



BHUSHAN

BHUSHAN STEEL LIMITED

BSL/CS/SE18
October 30, 2018

The Secretary
Listing Department
BSE Limited,
PhirozeJeeJeeBhoy Towers,
Dalal Street, Mumbai – 400001
Maharashtra, India
Scrip code: 500055

The Manager
Listing Department
National Stock Exchange of India Limited,
“Exchange Plaza”, 5th Floor, Plot No. C/1, G-
Block, Bandra – Kurla Complex, Bandra (E),
Mumbai-400051, Maharashtra, India
Scrip code: BHUSANSTL

Dear Madam , Sir,

Re: Outcome of the Board meeting

This has reference to our letter dated October 22, 2018.

The Board of Directors of Bhushan Steel Limited (“the Board”) at its meeting held today, i.e. October 30, 2018, *inter alia* approved the Audited Standalone Financial Results of the Company for the quarter and half year ended September 30, 2018.

The Board meeting commenced at 2:00 p.m. (IST) and concluded at 6.30 p.m. (IST).

A copy of the said results together with Auditors Report is enclosed herewith. These results are also being made available on the website of the Company at www.bushansteel.com.

This is for your information and record.

Yours faithfully

Bhushan Steel Limited

O.P. Davra

Company Secretary

Encl: As above



Standalone Financial Results for the quarter/ six months ended September 30, 2018

₹ Crores

Particulars	Quarter ended 30.09.2018	Quarter ended 30.06.2018	Quarter ended 30.09.2017	Six months ended 30.09.2018	Six months ended 30.09.2017	Financial year ended 31.03.2018
	Audited	Unaudited	Unaudited	Audited	Unaudited	Audited
1 Revenue from operations						
a) Gross sales / income from operations	5,651.05	4,420.51	4,188.05	10,071.56	8,229.93	16,760.62
b) Other operating income	210.92	203.09	136.57	414.01	270.81	643.81
Total revenue from operations [1(a) + 1(b)]	5,861.97	4,623.60	4,324.62	10,485.57	8,500.74	17,404.43
2 Other income	45.50	22.55	0.98	68.05	20.96	95.08
3 Total income [1 + 2]	5,907.47	4,646.15	4,325.60	10,553.62	8,521.70	17,499.51
4 Expenses						
a) Raw materials consumed	3,119.39	2,906.25	2,205.47	6,025.64	4,765.99	9,915.29
b) Purchases of finished, semi-finished steel & other products	-	-	7.12	-	7.12	7.12
c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	85.63	(495.78)	404.06	(410.15)	99.71	(27.90)
d) Employee benefits expense	172.02	150.57	153.78	322.59	287.48	593.30
e) Finance costs	899.52	1,323.20	1,491.18	2,222.72	2,953.64	6,304.90
f) Depreciation and amortisation expense	356.46	360.71	425.93	717.17	845.71	1,785.67
g) Excise duty	-	-	-	-	392.09	391.87
h) Other expenses	1,308.46	1,234.22	982.37	2,542.68	2,117.03	4,319.89
Total expenses [4(a) to 4(h)]	5,941.48	5,479.17	5,669.91	11,420.65	11,468.77	23,290.14
5 Profit / (Loss) before exceptional items & tax [3 - 4]	(34.01)	(833.02)	(1,344.31)	(867.03)	(2,947.07)	(5,790.63)
6 Exceptional items :						
a) Provision for impairment in & write off of property, plant & equipment and other assets	(19.74)	-	(63.33)	(19.74)	(63.33)	(20,759.02)
b) Provision for impairment in financial assets	-	-	-	-	-	(238.34)
c) Effects of implementation of resolution plan	114.46	2,937.32	-	3,051.78	-	-
d) Other exceptional items	-	-	-	-	-	(2,347.32)
Total exceptional items [6(a) to 6(d)]	94.72	2,937.32	(63.33)	3,032.04	(63.33)	(23,344.68)
7 Profit / (Loss) before Tax [5 + 6]	60.71	2,104.30	(1,407.64)	2,165.01	(3,010.40)	(29,135.31)
8 Tax Expense						
a) Current tax	-	-	-	-	-	-
b) Deferred tax	-	-	(940.27)	-	(1,056.90)	(4,321.84)
Total tax expense [8(a) + 8(b)]	-	-	(940.27)	-	(1,056.90)	(4,321.84)
9 Net Profit / (Loss) for the Period [7 - 8]	60.71	2,104.30	(467.37)	2,165.01	(1,953.50)	(24,813.47)
10 Other comprehensive income						
A (i) Items that will not be reclassified to profit or loss	0.94	(3.10)	(0.31)	(2.16)	(4.60)	(2.61)
(ii) Income tax relating to items that will not be reclassified to profit or loss	-	-	0.10	-	1.59	(0.32)
B (i) Items that will be reclassified to profit or loss	-	-	0.15	-	0.23	-
(ii) Income tax on items that will be reclassified to profit or loss	-	-	-	-	-	-
Total other comprehensive income	0.94	(3.10)	(0.06)	(2.16)	(2.78)	(2.93)
11 Total Comprehensive Income for the period [9 + 10]	61.65	2,101.20	(467.43)	2,162.85	(1,956.28)	(24,816.40)
12 Paid-up equity share capital [Face value ₹ 2 per share]	218.69	218.69	45.30	218.69	45.30	45.30
13 Earnings per equity share						
Basic earnings per share (not annualised) - in Rupees (after exceptional items)	0.56	32.59	(20.63)	24.86	(86.24)	(1,095.45)
Diluted earnings per share (not annualised) - in Rupees (after exceptional items)	0.03	1.87	(20.63)	1.23	(86.24)	(1,095.45)



