

August 13, 2019

To,

BSE Limited  
Corporate Relationship Department  
Floor 25, Phiroze Jeejeebhoy Towers  
Dalal Street  
Mumbai-400001

To

The Listing Department  
The Calcutta Stock Exchange Ltd  
7, Lyons Range  
Kolkata-70001

Scrip ID: MESCON

CRIP CODE: 540744

**Sub: Outcome of Board Meeting dated 13<sup>th</sup> August, 2019**

Dear Sir/Madam,

The Board of Directors of the Company at its meeting held on 13<sup>th</sup> August, 2019 has considered and approved, inter-alia the followings:

1. Considered and approved the un-audited financial results (standalone and consolidated) of Company for the quarter ended June 30, 2019 and received the Limited Review Report by the Statutory Auditors of the Company on the standalone and consolidated financial results of Company for the quarter ended June 30, 2019.

Pursuant to Regulation 33 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, please find enclosed herewith the un-audited financial results along with limited review report for the quarter ended June 30, 2019.

The Meeting of Board of Directors was commenced at 03: 30 P.M. and concluded at *06:00 P.m.*

The above Limited Review Report and Results are also available on the website of the Company VIZ. Mescosteel.com

Submitted for your information and record.

Thanking you,  
For **Mideast Integrated Steels Limited**

(Director)  
Encl: AA

**MIDEAST INTEGRATED STEELS LIMITED**

Corporate Identity No. - L74899DL1992PLC050216

Regd. Off.: Mesco Towers, H-1, Zamrudpur, Community Centre, Kailash Colony, New Delhi - 110 048, India, T: 011-29241099, 40587085, 40587083

Bhubaneswar Office: Mesco Tower 3915, Lewis Road, Kedargouri Square, Bhubaneswar - 751 014, Odisha, T: 0674-2432755/59, Fax: 0674-2432256

Plant: Kalinga Nagar Industrial Complex, Khurunti, P. O. - Danagadi - 755 026, Dist. Jajpur Odisha, T: 06726-266042/45, 0671-2383100, Fax: 06726-266041

Mumbai Office: Unit No. 401, Silver Pearl Bldg, Water Field Road, Bandra (W), Mumbai - 400 050, T: 022-26603173/75/74

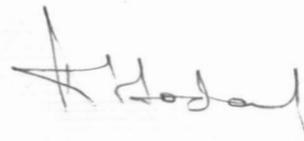
Kolkata Office: 14th Floor, Room No. 1412, 16, Strand Road, Kolkata - 700 001, T: 033-66451214 / 1215

E: info@mescosteel.com W: www.mescosteel.com

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

**Review Report to  
The Board of Directors  
Mideast Integrated Steels Limited  
Mesco Tower, H-1, Zamrudpur Community Centre,  
Kailash Colony,  
New Delhi - 110048**

1. We have reviewed the accompanying statement of unaudited standalone financial results of Mideast Integrated Steels Limited (the 'Company') for the quarter ended 30<sup>th</sup> June 2019 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Regulation') as amended, read with SEBI Circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2019 ('the Circular').
2. The preparation of the Statement in accordance with the recognition and measurement principles laid down in 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, read with the Circular is the responsibility of the Company's management and has been approved by the Board of Directors of the Company. 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. 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. *In pursuance to the judgement dated 2nd August, 2017 of Honorable Supreme Court of India, in the matter of Writ Petition (Civil) No. 114 of 2014 between Common Cause v/s Union of India & Others, there is a penalty imposed of Rs 924 crores along with interest on the company for excess production of Iron Ore during 2000-01 to 2010-11. The Company was supposed to make the payment of this compensation on or before 31st December 2017, failing which the mines of the Company are closed down wef 1st January 2018. The Company has filed a 'Curative petition' (Civil) on 28<sup>th</sup> March 2018, before the Honorable Supreme Court of India challenging the Judgement and which we have been informed is still pending. Hence, no provision has been made for the same in the books of accounts. However, in our opinion, this penalty has been crystalized and accordingly, a provision should have been made in the books to the extent of Rs 924 crores along with interest upto date.*

