

Regd. Office: 5/1, Shreeji House, 5th Floor, Behind M. J. Library, Ashram Road, Ahmedabad - 380006.  
UnAudited Financial Results for the Quarter and Half Year Ended as on 30th Sept 2017

₹ in Lacs

Particulars	Quarter Ended		Six Months Ended		31-Mar-17 (Audited)
	30-Sep-17 (UnAudited)	30-Jun-17 (UnAudited)	30-Sep-17 (UnAudited)	30-Sep-16 (UnAudited)	
I Revenue from operations	10,552.29	10,792.34	9,954.18	19,541.74	39,702.93
II Other Operating Income	146.75	26.02	24.85	71.26	236.97
III <b>Total Revenue (I + II)</b>	<b>10,699.04</b>	<b>10,818.36</b>	<b>9,979.03</b>	<b>19,613.00</b>	<b>39,939.90</b>
IV <b>Expenses</b>					
a) Cost of Materials consumed	6,190.28	7,802.90	5,717.89	12,079.93	24,029.98
b) Purchase of stock-in-trade	0.00	0.00	0.00	0.00	0.00
c) Changes in inventories of finished goods, work-in-progress	341.07	(122.47)	572.70	103.91	(274.48)
d) Employee benefits expense	348.15	311.72	303.32	594.67	1,286.21
e) Excise Duty on Sales	0.00	963.00	922.85	1,812.06	3,641.77
f) Finance Costs	3.79	31.83	3.23	13.50	73.06
g) Depreciation and amortisation expenses	190.04	168.39	197.96	399.76	764.23
h) Consumption of stores & Spares	378.09	253.12	222.15	573.64	1,192.02
i) Power Cost and cost of power generation	1,529.34	1,107.68	1,105.85	2,189.21	4,849.63
j) Other Expenses	1,776.16	1,080.34	775.30	1,636.55	3,703.11
<b>Total Expenses</b>	<b>10,756.92</b>	<b>11,596.51</b>	<b>9,821.25</b>	<b>19,403.23</b>	<b>39,265.53</b>
V <b>Profit/(Loss) before exceptional and extraordinary items and tax (III-IV)</b>	<b>(57.88)</b>	<b>(778.15)</b>	<b>157.78</b>	<b>209.77</b>	<b>674.37</b>
VI Tax Expense	0.00	0.00	0.00	0.00	0.00
VII <b>Profit/(Loss) for the period from continuing operations (VII-VIII)</b>	<b>(57.88)</b>	<b>(778.15)</b>	<b>157.78</b>	<b>209.77</b>	<b>674.37</b>
VIII Profit / (Loss) from discontinuing operations	0.00	0.00	0.00	0.00	0.00
IX Tax expense of discontinuing operations	0.00	0.00	0.00	0.00	0.00
X <b>Profit/(Loss) from Discontinuing operations (after tax) (VIII-IX)</b>	0.00	0.00	0.00	0.00	0.00
XI <b>Net (Loss) profit for the period (VII + X)</b>	<b>(57.88)</b>	<b>(778.15)</b>	<b>157.78</b>	<b>209.77</b>	<b>674.37</b>
XII Other Comprehensive income	3.72	3.72	2.43	4.86	14.88
XIII <b>Total Comprehensive income</b>	<b>(54.16)</b>	<b>(774.43)</b>	<b>160.21</b>	<b>214.63</b>	<b>689.25</b>
Earnings per equity share :					
(1) Basic	(0.07)	(0.92)	0.19	0.25	0.79
(2) Diluted	(0.07)	(0.92)	0.19	0.25	0.79



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**Notes:**

- 1 Hon'ble NCLT Ahmedabad bench vide its order dated 06.09.2017 has appointed Mr. Parag Sheth as the Interim Resolution Professional. Further Hon'ble NCLT Ahmedabad vide its order dated 16.11.2017 has appointed Mr. Navin Kanjwani as Resolution Professional.
- 2 Under the CIR Process, a resolution plan needs to be prepared and approved by the Committee of Creditors (CoC). The CoC is formed. The resolution plan which would be approved by the CoC will need to be further approved by the NCLT to keep the Company, a going concern. As the Company is under CIR Process, the financial statements have been presented on a 'going concern' basis.
- 3 The above financial results have been prepared in accordance with the Regulation 33 of the SEBI (LODR) Regulations, 2015 read with SEBI Circular dated July 5, 2016. The above Un-audited financial results have been subjected to Limited Review by the Statutory Auditors. The powers of the Board of Directors have been suspended after commencement of the CIR process vide order of NCLT, Ahmedabad dated 06.09.2017. Shri Navin Kanjwani has been appointed as Resolution Professional. Above financial results have been certified by the CFO. The Resolution Professional has relied upon the certification made by the CFO; and accordingly reviewed and approved the results for the quarter ended September 30, 2017.
- 4 Results for the quarter and half year ended as on September 30, 2017 have been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (IND AS) notified by the Ministry of Corporate Affairs. The results for the quarters and half year have been restated as per IND AS and are comparable on like to like basis.
- 5 Previous period figures have been regrouped and / or rearranged wherever necessary to make their classification comparable with the current period.
- 6 The Company is manufacturing Ferro Alloys & Sponge Iron, which is basically used in Iron & Steel Industry. Further power generated in the company in its power plant is used for captive as well as trading purpose. In view of this, the company has to consider "Iron & Steel" and "Power" as Primary Reportable business segment, as per Ind As 108, Operating Segment. However, due to substantial competition, risk, on-going position of Company and largely in the interest of the Company as well as interest of the stake holders involved, the management has not made disclosure of Primary Reportable segment as per Ind As 108, Operating Segment. Further, in view of the fact that the Company has its business within the geographical territory of India, Company has considered "INDIAN GEOGRAPHY" as the only secondary reportable business segment, as per the Ind As 108, Operating Segment.
- 7 The Company has accumulated losses and its net worth has been fully eroded. The Financial results indicates that the Company has a net loss during the previous year and the Company's current liabilities exceeded its current assets as at the current and previous year balance sheet date. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a "going concern". However, the financial results of the Company have been prepared on a going concern basis based on that the Company is actively negotiating for settlement. As a result, not only the Company's net worth will improve but also improve productivity on account of morale booster of the employees. Further, post settlement, the Company will reduce interest burden drastically and will be optimistic about vanishing of accumulated losses gradually.

