

S.A.L. STEEL LIMITED

Regd. Office: 5/1, Shreeji House, 5th Floor, Behind M. J. Library, Ashram Road, Ahmedabad - 380006.
Audited Financial Results for the Quarter and Year Ended as on 31st March 2017

₹ in Lacs

Particulars	Quarter Ended		Year Ended	
	31-Mar-17 (Audited)	31-Dec-16 (Unaudited)	31-Mar-16 (Audited)	31-Mar-17 (Audited)
I Revenue from operations	8,619.07	9,712.41	7,473.40	36,061.16
II Other Income	130.86	34.85	19.37	236.97
III Total Revenue (net) (I + II)	8,749.93	9,747.26	7,492.77	36,298.13
IV Expenses				
a) Cost of Materials consumed	5,282.34	6,667.71	4,653.38	24,029.98
b) Purchase of stock-in-trade	0.00	0.00	0.00	0.00
c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	729.67	(1,108.06)	(88.52)	(274.48)
d) Employee benefits expense	379.99	301.51	304.22	1,271.32
e) Finance Costs	54.46	15.37	1.62	73.06
f) Depreciation and amortisation expenses	171.83	192.63	226.94	764.23
g) Consumption of stores & Spares	306.49	311.90	225.91	1,192.02
h) Power Cost and cost of power generation	980.91	1,679.51	991.15	4,849.63
i) Other Expenses	937.22	1,129.33	920.08	3,703.11
Total Expenses	8,842.91	9,189.90	7,234.79	35,608.88
V Profit/ (Loss) before exceptional and extraordinary items and tax (III-IV)	-92.98	557.36	257.99	689.25
VI Exceptional items	0.00	0.00	0.00	0.00
VII Profit/ (Loss) before extraordinary items and tax (V - VI)	-92.98	557.36	257.99	689.25
VIII Extraordinary items	0.00	0.00	1,829.36	0.00
IX Profit / (Loss) before tax (VII-VIII)	-92.98	557.36	-1,571.37	689.25
X Tax Expense	0.00	0.00	0.00	0.00
XI Profit/ (Loss) for the period from continuing operations (VII-VIII)	-92.98	557.36	-1,571.37	689.25
XII Profit / (Loss) from discontinuing operations	0.00	0.00	0.00	0.00
XIII Tax expense of discontinuing operations	0.00	0.00	0.00	0.00
XIV Profit/(Loss) from Discontinuing operations (after tax) (XII-XIII)	0.00	0.00	0.00	0.00
XV Profit (Loss) for the period (XI + XIV)	-92.98	557.36	-1,571.37	689.25
XVI Earnings per equity share :				
(1) Basic	-0.11	0.66	0.30	0.81
(2) Diluted	-0.11	0.66	-1.85	0.81
				-3.39

Notes:

- 1 The above results were reviewed by the Audit Committee and approved by Board of Directors in its meeting held on 27th May 2017.
- 2 Previous period figures have been regrouped and / or rearranged wherever necessary to make their classification comparable with the current period.

3 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.

4 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.

5 Secured Borrowings from the below mentioned banks have been transferred / assigned to Invent Assets

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

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.

6 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/-.

7 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.

8 The figures of last quarter are the balancing figures between audited figures in respect of the full financial year and the published year to date upto 3rd Quarter."



9 The Statement of Assets and Liabilities as at 31st March, 2017
Statement of Assets and Liabilities

(Amount in ₹ Lakhs)

Sr. No.	Particulars	Year Ended	Year Ended
		31.03.2017	31.03.2016
		Audited	Audited
A	EQUITY AND LIABILITIES		
1	Shareholders' Funds		
	(a) Share Capital	8,496.67	8,496.67
	(b) Reserves and Surplus	(11,317.13)	(12,006.38)
	Sub-total - Shareholders' funds	(2,820.46)	(3,509.71)
2	Non-Current Liabilities		
	(a) Long-term borrowings	90.52	424.92
	(b) Other Long-term liabilities	44.05	44.05
	(c) Long Term provisions	84.48	77.44
	Sub-total - Non-Current Liabilities (I)	219.05	546.40
3	Current Liabilities		
	(a) Short term borrowings	7,982.48	7,116.57
	(b) Trade payables	3,147.57	2,307.33
	(c) Other current liabilities	20,357.46	18,483.58
	(d) Short term provisions	73.54	81.63
	Sub-total - Current Liabilities (II)	31,561.06	27,989.11
	TOTAL - EQUITY AND LIABILITIES (I + II)	28,959.66	25,025.80
B	ASSETS		
1	Non-Current Assets		
	(a) Fixed Assets	15,750.26	16,450.62
	(b) Long Term loans and advances	841.85	938.86
	Sub-total - Non-Current Assets (III)	16,592.11	17,389.48
2	Current Assets		
	(a) Inventories	6,020.33	2,920.15
	(b) Trade receivables	5,380.53	4,038.42
	(c) Cash and cash equivalents	123.67	111.23
	(d) Short-term loans and advances	843.01	566.52
	Sub-total - Current Assets (IV)	12,367.54	7,636.32
	TOTAL - ASSETS (III + IV)	28,959.65	25,025.80

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