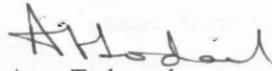


5. *The deferred tax working has not been shared with us, hence we are unable to express an opinion on the same, as on 30<sup>th</sup> June 2019.*
6. *The Company has an investment of Rs 179.88 crores in its Subsidiary, Maithan Ispat Limited. Based on the financials of its subsidiary, the Net worth is negative and the liabilities exceed the assets of the subsidiary company. In the absence of any impairment testing done, we are unable to comment on the investment value taken in the Company's books.*
7. *In our opinion, a provision for doubtful debts of Rs 8.87 crores needs to be made against the balances of non moving old Debtors & Creditors (where advances have been given by the Company), as on 30<sup>th</sup> June 2019. No litigation has been initiated by the Company on these balances.*

**Emphasis of Matter**

8. *During the quarter, the Company has received the arbitration award dated 25th June 2019, for the case going on with Moorgate Industries India Private Limited and Stemcor SEA Pte Ltd. As per the award, the Company needs to pay Moorgate Industries India Pvt Ltd and Stemcor SEA Pte Ltd an amount in total of Rs 725.39 crores against the net amount shown as due to them as per the Company's books of Rs 407.80 crores. As informed to us by the management, the Company is preparing for appeal against the award shortly.*
9. *Based on our limited review conducted, except for the effects of the our observations from point 4 to 7 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 applicable Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013, as amended, read with relevant rules issued thereunder and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of the Regulation, read with the Circular, including the manner in which it is to be disclosed, or that it contains any material misstatement.*

For **ARUN TODARWAL & ASSOCIATES LLP**  
Chartered Accountants  
Firm Reg No.: W100291



Arun Todarwal  
Partner  
Membership No. 032822  
UDIN: 19032822AAAAAR2834  
Place: Delhi  
Date: 13<sup>th</sup> August 2019

Mideast Integrated Steels Limited

Regd. Off: H-1, Zamrudpur Community Centre, Kailash Colony, New Delhi - 110 048

Website: www.mescosteel.com; CIN: L74899DL1992PLC050216; Ph. No. 011-29241099 & 40587085

STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE PERIOD ENDED JUNE 30, 2019

Sr. No.	Particulars	Quarter ended			Year ended
		30-Jun-19	30-Jun-18	31-Mar-19	31-Mar-19
		Unaudited Rs. in Mn	Unaudited Rs. in Mn	Audited Rs. in Mn	Audited Rs. in Mn
1	Revenue from Operations	1,587.17	1,818.86	1,828.88	7,383.45
2	Other Income	8.10	142.11	(488.52)	411.21
3	<b>Total Income (1+2)</b>	<b>1,595.27</b>	<b>1,960.97</b>	<b>1,340.36</b>	<b>7,794.66</b>
4	<b>Expenses</b>				
	(a) Cost of materials consumed	1,446.08	1,535.93	1,526.63	6,356.51
	(b) Changes in inventories of finished goods, work-in-progress and stock-in-	24.28	(34.69)	(105.50)	(24.29)
	(c) Employee benefits expense	83.05	116.00	(37.79)	286.09
	(d) Finance cost	3.01	8.93	32.16	45.85
	(e) Depreciation and amortisation expense	141.01	141.37	140.14	564.04
	(f) Other expenses	117.27	125.27	211.71	553.07
	<b>Total Expenses</b>	<b>1,814.70</b>	<b>1,892.81</b>	<b>1,767.35</b>	<b>7,781.27</b>
5	<b>Profit / (Loss) from operations before exceptional items (3-4)</b>	<b>(219.43)</b>	<b>68.16</b>	<b>(426.99)</b>	<b>13.38</b>
6	Exceptional items	-	-	-	-
7	<b>Profit / ( Loss) before tax (5+6)</b>	<b>(219.43)</b>	<b>68.16</b>	<b>(426.99)</b>	<b>13.38</b>
8	Tax expense	20.00	-	2.00	52.00
9	<b>Net Profit / (Loss) after tax (7-8)</b>	<b>(239.43)</b>	<b>68.16</b>	<b>(428.99)</b>	<b>(38.62)</b>
10	Other Comprehensive Income	0.75	0.10	0.35	0.80
11	<b>Total Comprehensive Income /(Loss) (9+10)</b>	<b>(238.68)</b>	<b>68.26</b>	<b>(428.64)</b>	<b>(37.82)</b>
12	Paid Up Equity Share Capital (Face Value of Rs. 10/- each)	1,378.75	1,378.75	1,378.75	1,378.75
13	Earnings per Share (of Rs 10 each) (not annualised)				
	Basic	(1.74)	0.49	(3.11)	(0.28)
	Diluted	(1.74)	0.49	(3.11)	(0.28)

