Q3 2020	Q1+Q2 2020	Q1+Q2+Q3 2020	Q1+Q2+Q3+Q4 2020
1	Revenue	1,12,44,000	1,12,44,000	1,12,44,000	2,24,88,000	3,37,32,000	4,49,76,000
2	Cost of Sales	78,55,000	78,55,000	78,55,000	1,57,10,000	2,35,65,000	3,14,20,000
3	Gross Profit	33,89,000	33,89,000	33,89,000	67,78,000	1,01,67,000	1,35,56,000
4	Operating Expenses	15,67,000	15,67,000	15,67,000	31,34,000	47,01,000	62,68,000
5	Operating Profit	18,22,000	18,22,000	18,22,000	36,44,000	54,66,000	72,88,000
6	Finance Income	1,23,000	1,23,000	1,23,000	2,46,000	3,69,000	4,92,000
7	Finance Expense	1,23,000	1,23,000	1,23,000	2,46,000	3,69,000	4,92,000
8	Profit Before Tax	18,22,000	18,22,000	18,22,000	36,44,000	54,66,000	72,88,000
9	Income Tax Expense	4,55,000	4,55,000	4,55,000	9,10,000	13,65,000	18,20,000
10	Net Profit	13,67,000	13,67,000	13,67,000	27,34,000	41,01,000	54,68,000
11	Other Income	1,23,000	1,23,000	1,23,000	2,46,000	3,69,000	4,92,000
12	Other Expense	1,23,000	1,23,000	1,23,000	2,46,000	3,69,000	4,92,000
13	Profit After Tax	13,67,000	13,67,000	13,67,000	27,34,000	41,01,000	54,68,000
14	Dividend	1,23,000	1,23,000	1,23,000	2,46,000	3,69,000	4,92,000
15	Reserve	1,23,000	1,23,000	1,23,000	2,46,000	3,69,000	4,92,000
16	Retained Earnings	1,23,000	1,23,000	1,23,000	2,46,000	3,69,000	4,92,000
17	Share Capital	1,23,000	1,23,000	1,23,000	2,46,000	3,69,000	4,92,000
18	Reserves and Surplus	1,23,000	1,23,000	1,23,000	2,46,000	3,69,000	4,92,000
19	Total	1,12,44,000	1,12,44,000	1,12,44,000	2,24,88,000	3,37,32,000	4,49,76,000

20	Revenue	1,12,44,000	1,12,44,000	1,12,44,000	2,24,88,000	3,37,32,000	4,49,76,000
21	Cost of Sales	78,55,000	78,55,000	78,55,000	1,57,10,000	2,35,65,000	3,14,20,000
22	Gross Profit	33,89,000	33,89,000	33,89,000	67,78,000	1,01,67,000	1,35,56,000
23	Operating Expenses	15,67,000	15,67,000	15,67,000	31,34,000	47,01,000	62,68,000
24	Operating Profit	18,22,000	18,22,000	18,22,000	36,44,000	54,66,000	72,88,000
25	Finance Income	1,23,000	1,23,000	1,23,000	2,46,000	3,69,000	4,92,000
26	Finance Expense	1,23,000	1,23,000	1,23,000	2,46,000	3,69,000	4,92,000
27	Profit Before Tax	18,22,000	18,22,000	18,22,000	36,44,000	54,66,000	72,88,000
28	Income Tax Expense	4,55,000	4,55,000	4,55,000	9,10,000	13,65,000	18,20,000
29	Net Profit	13,67,000	13,67,000	13,67,000	27,34,000	41,01,000	54,68,000
30	Other Income	1,23,000	1,23,000	1,23,000	2,46,000	3,69,000	4,92,000
31	Other Expense	1,23,000	1,23,000	1,23,000	2,46,000	3,69,000	4,92,000
32	Profit After Tax	13,67,000	13,67,000	13,67,000	27,34,000	41,01,000	54,68,000
33	Dividend	1,23,000	1,23,000	1,23,000	2,46,000	3,69,000	4,92,000
34	Reserve	1,23,000	1,23,000	1,23,000	2,46,000	3,69,000	4,92,000
35	Retained Earnings	1,23,000	1,23,000	1,23,000	2,46,000	3,69,000	4,92,000
36	Share Capital	1,23,000	1,23,000	1,23,000	2,46,000	3,69,000	4,92,000
37	Reserves and Surplus	1,23,000	1,23,000	1,23,000	2,46,000	3,69,000	4,92,000
38	Total	1,12,44,000	1,12,44,000	1,12,44,000	2,24,88,000	3,37,32,000	4,49,76,000



