



# S.A.L STEEL LIMITED

**Admn. Office :**

Shah Alloys Corporate House,  
Sola - Kalol Road, Santej, Ta. Kalol,  
Dist. Gandhinagar- 382721  
Phone : 02764 - 661100  
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**Regd. Office :**

5/1, Shreeji House,  
5th Floor, B/h. M.J. Library,  
Ashram Road,  
Ahmedabad - 380 006.

**Ref. No. :****Date : 6<sup>th</sup> November, 2015**

To,  
The Department of Corporate Services  
**Bombay Stock Exchange Ltd.**  
25<sup>th</sup> Floor, P.J. Towers,  
Dalal Street, Fort,  
Mumbai - 400 001

**BSE Scrip Code: 532604**

To,  
The Manager [Listing]  
**National Stock Exchange of India Ltd**  
"Exchange Plaza", C-1, Block-G,  
Bandra-Kurla Complex, Bandra (E),  
Mumbai - 400 051

**NSE Symbol: SALSTEEL**

**Sub: Board Meeting for considering Unaudited Financial Results for the Quarter Ended on 30.09.2015**

With reference to above, kindly be informed that the Board of Directors of the company in its meeting held today have considered the Unaudited Quarterly Results along with Limited Review Report for the quarter ended on 30.09.2015, copy of approved results along with Limited Review Report is enclosed for ready reference.

Kindly take the above on your record.

Thanking you,

Yours faithfully,

For, **S.A.L. Steel Ltd**

**Company Secretary**

Encl: a/a

# 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 ended on 30th September 2015

### PART - I

(Amount in ₹ Lakhs except share data)