- The above results have been reviewed and recommended by the Audit Committee and have been approved and taken on record by the Board of Directors at its meeting held on August 13, 2019.
- In pursuance to the judgement dated 2nd August, 2017 of Honorable Supreme Court of India, in the matter of Writ Petition (Civil) No. 114 of 2014 between Common Cause v/s Union of India & Others, there is a penalty imposed of Rs 924 crores on the company for excess production of Iron Ore in the Roida – I Iron Ore mining leasehold area, which was produced without or in excess of the approved limit of production under Environmental Clearance during 2000-01 to 2010-11. The Company was supposed to make the payment of this compensation on or before 31st December 2017, failing which the mines of the Company are closed down wef 1st January 2018. The Company has however has filed a curative petition (civil) no.000114/2018 on 31st March 2018 before the Hon'ble Supreme Court of India contesting this amount, and hence no provision for this amount of Rs 924 crores has been made in the books.
- The Company has not adopted the IndAS 116 – "Leases" in the current quarter. This IndAS is effective from reporting period beginning 1st April 2019.
- Previous periods figures have been regrouped / rearranged wherever necessary to conform to the current period's classification(s).

For and on behalf of the Board of Directors  
For Mideast Integrated Steels Limited

Rita Singh

Chairperson cum Managing Director

Place : New Delhi  
Date : August 13, 2019

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

**Review Report to**  
**The Board of Directors**  
**Mideast Integrated Steels Limited**  
**Mesco Tower, H-1, Zamrudpur Community Centre,**  
**Kailash Colony,**  
**New Delhi - 110048**

1. We have reviewed the accompanying statement of unaudited consolidated financial results of Mideast Integrated Steels Limited (the 'Parent') and its subsidiary Maithan Ispat Limited (the Parent and its subsidiary together referred to as 'the Group') for the quarter ended 30<sup>th</sup> June 2019 (the "Statement") attached herewith, being submitted by the Parent pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Regulation') as amended, read with SEBI Circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2019 ('the Circular').
2. The preparation of the Statement in accordance with the recognition and measurement principles laid down in 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, read with the Circular is the responsibility of the Parent's management and has been approved by the Board of Directors of the Parent. 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. 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. *In pursuance to the judgement dated 2nd August, 2017 of Honorable Supreme Court of India, in the matter of Writ Petition (Civil) No. 114 of 2014 between Common Cause v/s Union of India & Others, there is a penalty imposed of Rs 924 crores along with interest on the Parent for excess production of Iron Ore during 2000-01 to 2010-11. The Parent was supposed to make the payment of this compensation on or before 31st December 2017, failing which the mines of the Parent are closed down wef 1st January 2018. The Parent has filed a 'Curative petition' (Civil) on 28<sup>th</sup> March 2018, before the Honorable Supreme Court of India challenging the Judgement and which we have been informed is still pending. Hence, no provision has been made for the same in the books of accounts. However, in our opinion, this penalty has been crystalized and accordingly, a provision should have been made in the books to the extent of Rs 924 crores along with interest upto date.*

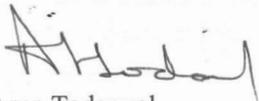
*AHoda*

5. *The deferred tax working has not been shared with us, hence we are unable to express an opinion on the same, as on 30<sup>th</sup> June 2019.*
6. *In our opinion, a provision for doubtful debts of Rs 19.43 crores needs to be made against the balances of non moving old Debtors & Creditors (where advances have been given by the Group), as on 30<sup>th</sup> June 2019. No litigation has been initiated by the Group on these balances.*

**Emphasis of Matter**

7. *During the quarter, the Parent has received the arbitration award dated 25th June 2019, for the case going on with Moorgate Industries India Private Limited and Stemcor SEA Pte Ltd. As per the award, the Parent needs to pay Moorgate Industries India Pvt Ltd and Stemcor SEA Pte Ltd an amount in total of Rs 725.39 crores against the net amount shown as due to them as per the Parents's books of Rs 407.80 crores. As informed to us by the management, the Parent is preparing for appeal against the award shortly.*
8. *The total liabilities of the subsidiary, Maithan Ispat Limited, exceed the total assets as on 30th June 2019, and the Net worth is negative. The plant has been shut down since January 2019. In view of the above, as per our opinion, the subsidiary may not be considered as a going concern.*
9. *Based on our limited review conducted, except for the effects of the our observations from point 4 to 6 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 applicable Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013, as amended, read with relevant rules issued thereunder and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of the Regulation, read with the Circular, including the manner in which it is to be disclosed, or that it contains any material misstatement.*