	iii	Other non-current assets	743.45	1,101.67
	<b>Total Non - Current Assets</b>		<b>11,826.59</b>	<b>12,378.74</b>
2	<b>Current assets</b>			
	a	Inventories	3,185.59	4,940.88
	b	Financial Assets		
	i	Investments	-	-
	ii	Trade receivables	14,312.86	16,870.66
	iii	Cash and cash equivalents	121.05	137.85
	iv	Other bank balances	73.92	73.92
	v	Loans	171.48	174.77
	vi	Other financial assets	92.48	92.48
	c	Other current assets	2,003.64	2,240.98
	<b>Total Current Assets</b>		<b>19,961.02</b>	<b>24,531.54</b>
	<b>Total Assets</b>		<b>31,787.62</b>	<b>36,910.28</b>
	<b>EQUITY AND LIABILITIES</b>			
1	<b>Equity</b>			
	a	Equity share capital	1,567.64	1,567.64
	b	Instruments entirely equity innature (Compulsorily Convertible Debentures)	-	-
	c	Other equity	858.66	2,511.56
	<b>Total equity</b>		<b>2,426.30</b>	<b>4,079.20</b>
	<b>LIABILITIES</b>			
2	<b>Non-current liabilities</b>			
	a	Financial Liabilities		
	i	Borrowings	296.51	695.21
	b	Provisions	113.87	96.16
	c	Deferred tax liabilities (net)	12.37	77.41
	<b>Total Non - Current Liabilities</b>		<b>422.76</b>	<b>868.77</b>
3	<b>Current liabilities</b>			
	a	Financial Liabilities		
	i	Borrowings	22,766.82	23,112.40
	ii	Trade payables	3,757.82	6,295.15
	iii	Other financial liabilities	321.76	337.33
	b	Other current liabilities	465.06	559.40
	c	Provisions	1.48	1.48
	d	Current Tax Liabilities (net)	1,625.60	1,656.54
	<b>Total Current Liabilities</b>		<b>28,938.55</b>	<b>31,962.30</b>
	<b>Total Equity and Liabilities</b>		<b>31,787.62</b>	<b>36,910.28</b>

#### STATEMENT OF CASH FLOWS

	For the period ended	
	30.09.2020 (Unaudited)	30.09.2019 (Unaudited)
<b>A. Cash flow from Operating activities</b>		
<b>Profit/ (Loss) before tax</b>	(1,721.66)	(5,919.83)
Adjustments for:		
Depreciation	652.29	676.51
Finance Cost	0.52	1,001.97
Interest income	(61.26)	(340.90)
(Gain)/ Loss due to change in fair value of Investment	-	(0.61)
Actuarial Gain / (loss) on defined benefit plan	3.72	2.41
Other adjustment	-	-
<b>Operating profit before working capital changes</b>	<b>(1,126.39)</b>	<b>(4,580.44)</b>
<b>Movements in working capital :</b>		
(Increase)/ Decrease in Inventories	1,755.29	4,529.61
(Increase)/Decrease in Trade Receivables	2,556.90	3,238.96
(Increase)/Decrease in Loans	(11.58)	3.94

