

S.A.L. STEEL LIMITED

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 on 30th September 2016

₹ in Lacs

Sr. No.	Particulars	Quarter Ended			Six Months Ended			Year Ended
		30-Sep-16	30-Jun-16	30-Sep-15	30-Sep-16	30-Sep-15	31-Mar-16	
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	Audited	
1	Income from Operations							
a	Net Sales/ Income from operations	9,031.33	8,698.35	7,139.98	17,729.68	17,130.90	33,761.29	
b	Other Operating Income	24.85	46.41	8.99	71.26	17.49	58.07	
	Total Income from Operations (net)	9,056.18	8,744.76	7,148.97	17,800.94	17,148.39	33,819.36	
2	Expenses							
a	Cost of Materials consumed	5,717.89	6,362.04	4,799.57	12,079.93	11,536.57	22,586.99	
b	Purchase of stock-in-trade	0.00	0.00	0.00	0.00	0.00	0.00	
c	Changes in inventories of finished goods, work-in-progress and stock-in-trade	572.70	-468.79	96.51	103.91	-51.14	-218.77	
d	Employee benefits expense	300.89	288.92	256.88	589.81	527.79	1,101.86	
e	Depreciation and amortisation expenses	197.96	201.80	212.17	399.76	424.74	846.86	
f	Consumption of stores & Spares	222.15	351.49	421.83	573.64	1,045.60	1,502.23	
g	Power Cost and cost of power generation	1,105.85	1,083.36	1,031.48	2,189.21	1,803.28	3,824.72	
h	Other Expenses	775.30	861.25	311.41	1,636.55	1,199.15	2,642.07	
	Total Expenses	8,892.74	8,680.07	7,129.85	17,572.81	16,485.99	32,285.96	
3	Profit/ (Loss) from operations before other income, finance costs and exceptional items(1-2)	163.44	64.69	19.12	228.13	662.40	1,533.40	
4	Other Income	0.00	0.00	0.00	0.00	0.00	0.00	
5	Profit/ (Loss) from ordinary activities before finance costs and exceptional items (3+4)	163.44	64.69	19.12	228.13	662.40	1,533.40	
6	Finance Costs	3.23	10.27	419.51	13.50	1,156.86	1,240.00	
7	Profit/(Loss) from ordinary activities after finance costs but before exceptional items (5-6)	160.21	54.42	-400.39	214.63	-494.46	293.40	
8	Exceptional items	0.00	0.00	0.00	0.00	1,340.88	0.00	
9	Profit / (Loss) from ordinary activities before tax (7-8)	160.21	54.42	-400.39	214.63	-1,835.34	293.40	
10	Tax Expense	0.00	0.00	0.00	0.00	0.00	0.00	
11	Net Profit/ (Loss) from ordinary activities after tax (9-10)	160.21	54.42	-400.39	214.63	-1,835.34	293.40	
12	Extraordinary items	0.00	0.00	0.00	0.00	0.00	0.00	
13	Net Profit/ (Loss) for the period (11-12)	160.21	54.42	-400.39	214.63	-1,835.34	293.40	
14	Paid-up Equity Share Capital (Face Value of ₹.10/- each per share)	8,496.67	8,496.67	8,496.67	8,496.67	8,496.67	8,496.67	
15	Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year						-12,006.37	
16	Earnings per share :							
	(a) Basic and Diluted EPS before extraordinary items (not annualised)	0.19	0.06	-0.47	0.25	-2.16	0.35	
	b) Basic and Diluted EPS after extraordinary items (not annualised)	0.19	0.06	-0.47	0.25	-2.16	-3.39	

Notes:

- 1 The above results were reviewed by the Audit Committee and approved by Board of Directors in its meeting held on 12th November 2016.
- 2 The un-audited financial results of the Company for the half year ended on 30th Sept, 2016 have been Limited Reviewed by the Statutory Auditors of the Company.
- 3 Previous period figures have been regrouped and / or rearranged wherever necessary to make their classification comparable with the current period.
- 4 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 Accounting Standard -17, Segment Reporting issued by The Institute of Chartered Accountants of India. 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 Accounting Standard -17. 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 Accounting Standard 17 issued by the Institute of Chartered Accountants of India.
- 5 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.
- 6 Secured Borrowings from the below mentioned banks have been transferred / assigned to Invent Assets Securitization and Reconstruction Pvt Ltd (Financial Institution) together with all their rights, title and interest in the financial documents and any underline security interest / pledged and / or guarantees in respect of such loans.

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

- 7 The Company has paid the capital advances in earlier years for total amounting of ₹.9,12,34,084/- 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/-.
- 8 The Company had filed a reference with BIFR u/s 15(1) of the Sick Industrial Companies (Special Provision) Act, 1985. The Honorable BIFR vide its letter reference no 3(S-10)/BC/2015 dated 24th August 2015 had registered the reference filed by the company vide case no 109/2015.

Sr. No.	Particulars	(Amount in ₹ Lakhs)	
		Year Ended	Year Ended
		30.09.2016	31.03.2016
		Unaudited	Audited
A	EQUITY AND LIABILITIES:		
1	Shareholders' Funds		
	(a) Share Capital	8,496.67	8,496.67
	(b) Reserves and Surplus	(11,791.76)	(12,006.39)
	Sub-total - Shareholders' funds	(3,295.09)	(3,509.72)
2	Non-Current Liabilities		
	(a) Long-term borrowings	174.92	424.92
	(b) Other Long-term liabilities	44.05	44.05
	(c) Long Term provisions	71.90	77.44
	Sub-total - Non-Current Liabilities (I)	290.87	546.41
3	Current Liabilities		
	(a) Short term borrowings	7,081.47	7,116.57
	(b) Trade payables	1,861.76	2,307.33
	(c) Other current liabilities	19,179.98	18,483.58
	(d) Short term provisions	75.71	81.63
	Sub-total - Current Liabilities (II)	28,198.92	27,989.11
	TOTAL - EQUITY AND LIABILITIES (I + II)	25,194.70	25,025.80
B	ASSETS:		
1	Non-Current Assets		
	(a) Fixed Assets	16,112.12	16,450.62
	(b) Long Term loans and advances	820.86	938.86
	Sub-total - Non-Current Assets (III)	16,932.98	17,389.48
2	Current Assets		
	(a) Inventories	3,196.42	2,920.15
	(b) Trade receivables	4,052.57	4,038.42
	(c) Cash and cash equivalents	66.88	111.23
	(d) Short-term loans and advances	945.85	566.52
	Sub-total - Current Assets (IV)	8,261.72	7,636.32
	TOTAL- ASSETS (III + IV)	25,194.70	25,025.80

for and on behalf of the Board of
Directors of SAL Steel Ltd

Place: Santej
Date: 12/11/2016

Rajendra V. Shah
Chairman