| Sr. No. | Particulars                                                                                           | Quarter Ended   |                  |                 | Half Year Ended  |                  | Year ended       |
|---------|-------------------------------------------------------------------------------------------------------|-----------------|------------------|-----------------|------------------|------------------|------------------|
|         |                                                                                                       | 30/09/2015      | 30-06-2015       | 30/09/2014      | 30/09/2015       | 30/09/2014       | 31-03-2015       |
|         |                                                                                                       | (Unaudited)     | (Unaudited)      | (Unaudited)     | (Unaudited)      | (Unaudited)      | (Audited)        |
| 1       | <b>Income from Operations:</b>                                                                        |                 |                  |                 |                  |                  |                  |
| a       | Net Sales/ Income from operations                                                                     | 7139.98         | 9990.92          | 8329.66         | 17130.90         | 17955.09         | 36538.93         |
| b       | Other Operating Income                                                                                | 8.99            | 8.50             | 27.05           | 17.49            | 30.89            | 65.16            |
|         | <b>Total Income from Operations (net)</b>                                                             | <b>7148.97</b>  | <b>9999.42</b>   | <b>8356.71</b>  | <b>17148.39</b>  | <b>17985.98</b>  | <b>36604.09</b>  |
| 2       | <b>Expenses</b>                                                                                       |                 |                  |                 |                  |                  |                  |
| a       | Cost of Materials consumed                                                                            | 4799.57         | 6736.99          | 5681.56         | 11536.57         | 13362.11         | 25995.64         |
| b       | Purchase of stock-in-trade                                                                            | 0.00            | 0.00             | 240.98          | 0.00             | 301.13           | 301.13           |
| c       | Changes in inventories of finished goods, work-in-progress and stock-in-trade                         | 96.51           | (147.64)         | 354.30          | (51.14)          | 266.40           | 621.02           |
| d       | Employee benefits expense                                                                             | 256.88          | 270.91           | 235.95          | 527.79           | 471.09           | 1026.90          |
| e       | Depreciation and amortisation expenses                                                                | 212.17          | 212.56           | 276.92          | 424.74           | 571.91           | 874.02           |
| f       | Consumption of stores & Spares                                                                        | 421.83          | 623.77           | 199.50          | 1045.60          | 351.34           | 972.10           |
| g       | Power Cost and cost of power generation                                                               | 1031.48         | 771.81           | 659.65          | 1803.28          | 1402.74          | 3455.70          |
| h       | Other Expenses                                                                                        | 311.41          | 887.74           | 449.25          | 1199.15          | 906.11           | 1556.87          |
|         | <b>Total Expenses</b>                                                                                 | <b>7129.85</b>  | <b>9356.14</b>   | <b>8098.11</b>  | <b>16485.99</b>  | <b>17632.83</b>  | <b>34803.38</b>  |
| 3       | <b>Profit/ (Loss) from operations before other income, finance costs and execeptional items(1-2)</b>  | <b>19.12</b>    | <b>643.28</b>    | <b>258.60</b>   | <b>662.40</b>    | <b>353.15</b>    | <b>1800.71</b>   |
| 4       | Other Income                                                                                          | 0.00            | 0.00             | 0.00            | 0.00             | 0.00             | 0.00             |
| 5       | <b>Profit/ (Loss) from ordinary activities before finance costs and execeptional items (3+4)</b>      | <b>19.12</b>    | <b>643.28</b>    | <b>258.60</b>   | <b>662.40</b>    | <b>353.15</b>    | <b>1800.71</b>   |
| 6       | Finance Costs                                                                                         | 419.51          | 737.35           | 799.42          | 1156.86          | 1561.85          | 2991.74          |
| 7       | <b>Profit/(Loss) from ordinary activities after finance costs but before execeptional items (5-6)</b> | <b>(400.39)</b> | <b>(94.07)</b>   | <b>(540.82)</b> | <b>(494.46)</b>  | <b>(1208.70)</b> | <b>(1191.03)</b> |
| 8       | Exceptional items                                                                                     | 0.00            | 1340.88          | 0.00            | 1340.88          | 0.00             | 0.00             |
| 9       | <b>Profit / (Loss) from ordinary activities before tax (7-8)</b>                                      | <b>(400.39)</b> | <b>(1434.95)</b> | <b>(540.82)</b> | <b>(1835.34)</b> | <b>(1208.70)</b> | <b>(1191.03)</b> |
| 10      | Deferred Tax Expenses                                                                                 | 0.00            | 0.00             | (84.45)         | 0.00             | (211.97)         | 1643.88          |
| 11      | <b>Net Profit/ (Loss) from ordinary activities after tax (9-10)</b>                                   | <b>(400.39)</b> | <b>(1434.95)</b> | <b>(456.37)</b> | <b>(1835.34)</b> | <b>(996.73)</b>  | <b>(2834.91)</b> |
| 12      | Extraordinary items                                                                                   | 0.00            | 0.00             | 0.00            | 0.00             | 0.00             | 4748.71          |
| 13      | <b>Net Profit/ (Loss) for the period (11-12)</b>                                                      | <b>(400.39)</b> | <b>(1434.95)</b> | <b>(456.37)</b> | <b>(1835.34)</b> | <b>(996.73)</b>  | <b>(7583.62)</b> |
| 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 Resereves as per balance sheet of previous accounting year              |                 |                  |                 |                  |                  | -9,129.54        |
| 16      | <b>Earnings per share</b>                                                                             |                 |                  |                 |                  |                  |                  |
| i       | (a) Basic and Diluted EPS before extraordinary items (not annualised)                                 | (0.47)          | (1.69)           | (0.54)          | (2.16)           | -4.17            | -3.34            |
|         | b) Basic and Diluted EPS after extraordinary items (not annualised)                                   | (0.47)          | (1.69)           | (0.54)          | (2.16)           | -4.17            | -8.93            |