(Increase)/Decrease in Other Financial asset	-	-
(Increase)/Decrease in Other asset	595.56	812.09
Increase/(Decrease) in Trade Payables	(2,537.33)	(1,184.62)
Increase/(Decrease) in Other Financial Liabilities	(15.56)	(156.23)
Increase/(Decrease) in Other current Liabilities	(94.34)	(64.94)
Increase/(Decrease) in Provisions	17.72	7.99
<b>Cash generated from operations</b>	<b>1,140.27</b>	<b>2,606.36</b>
Income tax Refund/ (paid) during the year	(30.94)	(11.59)
<b>Net cash from operating activities (A)</b>	<b>1,109.33</b>	<b>2,594.77</b>
<b>B. Cash flow from Investing activities</b>		
Purchase of Fixed assets	(442.59)	(911.29)
(Increase)/Decrease in investment in fixed deposit	-	755.53
Interest received	61.26	368.89
<b>Net cash from investing activities (B)</b>	<b>(381.32)</b>	<b>213.14</b>
<b>C. Cash flow from Financing activities</b>		
Increase / (Decrease) in borrowings	(744.28)	(1,776.25)
Finance cost paid	(0.52)	(1,001.97)
<b>Net cash from financing activities (C)</b>	<b>(744.80)</b>	<b>(2,778.22)</b>
<b>Net Increase in cash and cash equivalents (A+B+C)</b>	<b>(16.79)</b>	<b>29.68</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>137.85</b>	<b>132.23</b>
<b>Cash and cash equivalents at the end of the Period</b>	<b>121.05</b>	<b>161.91</b>

**Notes:-**

- 1 The above financial results for the quarter and half year ended September 30, 2020 have been reviewed by Audit committee and approved by the Board of Directors in their respective meetings held on November 12, 2020.
- 2 The Company activity during the quarter revolves around manufacturing and trading of all kind of metals and metal products. Considering the nature of Company's business and operations, as well as based on review of operating results by the chief operating decision maker to make decision about resource allocation and performance measurement, there is only one reportable segment in accordance with the requirement of Ind AS 108 - "Operating Segments"
- 3 During the year ended March 31, 2020, All the lenders to Company has declared the account as non performing asset (NPA) due to non payment of interest due and borrowed amount.
- 4 The Company is in discussion with lenders for restructuring of debt and no provision for interest expense has been made in books of accounts. The total amount of interest not provided in books of accounts till 30.09.2020 is Rs. 24 crores approx. (Including interest for previous year ended March 31, 2020 for Rs. 10.46 crores).
- 5 Company faces a material uncertainty related to Going Concern because of heavy losses incurred during previous year and current period. Further, the net worth of the Company has been fully eroded (after considering the interest expenses not provided for in books of accounts as discussed in point no. 4 above). These conditions indicates the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. However, the management is confident of reviving the Company and is in discussion with Bank for restructuring of loan. Accordingly, the accompanying financial results have been prepared assuming that the Company will continue as a going concern
- 6 The financial result has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard (Ind AS ) prescribed under section 133 of the Companies Act 2013 read with the relevant rules issued there under and the other accounting principles generally accepted in India.
- 7 Figures for the previous periods have been re-grouped/ rearranged/ restated wherever necessary to make them comparable with those of the current period.

Place: New Delhi  
Date: November 12, 2020

**For RCI Industries & Technologies Ltd.**  
**For RCI INDUSTRIES & TECHNOLOGIES LTD.**

**Managing Director**

**Rajeev Gupta**  
**Managing Director**  
**DIN - 00503196**



H-11202, Rang Tower, Netaji Subhash Place, Prashant, New Delhi - 110044

Dr. J. K. LAL, Chairman, KRA  
101, 11, Connaught Place, New Delhi - 110028  
ATTENTION: Director, Public Finance, MCA 21

Dear Sir,  
Reference is made to the letter of the Ministry of Corporate Affairs, dated 11.09.2019, regarding the interest expense on the loan taken by the company from the bank for the purpose of working capital requirements.

The company has not provided interest expense in its financial statement as its auditors have not provided any opinion on the same. The company has not provided interest expense in its financial statement as its auditors have not provided any opinion on the same.

