

# SHAH ALLOYS LIMITED

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## STATEMENT OF STANDALONE & CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE, 2017

Particulars		Amount (Rs In Crores)			
		STANDALONE QUARTER ENDED		CONSOLIDATED QUARTER ENDED	
		6/30/2017	6/30/2016	6/30/2017	6/30/2016
		(Un Audited)	(Un Audited)	(UnAudited)	(UnAudited)
I	Revenue from Operations	113.62	92.81	113.62	92.81
II	Other Operating Income	0.17	0.28	0.17	0.28
	Other Non Operating Income	4.81	0.00	4.81	0.00
III	<b>Total Revenue (I + II)</b>	<b>118.60</b>	<b>93.09</b>	<b>118.60</b>	<b>93.09</b>
IV	<b>Expenses</b>				
	(a) Cost of materials consumed	65.23	54.86	65.23	54.86
	(b) Changes in inventories of finished goods, work-in-progress	12.32	(0.33)	12.32	(0.33)
	(c) Employee benefits expense	3.91	3.08	3.91	3.08
	(d) Excise Duty on Sales	12.30	10.01	12.30	10.01
	(e) Finance costs	3.28	3.85	3.28	3.85
	(f) Depreciation and amortisation expense	3.41	3.48	3.41	3.48
	(g) Consumption of Stores & Spares	9.32	7.69	9.32	7.69
	(h) Power cost	16.12	15.93	16.12	15.93
	(i) Other Expenditure	6.16	5.31	6.16	5.31
	<b>Total Expenses (a) to (i)</b>	<b>132.05</b>	<b>103.88</b>	<b>132.05</b>	<b>103.88</b>
V	<b>Profit / (Loss) Before exceptional and extraordinary items and tax (III - IV)</b>	<b>(13.45)</b>	<b>(10.79)</b>	<b>(13.45)</b>	<b>(10.79)</b>
VI	Deferred Tax	(23.72)	3.94	(23.72)	3.94
VII	<b>Net Profit / (Loss) for the period from continuing operations (V - VI)</b>	<b>(37.17)</b>	<b>(6.85)</b>	<b>(37.17)</b>	<b>(6.85)</b>
VIII	Profit / (Loss) From discontinuing operations	0.00	0.00	0.00	0.00
IX	<b>Tax Expense of discontinuing operations</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
X	<b>Profit / (Loss) From discontinuing operations (after tax) (VIII - IX)</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
XI	<b>Net (Loss) profit for the period (VII + X)</b>	<b>(37.17)</b>	<b>(6.85)</b>	<b>(37.17)</b>	<b>(6.85)</b>
XIII	<b>Share of Loss of Associate Concern</b>	<b>0.00</b>	<b>0.00</b>	<b>4.81</b>	<b>0.00</b>
	Other Comprehensive income	0.02	0.07	0.02	0.07
XIV	<b>Total Comprehensive income</b>	<b>(37.15)</b>	<b>(6.78)</b>	<b>(41.96)</b>	<b>(6.78)</b>
	<b>Earnings per equity share:</b>				
	(1) Basic	(18.78)	(3.46)	(21.20)	(3.46)
	(2) Diluted	(18.78)	(3.46)	(21.20)	(3.46)

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## Notes:

- 1 The above Unaudited results were reviewed by the Audit Committee in its meeting held on 9th September, 2017 and approved by Board of Directors in the meeting held on 14<sup>th</sup> Sept, 2017
- 2 Results for the quarter ended June 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 quarter ended June 30, 2016 have been restated as per IND AS and are comparable on like to like basis
- 3 Dues on account of maturity of Foreign Currency Convertible Bonds ( FCCB ) on Dt.22-09-2011, have been frozen on maturity and accordingly exchange rate fluctuation has not been considered thereafter. Payment of FCCB shall be considered as per the settlement that may be agreed upon.
- 4 Secured Borrowings from the below mentioned banks have been transferred / assigned to financial institution together with all their rights, title and interest in the financial documents and any underline security interest/pledges and /or guarantees in respect of such loans.

Name of Bank	Date of Loan Transferred	Name of Financial Institution
Karur Vysya Bank	12/31/2012	Asset Reconstruction Company (India) Limited.
IDBI Bank	3/28/2014	Asset Reconstruction Company (India) Limited.
Punjab National Bank	3/31/2016	Invent Assets Securitization & Reconstruction Private Limited.

Further the company has stopped making provision for interest on such borrowing from the date of transfer due to non execution of agreement with Asset Reconstruction Companies (ARC) and hence due to non availability of agreement with Asset Reconstruction Companies (ARC) , the company has taken the CDR – 2 orders and Settlement agreement already entered into by the company as base for classification of current / non-current liability and default of total borrowing

- 5 As at the Quarter end the Company has accumulated losses and its net worth has been fully eroded. The Financial results indicate that the Company has net loss during the previous year and the Company's current liabilities exceed its current assets as at the current quarter 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 with the ARC / lenders for settlement.
- 6 The Holding Company's accumulated share of losses in the Associate since the date of being an Associate till March 31, 2017 exceeds its investment value in Shares of SAL Steel Limited (Associate). However, Due to reduction in Provision for Diminution in value of the Investment during the quarter ended June 30, 2017, The value of the Investment increases to that extent and hence, the Holding company has recognised its further share of loss in Associate . This is in accordance with Ind AS 28 " Investments in Associates and Joint Ventures" .Therefore, in the current quarter ended June 30 , 2017, the holding company has recognized Rs.4.81 Crs share of Proportionate loss of the Associate company
- 7 Reconciliation of results (Standalone & Consolidated) between previously reported (referred to as "Previous GAAP" and IND AS for the quarters are presented as under :

Particulars	Quarter ended 30th June, 2016
Net Profit under Previous GAAP	(6.85)
Employee benefits - Actuarial Gain / (loss) recognized in OCI	0.07
<b>Total comprehensive income under IND AS</b>	<b>(6.78)</b>

- 8 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
- 9 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.
- 10 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.
- 11 The management expects that the loss of allowance if any as per Expected credit loss Method on the financial assets will not be material enough in the quarter ended June 30, 2017 and hence, the Management has not given effect of the same in the financial results .
- 12 The management expects that the impact of "Effective Interest Method" to the Finance cost as per the Requirement of IND AS 109 on the financial Results will not be material enough in the quarter ended June 30, 2017 and hence, the Management has not given effect of the same in the financial results .
- 13 Previous period figures have been regrouped and / or rearranged wherever necessary to make their classification comparable with the current period.

For, Shah Alloys Limited

Place : Santej

Date : 14-09-2017

*Kamath*  
K S Kamath (DIN: 00261544)  
Joint Managing Director