### PART - II

#### SELECT INFORMATION FOR THE QUARTER ENDED ON 30.09.2015

| A  | PARTICULARS OF SHAREHOLDING                                                                  | Quarter Ended |             |             | Half Year Ended |             | Year ended  |
|----|----------------------------------------------------------------------------------------------|---------------|-------------|-------------|-----------------|-------------|-------------|
|    |                                                                                              | 30/09/2015    | 30-06-2015  | 30/09/2014  | 30/09/2015      | 30/09/2014  | 31-Mar-15   |
|    |                                                                                              | (Unaudited)   | (Unaudited) | (Unaudited) | (Unaudited)     | (Unaudited) | (Audited)   |
| 1  | <b>Public Shareholding</b>                                                                   |               |             |             |                 |             |             |
|    | - Number of Shares                                                                           | 4,20,06,811   | 4,20,06,811 | 4,20,06,811 | 4,20,06,811     | 4,20,06,811 | 4,20,06,811 |
|    | - Percentage of shares                                                                       | 49.44%        | 49.44%      | 49.44%      | 49.44%          | 49.44%      | 49.44%      |
| 2  | <b>Promoters and Promoter Group Shareholding</b>                                             |               |             |             |                 |             |             |
| a) | <b>Pledged/ Encumbered</b>                                                                   |               |             |             |                 |             |             |
|    | - Number of Shares                                                                           | 4,29,59,889   | 4,29,59,889 | 4,29,59,889 | 4,29,59,889     | 4,29,59,889 | 4,29,59,889 |
|    | - Percentage of shares (as a % of the total shareholding of promoter and promoter group)     | 100.00%       | 100.00%     | 100.00%     | 100.00%         | 100.00%     | 100.00%     |
|    | - Percentage of share (as a % of the total Share Capital of the Company)                     | 50.56%        | 50.56%      | 50.56%      | 50.56%          | 50.56%      | 50.56%      |
| b) | <b>Non-encumbered</b>                                                                        |               |             |             |                 |             |             |
|    | - Number of Shares                                                                           |               |             |             | -               | -           | -           |
|    | - Percentage of shares (as a % of the total shareholding of the promoter and promoter group) | 0.00%         | 0.00%       | 0.00%       | 0.00%           | 0.00%       | 0.00%       |
|    | - Percentage of share (as a % of the total Share Capital of the Company)                     | 0.00%         | 0.00%       | 0.00%       | 0.00%           | 0.00%       | 0.00%       |

| B | Particulars                                    | Quarter ended |
|---|------------------------------------------------|---------------|
|   | INVESTOR COMPLAINTS                            | 30/09/2015    |
|   | Pending at the beginning of the Quarter        | 0             |
|   | Received during the quarter                    | 7             |
|   | Disposd of during the quarter                  | 7             |
|   | Remaining unresolved at the end of the quarter | 0             |



**Notes:**

- 1 The above results were reviewed by the Audit Committee and approved by Board of Directors in its meeting held on 06th November 2015.
- 2 The un-audited financial results of the Company has been reviewed by the Statutory Auditors of the Company.
- 3 Previous period figures have been regrouped and/ or rearranges 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 State Bank of Hyderabad (SBH) and Union Bank of India (UBI) have assigned total debts due from the company alongwith financial documents, rights, benefits and obligations in favour of Invent Assets Securitization and Reconstruction Private Limited on 1st July, 2015 and 3rd July 2015 respectively and accordingly, the Company has stopped providing interest on the borrowing.
- 6 The company has accumulated losses and its net-worth has been fully eroded. However, this financial results of the Company have been prepared on a going concern basis as the Company has approached to Board for Industrial and Financial restructuring (BIFR) for the revival of the Company.
- 7 The statement of Assets and Liabilities as at 30th September 2015