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*(Signature)*



*that may cast significant doubt on the Company's ability to continue as a going concern. However, the management is confident of reviving the Company and is in discussion with Bank for restructuring of loan. Accordingly, the accompanying financial results have been prepared assuming that the Company will continue as a going concern*

5. Based on our review conducted as above, *except for the effects/possible effects of the matters specified in Para 4 above*, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in term 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.

**For KRA & Co.**

**Chartered Accountants**

**(Firm Registration No.020266N)**



**Rajat Goyal**

**Partner**

**Membership No.: 503150**

**UDIN: 20503150AAABQG6761**

**Place: New Delhi**

**Date: November 12, 2020**




**RCI INDUSTRIES & TECHNOLOGIES LTD.**

Regd. Office : Unit No. 421, 4th Floor, Pearl Omaxe Tower,  
Netaji Subhash Place, Pitampura, New Delhi - 110034  
CIN: L74900DL1992PLC047055

Website: www.rciind.com Email: compliance@rciind.com Tel: 91-11-27372194 Fax: 91-11-27371334

**STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS  
FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2020**

(Amount in Rs. Lacs)

Sl. No.	Particulars	Quarter ended			Half Year ended		Year ended
		30.09.2020	30.06.2020	30.09.2019	30.09.2020	30.09.2019	31.03.2020
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	<b>Income</b>						
	a. Revenue from Operations	2,448.84	838.05	8,788.08	3,286.89	30,753.86	45,683.10
	b. Other Income	7.79	62.19	364.24	69.98	436.24	1,726.63
	<b>Total Income</b>	<b>2,456.63</b>	<b>900.24</b>	<b>9,152.32</b>	<b>3,356.87</b>	<b>31,190.10</b>	<b>47,409.73</b>
2	<b>Expenses</b>						
	a. Cost of Material Consumed	1,786.37	272.31	7,780.48	2,058.67	20,485.95	34,354.46
	b. Purchase of stock-in-trade	210.56	38.89	998.67	249.44	7,608.43	11,214.68
	c. Change in inventories of finished goods, work-in-progress and stock-in-trade	739.10	650.91	1,727.28	1,390.01	2,319.26	5,047.24
	d. Employee Benefits Expenses	156.75	123.53	266.94	280.27	564.79	1,017.38
	e. Finance Costs	0.87	0.71	416.10	1.57	1,004.57	1,590.38
	f. Depreciation and Amortisation Expenses	338.78	320.74	379.14	659.51	719.26	1,337.16
	g. Other Expenses	1,572.95	1,161.41	518.84	2,734.36	1,083.15	5,843.60
	<b>Total Expenses</b>	<b>4,805.36</b>	<b>2,568.48</b>	<b>12,117.45</b>	<b>7,373.85</b>	<b>33,785.43</b>	<b>60,404.90</b>
3	<b>Profit/(Loss) before tax, exceptional item and prior period items</b>	<b>(2,348.73)</b>	<b>(1,668.24)</b>	<b>(2,965.13)</b>	<b>(4,016.98)</b>	<b>(2,595.33)</b>	<b>(12,995.17)</b>
4	Exceptional item	-	-	-	-	1,667.73	2,078.09
5	Prior period items	-	-	1,636.32	-	1,636.32	1,636.32
6	<b>Profit/(Loss) before tax</b>	<b>(2,348.73)</b>	<b>(1,668.24)</b>	<b>(4,601.45)</b>	<b>(4,016.98)</b>	<b>(5,899.39)</b>	<b>(16,709.58)</b>
7	<b>Tax expense</b>						
	a. Current Tax	-	-	-	-	-	-
	b. Deferred Tax	(37.30)	(27.74)	67.31	(65.03)	45.94	(74.53)
	<b>Total tax expense</b>	<b>(37.30)</b>	<b>(27.74)</b>	<b>67.31</b>	<b>(65.03)</b>	<b>45.94</b>	<b>(74.53)</b>
8	<b>Profit/(Loss) after tax attributable to owners of the parent</b>	<b>(2,311.43)</b>	<b>(1,640.51)</b>	<b>(4,668.76)</b>	<b>(3,951.94)</b>	<b>(5,945.33)</b>	<b>(16,635.05)</b>
9	Other Comprehensive Income	(178.95)	14.22	224.53	(164.73)	182.46	791.88
10	<b>Total Comprehensive Income/(Loss) attributable to owners of the parent</b>	<b>(2,490.38)</b>	<b>(1,626.28)</b>	<b>(4,444.23)</b>	<b>(4,116.67)</b>	<b>(5,762.87)</b>	<b>(15,843.17)</b>
11	<b>Paid-up Equity Share Capital (Face value of Rs.10 each)</b>	<b>1,567.64</b>	<b>1,567.64</b>	<b>1,567.64</b>	<b>1,567.64</b>	<b>1,567.64</b>	<b>1,567.64</b>
12	<b>Earnings Per Share (Face value of Rs. 10/- each)</b>						
	Basic (in Rs.) (not annualised)	(14.74)	(10.46)	(29.78)	(25.21)	(37.93)	(106.12)
	Diluted (in Rs.) (not annualised)	(14.74)	(10.46)	(29.78)	(25.21)	(37.93)	(106.12)