For **ARUN TODARWAL & ASSOCIATES LLP**  
Chartered Accountants  
Firm Reg No.: W100291



Arun Todarwal  
Partner  
Membership No. 032822  
UDIN: 19032822AAAAAS7892  
Place: Delhi  
Date: 13<sup>th</sup> August 2019

Mideast Integrated Steels Limited

Regd. Off: H-1, Zamrudpur Community Centre, Kailash Colony, New Delhi - 110 048

Website: www.mescosteel.com; CIN: L74899DL1992PLC050216; Ph. No. 011-29241099 & 40587085

STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE PERIOD ENDED JUNE 30, 2019

Sr. No.	Particulars	Quarter ended	Year ended
		30-Jun-19	31-Mar-19
		Unaudited	Audited
		Rs. in Mn	Rs. in Mn
1	Revenue from Operations	1,599.07	10,621.91
2	Other Income	8.10	838.46
3	<b>Total Income (1+2)</b>	<b>1,607.17</b>	<b>11,460.37</b>
4	<b>Expenses</b>		
	(a) Cost of materials consumed	1,441.73	8,502.82
	(b) Changes in inventories of finished goods, work-in-progress and stock-in-	44.78	64.33
	(c) Employee benefits expense	107.68	423.26
	(d) Finance cost	14.42	1,089.22
	(e) Depreciation and amortisation expense	205.98	823.92
	(f) Other expenses	155.56	1,370.84
	<b>Total Expenses</b>	<b>1,970.15</b>	<b>12,274.39</b>
5	<b>Profit / (Loss) from operations before exceptional items (3-4)</b>	<b>(362.98)</b>	<b>(814.02)</b>
6	Exceptional items	-	-
7	<b>Profit / (Loss) before tax (5+6)</b>	<b>(362.98)</b>	<b>(814.02)</b>
8	Tax expense	20.00	52.00
9	<b>Net Profit / (Loss) after tax (7-8)</b>	<b>(382.98)</b>	<b>(866.02)</b>
10	Other Comprehensive Income	0.75	(0.03)
11	<b>Total Comprehensive Income / (Loss) (9+10)</b>	<b>(382.23)</b>	<b>(866.05)</b>
12	Paid Up Equity Share Capital (Face Value of Rs. 10/- each)	1,378.75	1,378.75
13	Earnings per Share (of Rs 10 each) (not annualised)		
	Basic	(2.78)	(6.28)
	Diluted	(2.78)	(6.28)

- The above results have been reviewed and recommended by the Audit Committee and have been approved and taken on record by the Board of Directors at its meeting held on August 13, 2019.
- In pursuance to the judgement dated 2nd August, 2017 of Honorable Supreme Court of India, in the matter of Writ Petition (Civil) No. 114 of 2014 between Common Cause v/s Union of India & Others, there is a penalty imposed of Rs 924 crores on the company for excess production of Iron Ore in the Roida – I Iron Ore mining leasehold area, which was produced without or in excess of the approved limit of production under Environmental Clearance during 2000-01 to 2010-11. The Company was supposed to make the payment of this compensation on or before 31st December 2017, failing which the mines of the Company are closed down wef 1st January 2018.  
The Company has however has filed a curative petition (civil) no.000114/2018 on 31st March 2018 before the Hon'ble Supreme Court of India contesting this amount, and hence no provision for this amount of Rs 924 crores has been made in the books.
- As this is the first time consolidated results for June 2019 quarter are submitted, comparable quarters for June 2018 and March 2019 have not been prepared.  
The Company has not adopted the IndAS 116 – "Leases" in the current quarter. This IndAS is effective from reporting period beginning 1st April 2019.
- Previous periods figures have been regrouped / rearranged wherever necessary to conform to the current period's classification(s).

For and on behalf of the Board of Directors  
For Mideast Integrated Steels Limited

  
Rita Singh

Chairperson cum Managing Director

Place : New Delhi  
Date : August 13, 2019