

To,
Manager,
Listing Department

Date: 20/06/2019

National Stock Exchange of India Ltd.

Exchange Plaza, Plot No C/1, G-Block,
Bandra - Kurla Complex, Bandra (E),
Mumbai - 400051

NSE Symbol - SHAHALLOYS

Sub: Clarification for the Audited Financial Results for the Quarter and Year ended on 31.03.2019

Ref.: Your email dated 19th June, 2019.

With reference to above, we submit that there are no qualifications as per the Audit Report for the year ended as on 31st March, 2019 and it clearly states that the report is Not Modified and since there are no qualifications in the audit report the Impact of qualifications is NIL and by default not quantifiable (A complete set of Financials for the year ended as on 31st March, 2019 is attached herewith for your reference).

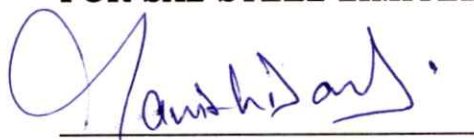
Further, we submit that the financial results were submitted in the prescribed format. However, in the results note on balancing figure as per regulation 33(3)(e) missed our attention. We hereby submit and confirm that in the financial results, figures of last quarter are the balancing figures between audited figures in respect of the full financial year and the published year-to-date figures up to 3rd quarter. We assure due diligence in future.

In view of the above submissions, we request you to drop the letter.

Thanking you.

Yours faithfully,

FOR SAL STEEL LIMITED



MANISH DAULARI

COMPANY SECRETARY & COMPLIANCE OFFICER

SAL**S.A.L. STEEL LIMITED**

CIN: L29199GJ2003PLC043148

| Phone: 02764-661100 | Website: www.salsteel.co.in | E-mail: sal.investor@salsteel.co.in

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 2019

Rs. in Crores

Sr No	Particulars	Quarter Ended			Year Ended	
		31-Mar-19	31-Dec-18	31-Mar-18	31-Mar-19	31-Mar-18
		(Audited)	(Un Audited)	(Audited)	(Audited)	(Audited)
I	Revenue from operations	129.92	133.12	125.27	574.35	446.08
II	Other Operating Income	1.30	0.00	0.76	1.34	2.71
III	Total Revenue (I + II)	131.22	133.12	126.03	575.69	448.79
IV	Expenses					
	a) Cost of Materials consumed	104.24	89.96	64.23	390.24	338.96
	b) Purchase of stock-in-trade	0.00	0.00	9.39	0.00	12.10
	c) Changes in inventories of finished goods, work-in-progress	0.72	8.92	14.80	26.24	(22.90)
	d) Employee benefits expense	4.09	3.82	3.70	15.93	13.99
	e) Finance Costs	0.80	0.70	0.74	1.50	1.16
	f) Depreciation and amortisation expenses	1.93	1.96	2.25	7.80	7.75
	g) Consumption of stores & Spares	8.99	1.45	8.08	17.95	17.52
	h) Power Cost and cost of power generation	12.75	14.68	8.85	80.60	52.66
	i) Other Expenses	3.99	4.68	8.16	34.07	27.37
	Total Expenses	137.51	126.17	120.20	574.33	448.61
V	Profit/ (Loss) before exceptional and extraordinary items and tax	(6.30)	6.95	5.83	1.36	0.18
	Other Income	0.00	0.00	0.00	0.00	0.00
VI	Exceptional Item	(20.01)	0.00	63.78	(20.01)	63.78
VII	Profit/ (Loss) After exceptional and extraordinary items and before tax	(26.31)	6.95	69.61	(18.65)	63.96
VIII	Tax Expense					
	Current Tax	0.00	0.00	0.00	0.00	0.00
	Deferred Tax	(2.41)	2.33	21.57	2.95	21.57
IX	Profit/ (Loss) for the period from continuing operations (VII-VIII)	(23.90)	4.62	48.04	(21.60)	42.39
X	Profit / (Loss) from discontinuing operations	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
XII	Profit/(Loss) from Discontinuing operations (after tax) (X-XI)	0.00	0.00	0.00	0.00	0.00
XIII	Net (Loss) profit for the period (IX + XII)	(23.90)	4.62	48.04	(21.60)	42.39
	Other Comprehensive income (Net of Tax)	(0.06)	0.04	0.05	0.06	0.16
XIV	Total Comprehensive income/(Loss) (after tax)	(23.96)	4.66	48.09	(21.54)	42.55
	Paid-up Equity Share Capital (Face Value of Rs.10/- each per share)	84.97	84.97	84.97	84.97	84.97
	Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year					(81.18)
XV	Earnings per equity share :					
	(1) Basic	(2.81)	0.54	5.65	(2.54)	4.99
	(2) Diluted	(2.81)	0.54	5.65	(2.54)	4.99

Notes:

- 1 The above results were reviewed and recommended by the Audit Committee and were approved by the Board of Directors at its meeting held on 28th May 2019. The Statutory Auditors have carried out a Limited Review of the Financial Results for the quarter and Year ended on March 31, 2019.