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Ruphal



1. The above financial results for the quarter and half year ended September 30, 2018 have been reviewed by the Audit Committee and were approved by the Board of Directors of Bhushan Steel Limited ("the Company" or "BSL") at their respective meetings held on October 30, 2018. The statutory auditors of the Company have carried out audit of these financial results pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
2. On May 15, 2018, the NCLT has approved the terms of the Resolution Plan submitted by Tata Steel Limited ("TSL"), which provides, inter alia, the acquisition of the Company by TSL, through its wholly owned subsidiary Bamnival Steel Limited ("BNPL").

Pursuant to the Resolution Plan, BNPL subscribed to 72.65% of the equity share capital of BSL for an aggregate amount of Rs. 158.89 crores and provided additional funds aggregating to Rs. 35,073.69 crores to BSL by way of debt/convertible debt. The remaining 27.35% of BSL's share capital will be held by BSL's existing shareholders and the financial creditors who received shares in exchange for the debt owed to them. The funds received by BSL as debt and equity have been used to settle the sustainable debts owed to the existing financial creditors of BSL, CIRP costs and employee dues, by payment of Rs. 35,232.58 crores. The remaining unsustainable debts of Rs. 25,285.46 crores were novated by the financial creditors to BNPL for a consideration of Rs.100 crores. BNPL, in its capacity as the promoters of BSL, has waived off the unsustainable debts less cost of novation and the same has been recognised as equity contribution during the half year ended September 30, 2018.

10% Redeemable Cumulative Preference shares of Rs. 100 each amounting to Rs. 2,425.57 Crores were redeemed for a total sum of Rs. 4,700/- only. Gain arising out of redemption is recorded as exceptional item in these financial statements.

As per the Resolution Plan approved by the NCLT, settlement of operational creditors will be done over a period of 12 months from the Closing Date, as defined in the Resolution Plan. Further, as per the Resolution Plan, the contingent liabilities and commitments, claims and obligations, stand extinguished and accordingly no outflow of economic benefits is expected in respect thereof.

3. The statutory auditors of the Company had expressed a qualified opinion on the standalone and consolidated financial results of the Company for the year ended March 31, 2018. As the subject matter of qualification pertained to adjustments of certain prior period items (included under exceptional items) in the financial results for the year then ended with no corresponding impact on the balance sheet as at that date, the subject matter of qualification has been resolved. Owing to such prior period adjustments, the financial results for the quarter and half year ended September 30, 2018 are not comparable with the financial results for the year ended March 31, 2018.
4. Post implementation of Goods and Service Tax ("GST") with effect from July 1, 2017 revenue from operations for the half year ended September 30, 2018 is not comparable to the revenue from operations for the half year ended September 30, 2017.
5. The Company is in the business of manufacturing of steel products and hence has only reportable operating segments as per Ind AS 108 "Operating Segments".