**STATEMENT OF ASSETS AND LIABILITIES**

		As at	
		30.09.20	31.03.20
		(Unaudited)	(Audited)
1	<b>ASSETS</b>		
	<b>Non-current assets</b>		
a	Property, plant and equipment	8,508.69	8,996.00
b	Intangible Assets	3.80	17.07
c	Capital work-in-progress	1,218.94	946.77
d	Intangible Assets under Development	-	-
e	Financial Assets		
i	Investments	1,186.16	1,186.16
ii	Loans	162.74	146.96
iii	Other non-current assets	743.45	1,101.67
	<b>Total Non - Current Assets</b>	<b>11,823.78</b>	<b>12,394.63</b>
2	<b>Current assets</b>		
a	Inventories	3,185.59	4,940.88
b	Financial Assets		
i	Investments	-	-

Works: Plot No. 84-85, HPSIDC Industrial Area, Baddi, District Solan, Himachal Pradesh-173205 (INDIA)



	ii	Trade receivables	18,535.30	24,072.75
	iii	Cash and cash equivalents	196.26	180.05
	iv	Other bank balances	73.92	73.92
	v	Loans	195.15	199.03
	vi	Other financial assets	92.48	92.48
c		Current Tax Assets (net)	-	-
d		Other current assets	2,004.19	2,241.51
		<b>Total Current Assets</b>	<b>24,282.90</b>	<b>31,800.61</b>
		<b>Total Assets</b>	<b>36,106.68</b>	<b>44,195.24</b>
		<b>EQUITY AND LIABILITIES</b>		
1		<b>Equity</b>		
	a	Equity share capital	1,567.64	1,567.64
	b	Instruments entirely equity innature (Compulsorily Convertible Debentures)	-	-
	c	Other equity	5,177.72	9,294.39
		<b>Total equity</b>	<b>6,745.36</b>	<b>10,862.03</b>
		<b>LIABILITIES</b>		
2		<b>Non-current liabilities</b>		
	a	Financial Liabilities		
	i	Borrowings	296.51	695.21
	b	Provisions	113.87	96.16
	c	Deferred tax liabilities (net)	12.37	77.41
	d	Other non-current liabilities	-	-
		<b>Total Non - Current Liabilities</b>	<b>422.76</b>	<b>868.77</b>
3		<b>Current liabilities</b>		
	a	Financial Liabilities		
	i	Borrowings	22,766.82	23,112.40
	ii	Trade payables	3,757.82	6,790.09
	iii	Other financial liabilities	321.76	344.52
	b	Other current liabilities	465.06	559.40
	c	Provisions	1.48	1.48
	d	Current Tax Liabilities (net)	1,625.60	1,656.54
		<b>Total Current Liabilities</b>	<b>28,938.55</b>	<b>32,464.44</b>
		<b>Total Equity and Liabilities</b>	<b>36,106.68</b>	<b>44,195.24</b>

