

Regd. Office: 5/1, Shreeji House, 5th Floor, Behind M. J. Library, Ashram Road, Ahmedabad - 380006.

UnAudited Financial Results for the Quarter and Nine Months Ended as on 31st Dec 2017

₹ in Lacs

| | Particulars | Quarter Ended | | | Nine Months Ended | | |
|------|---|------------------|------------------|-----------------|-------------------|------------------|------------------|
| | | 31-Dec-17 | 30-Sep-17 | 31-Dec-16 | 31-Dec-17 | 31-Dec-16 | 31-Mar-17 |
| | | (UnAudited) | (UnAudited) | (UnAudited) | (UnAudited) | (UnAudited) | (Audited) |
| I | Revenue from operations | 15,296.11 | 10,552.29 | 9,712.41 | 36,640.74 | 27,442.09 | 39,702.93 |
| II | Other Operating Income | 22.87 | 146.75 | 34.85 | 195.64 | 106.11 | 236.97 |
| III | Total Revenue (I + II) | 15,318.98 | 10,699.04 | 9,747.26 | 36,836.38 | 27,548.20 | 39,939.90 |
| IV | Expenses | | | | | | |
| | a) Cost of Materials consumed | 13,479.58 | 6,190.28 | 6,667.71 | 27,472.76 | 18,747.64 | 24,029.98 |
| | b) Purchase of stock-in-trade | 271.37 | 0.00 | 0.00 | 271.37 | 0.00 | 0.00 |
| | c) Changes in inventories of finished goods, work-in-progress | (3,988.98) | 341.07 | (1,108.06) | (3,770.38) | (1,004.15) | (274.48) |
| | d) Employee benefits expense | 369.56 | 348.15 | 303.94 | 1,029.44 | 898.61 | 1,286.21 |
| | e) Excise Duty on Sales | 0.00 | 0.00 | 0.00 | 963.00 | 0.00 | 3,641.77 |
| | f) Finance Costs | 5.62 | 3.79 | 15.37 | 41.24 | 18.60 | 73.06 |
| | g) Depreciation and amortisation expenses | 191.66 | 190.04 | 192.63 | 550.09 | 592.40 | 764.23 |
| | h) Consumption of stores & Spares | 313.68 | 378.09 | 311.90 | 944.89 | 885.54 | 1,192.02 |
| | i) Power Cost and cost of power generation | 1,744.74 | 1,529.34 | 1,679.51 | 4,381.76 | 3,868.73 | 4,849.63 |
| | j) Other Expenses | 2,661.03 | 1,776.16 | 1,129.33 | 5,517.53 | 2,765.89 | 3,703.11 |
| | Total Expenses | 15,048.26 | 10,756.92 | 9,192.33 | 37,401.70 | 26,773.26 | 39,265.53 |
| V | Profit/ (Loss) before exceptional and extraordinary items and tax (III-IV) | 270.72 | (57.88) | 554.93 | (565.32) | 774.94 | 674.37 |
| VI | Tax Expense | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| VII | Profit/ (Loss) for the period from continuing operations (V-VI) | 270.72 | (57.88) | 554.93 | (565.32) | 774.94 | 674.37 |
| VIII | Profit / (Loss) from discontinuing operations | 0.00 | 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 | 0.00 |
| X | Profit/(Loss) from Discontinuing operations (after tax) (VIII-IX) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| XI | Net (Loss) profit for the period (VII + X) | 270.72 | (57.88) | 554.93 | (565.32) | 774.94 | 674.37 |
| | Other Comprehensive income | 3.72 | 3.72 | 2.43 | 11.17 | 7.29 | 14.88 |
| XII | Total Comprehensive income | 274.44 | (54.16) | 557.36 | (554.14) | 782.23 | 689.25 |
| XIII | Earnings per equity share : | | | | | | |
| | (1) Basic | 0.32 | (0.07) | 0.65 | (0.67) | 0.91 | 0.79 |
| | (2) Diluted | 0.32 | (0.07) | 0.65 | (0.67) | 0.91 | 0.79 |

Notes:

- Hon'ble Supreme Court of India vide order dated 10.01.2018 has set aside the order of Hon'ble NCLT, Ahmedabad dated 06.09.2017 and Corporate Insolvency Resolution Process against the company is closed.
- The above results were reviewed by the Audit Committee and approved by Board of Directors in its meeting held on 10th February 2018.
- The un-audited financial results of the Company for the Quarter and Nine Months ended on 31st Dec, 2017 have been Limited Reviewed by the Statutory Auditors of the Company.

- 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. Accordingly, company is not require to submit segment reporting.
- 7 Company has accumulated losses. However, company has entered into in-principle settlement with Invent Assets Securitization and Reconstruction Pvt. Ltd.who had been assigned debts of Union Bank of India, State Bank of India and State Bank of Hyderabad.
- 8 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/- .
- 9 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
- 10 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.
- 11 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.
- 12 Reconciliation of results between previously reported (referred to as "Previous GAAP" and IND AS for the quarters / Nine Months are presented as under :

| Particulars | Nine Months ended 31st Dec, 2016 |
|---|----------------------------------|
| Net Profit under Previous GAAP | 774.94 |
| Employee benefits - Actuarial Gain / (loss) recognized in OCI | 7.29 |
| Total comprehensive income under IND AS | 782.23 |

- 13 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 December 2017.
- 14 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 Dec 31, 2017 and hence, the Management has not given effect of the same in the financial results .

for and on behalf of the Board of Director of SAL Steel Ltd.

x



Rajendra V. Shah
Chairman (DIN : 00020904)

Place : Santej
Date : 10-02-2018