**Statement of Assets and Liabilities**

| Sr No.   | Particulars                                    | (Amount in ₹ Lakhs ) |                  |
|----------|------------------------------------------------|----------------------|------------------|
|          |                                                | As at                | As at            |
|          |                                                | 30.09.2015           | 31.03.2015       |
|          |                                                | Un Audited           | Audited          |
| <b>A</b> | <b>EQUITY AND LIABILITIES:</b>                 |                      |                  |
| 1        | Shareholders' Funds                            |                      |                  |
|          | (a) Share Capital                              | 8,496.67             | 8,496.67         |
|          | (b) Reserves and Surplus                       | -10,964.89           | -9,129.54        |
|          | (c) Money received against share warrants      | 0.00                 | 0.00             |
|          | Sub-total - Shareholders' funds                | -2,468.22            | -632.87          |
| 2        | Non- Current Liabilities                       |                      |                  |
|          | (a) Long-term borrowings                       | 693.55               | 1,513.55         |
|          | (b) Deferred tax liabilities (net)             | 0.00                 | 0.00             |
|          | (c) Other Long-term liabilities                | 44.05                | 700.00           |
|          | (d) Long Term provisions                       | 76.36                | 66.08            |
|          | Sub-total - Non- Current Liabilities (I)       | 813.96               | 2,279.63         |
| 3        | Current Liabilities                            |                      |                  |
|          | (a) Short term borrowings                      | 7,555.15             | 7,675.15         |
|          | (b) Trade payables                             | 1,875.95             | 2,739.90         |
|          | (c) Other current liabilities                  | 18,032.89            | 16,739.35        |
|          | (d) Short term provisions                      | 48.75                | 67.09            |
|          | Sub-total - Current Liabilities (II)           | 27,512.74            | 27,221.49        |
|          | <b>TOTAL - EQUITY AND LIABILITIES (I + II)</b> | <b>25,858.48</b>     | <b>28,868.25</b> |
| <b>B</b> | <b>ASSETS:</b>                                 |                      |                  |
| 1        | Non- Current Assets                            |                      |                  |
|          | (a) Fixed Assets                               | 18,552.32            | 20,322.68        |
|          | (b) Non- Current investments                   | 0.00                 | 0.00             |
|          | (c) Long Term loans and advances               | 891.97               | 2,686.86         |
|          | (d) Other non- current assets                  | 0.00                 | 0.00             |
|          | Sub-total - Non- Current Assets (III)          | 19,444.29            | 23,009.54        |
| 2        | Current Assets                                 |                      |                  |
|          | (a) Inventories                                | 2,767.87             | 3,166.21         |
|          | (b) Trade receivables                          | 2,439.43             | 1,295.77         |
|          | (c) Cash and cash equivalents                  | 85.22                | 130.62           |
|          | (d) Short-term loans and advances              | 1,121.67             | 1,266.11         |
|          | (e) Other current assets                       | 0.00                 | 0.00             |
|          | Sub-total - Current Assets (IV)                | 6,414.19             | 5,858.71         |
|          | <b>TOTAL - ASSETS (III + IV)</b>               | <b>25,858.48</b>     | <b>28,868.25</b> |

Place Santej  
Date: 06th November 2015

For S.A.L. Steel Limited

Rajendra V. Shah  
Chairman



# ***talati & talati***

*Chartered Accountants*

## Limited Review Report

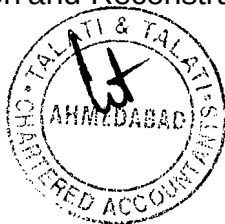
Review Report to  
The Board of Directors  
SAL Steel Limited

We have reviewed the accompanying statement of unaudited financial results of SAL Steel Limited ('the company') for the period ended 30<sup>th</sup> September 2015 except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been audited by us. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors/ committee of Board of Directors. Our responsibility is to issue a report on these financial statements based on our review.

We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial results are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

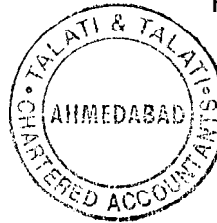
Without qualifying our report, we draw your attention to the following matters:

- 1) Note 4 to the financial results which describes for the Non disclosure of Reportable Segments as required under Accounting Standard – 17 'Segment Reporting, there is no impact on the Financial Results due to non disclosure.
- 2) For the period ended 30<sup>th</sup> September 2015, the Company has accumulated losses and its net worth has been fully eroded. The Financial results indicate that the Company has incurred a net loss during the current and previous period. 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 for the reasons stated in Note 6 to the financial results.
- 3) Assignment of dues for various facilities provided to the company by banks to Invent Assets Securitization and Reconstruction Private Limited as per Note 5 to the Financial Results.



Based on our review conducted as above, subject to the issues as stated above nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable Accounting Standards issued under Companies (Accounting Standards ) Rules, 2006 which continue to apply as per section 133 of The Companies Act, 2013 read with rule 7 of the Companies (Accounts) Rules, 2014 and, other recognized accounting practices and policies generally accepted in India has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.

For Talati & Talati  
Chartered Accountants  
Firm Regn No. 110758W



A handwritten signature in black ink, appearing to read "Umesh Talati".

Umesh Talati  
Partner  
Mem. No.034834

Place: Ahmedabad  
Date: 6<sup>th</sup> November 2015