#### STATEMENT OF CASH FLOWS

	For the period ended	
	30.09.2020	30.09.2019
	(Unaudited)	(Unaudited)
<b>A. Cash flow from Operating activities</b>		
<b>Profit/ (Loss) before tax</b>	<b>(4,016.98)</b>	<b>(5,899.39)</b>
Adjustments for:		
Depreciation	659.51	719.26
Finance Cost	1.57	1,004.57
Interest income	(61.26)	(340.90)
(Gain)/ Loss due to change in fair value of Investment	-	(0.61)
Actuarial Gain / (loss) on defined benefit plan	3.72	2.41
Movement in Foreign Currency Translation Reserve	(168.45)	180.05
<b>Operating profit before working capital changes</b>	<b>(3,581.88)</b>	<b>(4,334.60)</b>
<b>Movements in working capital :</b>		
(Increase)/ Decrease in Inventories	1,755.29	4,529.61
(Increase)/Decrease in Trade Receivables	5,537.45	3,515.68
(Increase)/Decrease in Loans	(11.90)	(11.18)
(Increase)/Decrease in Other Financial asset	-	-
(Increase)/Decrease in Other asset	595.54	311.70
Increase/(Decrease) in Trade Payables	(3,032.27)	(1,185.05)
Increase/(Decrease) in Other Financial Liabilities	(22.76)	(153.61)
Increase/(Decrease) in Other current Liabilities	(94.34)	(65.10)
Increase/(Decrease) in Provisions	17.72	7.99
<b>Cash generated from operations</b>	<b>1,162.85</b>	<b>2,615.44</b>
Income tax Refund/ (paid) during the year	(30.94)	(11.65)
<b>Net cash from operating activities (A)</b>	<b>1,131.91</b>	<b>2,603.79</b>
<b>B. Cash flow from Investing activities</b>		
Purchase of Fixed assets	(431.11)	(919.95)
(Increase)/Decrease in investment in fixed deposit	-	755.53



Interest received	61.26	368.89
<b>Net cash from investing activities (B)</b>	<b>(369.84)</b>	<b>204.48</b>
<b>C. Cash flow from Financing activities</b>		
Increase / (Decrease) in borrowings	(744.28)	(1,766.64)
Finance cost paid	(1.57)	(1,004.57)
<b>Net cash from financing activities (C)</b>	<b>(745.85)</b>	<b>(2,771.22)</b>
<b>Net increase in cash and cash equivalents (A+B+C)</b>	<b>16.22</b>	<b>37.05</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>180.05</b>	<b>204.58</b>
<b>Cash and cash equivalents at the end of the Period</b>	<b>196.26</b>	<b>241.63</b>

**Notes:-**

- 1 The above financial results for the quarter and half year ended September 30, 2020 have been reviewed by Audit committee and approved by the Board of Directors in their respective meetings held on November 12, 2020.
- 2 The Group's activity during the year revolves around manufacturing and trading of all kind of metals and metal products. Considering the nature of Group's business and operations, as well as based on review of operating results by the chief operating decision maker to make decision about resource allocation and performance measurement, there is only one reportable segment in accordance with the requirement of Ind AS 108 - "Operating Segments"
- 3 During the year ended March 31, 2020, All the lenders to the Parent Company has declared the account as non performing asset (NPA) due to non payment of interest due and borrowed amount.
- 4 The Parent Company is in discussion with lenders for restructuring of debt and no provision for interest expenses has been made in books of accounts. The total amount of interest not provided in books of accounts till 30.09.2020 is Rs. 24 crores approx. (Including interest for previous year ended March 31, 2020 for Rs. 10.46 crores).
- 5 Parent Company faces a material uncertainty related to Going Concern because of heavy losses incurred during previous year and current period. Further, the net worth of the Company has been fully eroded (after considering the interest expenses not provided for in books of accounts as discussed in point no. 4 above). These conditions indicates the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. However, the management is confident of reviving the Parent Company and is in discussion with Bank for restructuring of loan. Accordingly, the accompanying financial results have been prepared assuming that the Company will continue as a going concern.
- 6 The financial result has been prepared in accordance with the recognition

