

SHAH ALLOYS LIMITED

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STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTH ENDED 31ST DECEMBER, 2017

Amount (Rs In Crores)

	Particulars	QUARTER ENDED			NINE MONTH ENDED		YEAR ENDED
		31/12/2017	30/09/2017	31/12/2016	31/12/2017	31/12/2016	31-03-2017
		(Un Audited)	(Un Audited)	(Un Audited)	(Un Audited)	(Un Audited)	(Audited)
I	Revenue from Operations	197.09	115.75	89.79	426.46	261.75	348.97
II	Other Operating Income	0.06	0.29	0.17	0.52	0.60	0.90
	Other Non Operating Income	6.56	0.00	0.00	6.56	0.00	80.98
III	Total Revenue (I + II)	203.71	116.04	89.96	433.54	262.35	430.85
IV	Expenses						
	(a) Cost of materials consumed	77.00	74.81	54.65	217.04	156.93	212.64
	(b) Changes in inventories of finished goods, work-in-progress	50.27	(9.41)	(13.27)	53.18	(21.61)	(35.72)
	(c) Employee benefits expense	4.73	4.25	3.04	12.91	8.86	12.11
	(d) Excise Duty on Sales	0.00	0.00	9.71	12.30	28.21	37.59
	(e) Finance costs	0.05	3.30	3.32	0.07	11.05	14.33
	(f) Depreciation and amortisation expense	3.41	3.41	3.47	10.23	10.43	13.74
	(g) Consumption of Stores & Spares	12.42	8.51	9.18	30.25	26.63	35.64
	(h) Power cost	16.31	17.25	15.60	49.68	46.39	60.58
	(i) Other Expenditure	33.81	14.05	7.84	54.02	19.63	27.47
	Total Expenses (a) to (i)	198.00	116.17	93.54	439.68	286.52	378.38
V	Profit / (Loss) Before exceptional and extraordinary items and tax (III - IV)	5.71	(0.13)	(3.58)	(6.14)	(24.17)	52.47
VI	Exceptional Item	28.74	0.00	0.00	28.74	0.00	0.00
VII	Profit / (Loss) after exceptional and before extraordinary items and tax (V+VII)	34.45	(0.13)	(3.58)	22.60	(24.17)	52.47
VIII	Deferred Tax	11.59	3.46	(0.63)	38.77	(7.58)	10.11
IX	Net Profit / (Loss) for the period from continuing operations (VII -VIII)	22.86	(3.59)	(2.95)	(16.17)	(16.59)	42.36
X	Profit / (Loss) From discontinuing operations	0.00	0.00	0.00	0.00	0.00	0.00
XI	Tax Expense of discontinuing operations	0.00	0.00	0.00	0.00	0.00	0.00
XII	Profit / (Loss) From discontinuing operations (after tax) (X-XI)	0.00	0.00	0.00	0.00	0.00	0.00
XIII	Net (Loss) profit for the period (IX - X)	22.86	(3.59)	(2.95)	(16.17)	(16.59)	42.36
XIV	Share of Loss of Associate Concern	0.00	0.00	0.00	0.00	0.00	0.00
	Other Comprehensive income	4.82	(4.97)	0.07	4.68	0.21	0.00
XV	Total Income after Comprehensive income	27.68	(8.56)	(2.88)	(11.49)	(16.38)	42.36
	Earnings per equity share:						
XVI	Paid-up equity share capital (Equity shares having face value of Rs. 10/- each)	19.80	19.80	19.80	19.80	19.80	19.80
XVII	Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year						(279.68)
XVII	Earnings per share (of Rs. 10/- each) (not annualised)						
	I						
	(1) Basic	11.55	(4.32)	(1.46)	(8.17)	(8.27)	21.39
	(2) Diluted	11.55	(4.32)	(1.46)	(8.17)	(8.27)	21.39

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Notes:

- 1 The above Unaudited results were reviewed by the Audit Committee and approved by Board of Directors in the meeting held on 10th February, 2018.
- 2 Results for the quarter ended December 31, 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 December 31, 2017 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
- 4 In spite of heavy accumulated losses, company has prepared financial results on a going concern basis since company has been actively negotiating with ARCs and lenders. Company is in final stage of settlement with ARCs for settlement of dues of Karur Vysya Bank, IDBI Bank, Bank of Maharashtra and Punjab National Bank assigned to ARCs and expects to settle soon.
- 5 Income of Rs. 28.74 Crores shown in exceptional Item is on account of refund of Electricity Duty based on the order of the authority.
- 6 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.
- 7 Reconciliation of results (Stand alone) between previously reported (referred to as "Previous GAAP" and IND AS for the quarters are presented as under :

Particulars	Nine Month 31st Dec, 2016
Net Profit under Previous GAAP	(16.59)
Employee benefits - Actuarial Gain / (Loss) recognized in OCI	0.21
Total comprehensive income under IND AS	(16.38)

- 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 Nine month ended December 31, 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 Half year ended September 30, 2017 and hence, the Management has not given effect of the same in the financial results .
- 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 With reference to above, we submit that regarding segment reporting as per Indian Accounting Standard 108 applies to business segments or geographical segments. In case of our company, we are manufacturing Steel products only and further our manufacturing is limited to locally only, as such Indian Accounting Standard 108 is not applicable to us.
- 15 Previous period figures have been regrouped and / or rearranged wherever necessary to make their classification comparable with the current period.

Place : Santej

Date : 10-02-2018


K S Kamath (DIN: 00261544)

Jt. Managing Director