Rajeev Singhal
Managing Director



Mumbai: October 30, 2018



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Standalone Balance Sheet as at September 30, 2018

₹ Crores

Particulars	As at 30.09.2018	As at 31.03.2018
	Audited	Audited
A - ASSETS		
(1) Non-current assets		
(a) Property, Plant and Equipment	29,629.87	30,361.56
(b) Capital work-in-progress	1,282.45	1,179.65
(c) Intangible assets	0.07	0.11
(d) Investments in subsidiaries, associates and joint ventures	0.15	0.14
(e) Financial assets		
(i) Non-current investments	1.09	1.08
(ii) Loans	56.07	72.65
(iii) Other financial assets	474.13	466.67
(f) Other non-current assets	851.96	808.36
(g) Income tax assets	30.14	29.00
Sub-total - Non current assets	32,325.93	32,919.22
(2) Current assets		
(a) Inventories	4,437.56	4,025.20
(b) Financial assets		
(i) Current investments	1,678.47	-
(ii) Trade receivables	1,312.50	1,219.58
(iii) Cash and cash equivalents	270.41	594.21
(iv) Other balances with banks	363.19	323.52
(v) Loans	119.51	91.74
(vi) Derivative assets	9.30	-
(c) Other current assets	639.61	668.12
Sub-total - Current assets	8,830.55	6,922.37
TOTAL - ASSETS	41,156.48	39,841.59
B - EQUITY AND LIABILITIES		
(1) Equity		
(a) Equity Share Capital	218.69	45.30
(b) Other equity	1,243.00	(26,105.36)
Sub-total - Total equity	1,461.69	(26,060.06)
(2) Non-current liabilities		
(a) Financial liabilities		
(i) Borrowings	19,338.88	706.53
(ii) Other financial liabilities	41.57	39.40
(b) Provisions	59.66	56.32
(c) Other non-current liabilities	2.47	2.66
Sub-total - Non current liabilities	19,442.58	804.91
(3) Current liabilities		
(a) Financial liabilities		
(i) Borrowings	15,615.25	13,812.86
(ii) Trade payables		
- total outstanding dues of micro enterprises and small enterprises	10.56	10.02
- total outstanding dues of creditors other than micro enterprises and small enterprises	2,304.88	1,295.11
(iii) Derivative liabilities	1.26	-
(iv) Other financial liabilities	1,672.18	49,527.80
(b) Other current liabilities	640.34	443.64
(c) Provisions	7.74	7.31
Sub-total - Current liabilities	20,252.21	65,096.74
TOTAL - EQUITY AND LIABILITIES	41,156.48	39,841.59



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R. Singh



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Independent Auditor's Report on Quarterly Financial Results and Year to Date Results of Bhushan Steel Limited Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To the Board of Directors of Bhushan Steel Limited

1. We have audited the accompanying statement of financial results ("Statement") of Bhushan Steel limited ('the Company') for the quarter ended 30 September 2018 and the year to date results for the period 1 April 2018 to 30 September 2018, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. This Statement has been prepared on the basis of the interim financial information which is the responsibility of the Company's Management. Our responsibility is to express an opinion on this Statement based on our audit of such interim financial information which has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard (Ind AS) 34 - Interim Financial Reporting specified under Section 133 of the Companies Act, 2013 and SEBI Circulars CIR/CFD/CMD/15/2015 dated 30 November 2015 and CIR/CFD/FAC/62/2016 dated 5 July 2016, and other recognised accounting principles generally accepted in India.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the Statement is free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.
3. In our opinion and to the best of our information and according to the explanations given to us, this Statement:
 - (i) is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circulars CIR/CFD/CMD/15/2015 dated 30 November 2015 and CIR/CFD/FAC/62/2016 dated 5 July 2016 in this regard; and
 - (ii) gives a true and fair view of the net loss (including other comprehensive income) for the quarter ended 30 September 2018, net profit (including other comprehensive income) for the half year then ended and other financial information in conformity with the accounting principles generally accepted in India.



Walker Chandiok & Co LLP

4. We draw attention to Note 2 to the Statement which describes the implementation of Resolution Plan pursuant to its approval by National Company Law Tribunal and the resultant impact of the same, as recorded in the year to date results for the period 1 April 2018 to 30 September 2018. Our opinion is not modified in respect of this matter.
5. The financial results for the quarter and half year ended 30 September 2017 and quarter ended 30 June 2018 included in the Statement are unaudited. The review of financial results for the quarter and half year ended 30 September 2017 was carried out and reported by M/s Mehrotra & Mehrotra, Chartered Accountants vide their qualified review report dated 14 November 2017. The review of financial results for the quarter ended 30 June 2018 was carried out and reported by us vide our unqualified review report dated 9 August 2018. Our opinion is not modified in respect of this matter.

For Walker Chandiok & Co LLP

Chartered Accountants

Firm Registration No.: 001076N/N500013



Neeraj Sharma

Partner

Membership No. 502103



Place: Mumbai

Date: 30 October 2018