For and on behalf of the Company

  
 Name of the authorized person  
 Designation



# KRA & CO.

## Chartered Accountants

☎ 011 - 47082855  
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H -1/208, Garg Tower, Netaji Subhash Place, Pitampura, New Delhi -110034

### INDEPENDENT AUDITOR'S REVIEW REPORT TO THE BOARD OF DIRECTORS OF RCI INDUSTRIES & TECHNOLOGIES LIMITED

1. We have reviewed the accompanying statement of consolidated unaudited financial results of **RCI INDUSTRIES & TECHNOLOGIES LIMITED** ("the Parent") and its subsidiaries (the Parent and its subsidiaries constitute "the Group") for the quarter and six months ended September 30, 2020 ("the Statement"), being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulation").
2. This Statement, which is the responsibility of the Parent's management and approved by the Board of Directors, 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 and other accounting principles generally accepted in India and in compliance with Regulation 33 of Securities and Exchange Board of India (Listing and Disclosure Requirements) Regulations, 2015. Our responsibility is to express a conclusion 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. 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 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.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

4. The Statement includes the results of the following entities:

- i. RCI World Trade Link DMCC, Dubai

5. Basis for qualified conclusions

- a. Parent Company borrowings were declared as non performing asset (NPA) during the previous year ended March 31 2020. Due to this, we have not been provided with any document confirming balances, as at September 30, 2020, for certain loans granted by financial institutions, BG Invocation liability towards banks, bill discounting liability towards banks, certain current accounts and fixed deposits held by the Company. In the absence of such document we cannot comment on the accuracy and completeness of these balances. The amount of these borrowings, current account balances and fixed deposits as per financial statement as at September 30, 2020 is Rs. 81.60 crores, Rs. 2.21 Lacs and Rs. 73.64 Lacs respectively.
- b. The Parent Company has not recognized interest expenses in its financial statement on its outstanding borrowings. The total amount of such interest expenses is Rs. 13.54 crores approx. for six month ended September 30, 2020 and Rs. 24 crores approx. for the period April 01, 2019 to September 30, 2020 (These are an approximate amounts without considering the penal interest provisions and the amount cannot be confirmed with bank levy of interest as many banks have stopped charging interest in their statement and for certain borrowings confirmation of interest amount is not available). Accordingly, loss after tax and other comprehensive loss for the six month ended





September 30, 2020 is lower by Rs. 13.54 crores and retained earnings as at September 30, 2020 are higher by Rs. 24 crores.

- c. *Parent Company faces a material uncertainty related to Going Concern because of heavy losses incurred during previous year and current period. Further, the net worth of the Company has been fully eroded (after considering the interest expenses not provided for in books of accounts). These conditions indicate the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. However, the management is confident of reviving the Company and is in discussion with Bank for restructuring of loan. Accordingly, the accompanying financial results have been prepared assuming that the Company will continue as a going concern*
6. The consolidated unaudited financial results include the interim financial information of one subsidiary which has not been reviewed by their auditors, whose interim financial information reflects total assets of Rs. 47.85 crores as at September 30, 2020 and total revenue of Rs. 2.11 crores, total net loss after tax of Rs. 22.95 crores and total comprehensive loss of Rs. 24.63 crores for the six months ended September 30, 2020. This subsidiary has been consolidated based on its management certified accounts.
- Our conclusion on the Statement is not modified in respect of the above matter.
7. Based on our review conducted and procedures performed as stated in paragraph 3 above, *except for the effects/possible effects of the matters specified in Para 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 Standard 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.

For KRA & Co.  
Chartered Accountants  
(Firm Registration No.020266N)

 

Rajat Goyal  
Partner  
Membership No.: 503150

**JUN 12 20503150AAAA0H8940**

Place: New Delhi  
Date: November 12, 2020