8 Secured Borrowings from the below mentioned banks have been transferred / assigned to Invent Assets Securitization and Reconstruction Pvt Ltd

Name of Bank	Date of Transferred
State Bank of Hyderabad	07-01-15
Union Bank of India	07-03-15
State Bank of India	30/10/2015

The Company has stopped making provision for interest on such borrowing from the date of transfer due to pending settlement with Invent Assets Securitization and Reconstruction Pvt Ltd and hence due to non availability of documents, the company has taken last sanction letter as a base for classification of current / non-current liability and default of the borrowings.



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- 9 The Company has paid the capital advances in earlier years for total amounting of ₹.9,12,32,084/- which are currently shown under Long term loans and advances to the suppliers for the supply of customized equipments based of our specific design and requirements. The machines are manufactured and ready for dispatch but company does not have further fund to pay balance amount to lift the machines. However, the management is trying to recover such advances from the suppliers fully subject to provision made in the books of accounts of ₹ 2,37,83,523/-.
- 10 The above result does not include ind As compliance results for the preceding quarter and previous year ended March 31, 2017 as it is not mandatory as per SEBI circular dated July 5,2016
- 11 The format for above results as prescribed in SEBI's Circular CIR/CFD/CMD/15/2015 dated November 30, 2015 has been modified to comply with requirements of SEBI's Circular dated July 5, 2016, IND AS and Schedule III [Division II] to the Companies Act, 2013 applicable to companies that are required to comply with IND AS.
- 12 The Ind-AS compliant financial results, pertaining to the relevant periods of the previous year as applicable, have not been subjected to limited review or audit. However, the management has exercised necessary due diligence to ensure that the financial results provide a true and fair view of its affairs.
- 13 Reconciliation of results between previously reported (referred to as "Previous GAAP" and IND AS for the quarters / year are presented as under :

Particulars	Half Year ended 30th Sept, 2017
Net Profit under Previous GAAP	209.77
Employee benefits - Actuarial Gain / (loss) recognized in OCI	4.86
<b>Total comprehensive income under IND AS</b>	<b>214.63</b>

- 14 Consequent to the introduction of GST w.e.f July 1, 2017 the Excise duty is subsumed under GST. There is NIL amount in Excise Duty for the quarter ended September 2017.
- 15 The management expects that the loss of allowance if any as per Expected credit loss Method on the financial assets will not be significant enough in the Half Year ended Sept 30, 2017 and hence, the Management has not given effect of the same in the financial results.

**NAVIN KATJWANI**  
 INSOLVENCY PROFESSIONAL  
 IBBI/IPA-002/IP-N00347/2017-18



**The Statement of Assets and Liabilities as at 30th Sept, 2017**  
**Statement of Assets and Liabilities**

(Amount in ₹ Lakhs)

Sr. No.	Particulars	Year Ended
		30.09.2017
		unaudited
	<b>ASSETS</b>	
	<b>1) Non- Current Assets</b>	
a)	Property, Plant and Equipment	12,962.18
b)	Capital work-in-progress	2,470.25
c)	Other Intangible assets	5.77
d)	Financial Assets	
(i)	Trade receivables	286.37
(ii)	Loans	674.49
(iii)	Security Deposits	146.35
e)	Other non-current assets	501.79
	<b>2) Current assets</b>	
a)	Inventories	3,984.47
b)	Financial Assets	
(i)	Trade receivables	5,850.11
(ii)	Cash and cash equivalents	235.48
(iii)	Bank balances other than (iii) above	-
(iv)	Loans	1,690.83
c)	Other current assets	88.03
		<b>28,896.12</b>
	<b>EQUITY &amp; LIABILITIES :</b>	
	<b>Equity</b>	
a)	Equity Share capital	8,496.67
b)	Other Equity	(13,745.72)
	<b>LIABILITIES :</b>	
	<b>1) Non-Current Liabilities</b>	
a)	Financial Liabilities	
(i)	Borrowings	67.89
	Trade payables	1,131.89
(iii)	Other financial liabilities	-
b)	Provisions	84.48
	<b>2) Current liabilities</b>	
(i)	Borrowings	7,052.58
(ii)	Trade payables	1,376.80
(iii)	other current liabilities	24,365.95
c)	Provisions	65.58
		<b>28,896.12</b>



Place : Santej  
Date : 11-12-2017

For S.A.L. Steel Limited

  
Navin Kanjwani

Resolution Professional

IP Registration no. IBBI/IPA-002/IP-N00347/2017-2018/10997