Rajiv

S.A.L. STEEL LTD.
* AHMEDABAD *

2	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.
3	Results for the quarter ended and Year ended as on 31.03.2019 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 quarters have been restated as per IND AS and are comparable on like to like basis.
4	Previous period figures have been regrouped and / or rearranged wherever necessary to make their classification comparable with the current period.
5	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 Ind As 108, Operating Segment. 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 Ind As 108, Operating Segment. 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 Ind As 108, Operating Segment. Accordingly, compnay is not require to submit segment reporting.
Place: Santej Date : 30-05-2019 For S.A.L. Steel Limited  <i>Rajendra V. Shah</i> Rajendra V. Shah Chairman (DIN 00020904)	

6 The Statement of Assets and Liabilities as at 31st March 2019 Statement of Assets and Liabilities Amount Rs In Crores			
Sr No	Particulars	As at	As at
		31.03.2019	31.03.2018
		(Audited)	(Audited)
	ASSETS		
1)	Non-current assets		
a)	Property, Plant and Equipment	125.51	127.70
b)	Capital work-in-progress	10.77	24.70
c)	Other Intangible assets	0.06	0.06
d)	Financial Assets		
(i)	Trade receivables	2.88	2.68
(ii)	Loans	0.06	0.13
(iii)	Security Deposits	0	0
e)	Deferred tax assets (net)	0	0
f)	Other non-current assets	4.54	9.50
2)	Current assets		
a)	Inventories	31.71	76.03
b)	Financial Assets		
(i)	Trade receivables	91.18	34.70
(ii)	Cash and cash equivalents	0.26	2.42
(iii)	Bank balances other than (iii) above	0	0
c)	Other current assets	15.89	4.08
	TOTAL ASSETS	282.86	282.00
	EQUITY & LIABILITIES :		
	EQUITY:		
a)	Equity Share capital	84.97	84.97
b)	Other Equity	-86.22	-64.69
	LIABILITIES :		
1)	Non-Current Liabilities		
a)	Financial Liabilities		
(i)	Borrowings	160.07	167.29
(ii)	Trade payables	1.40	5.02
(iii)	Other Financial Liabilities	0.44	0.44
b)	Provisions	0.86	0.85
c)	Deferred tax liabilities (Net)	18.72	15.73
d)	Other non-current liabilities	0.45	0.68
2)	Current liabilities		
(i)	Borrowings	2.40	0.14
(ii)	Trade payables	48.95	26.92
(iii)	Other financial liabilities	8.59	7.45
(iv)	Other current liabilities	33.35	30.97
(v)	Provisions	8.86	6.23
	Total Equity and Liabilities	282.86	282.00
Place: Santej Date : 30-05-2019  For S.A.L. Steel Limited <i>Rajendra V. Shah</i> Rajendra V. Shah Chairman (DIN 00020904)			

**Independent Auditor's Report On Financial Results of SAL STEEL LIMITED
pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure
Requirements) Regulations, 2015**

To

**Board of Directors of
SAL STEEL LIMITED,
Ahmedabad.**

We have audited the accompanying statement of financial results of **SAL STEEL LIMITED** (the Company) for the quarter and year ended 31st March, 2019, being submitted by the company pursuant to the requirements of Regulation 33 of the SEBI (Listing obligations & Disclosure Requirements) Regulation, 2015, read with SEBI circular No. CIR/CFD/FAC/62/2016 dated 05TH July, 2016.

This Statement is the responsibility of the Company's Management and is approved by the Board of Directors. The Statement, as it relates to the quarter ended on 31st March 2019, has been compiled from the related interim condensed standalone financial statements prepared in accordance with Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34") and as it relates to the year ended March 31, 2019, has been compiled from the related annual financial statements prepared in accordance with Indian Accounting Standards, prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express an opinion on the Statement based on our audits of such interim condensed financial statements and annual financial statements.

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 financial results are free of material misstatement. 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.

303, "B" Wing, 303 Business Center, Opp. Memnagar Fire Station, Nr. Vijay Cross Roads, Navrangpura, Ahmedabad - 380 009 Phones :- +9179 26401701/02/03 Fax:- + 9179 40092628



In our opinion and to the best of our information and according to the explanations given to us, these Financial Results;

- (i) is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI circular No. CIR/CFD/FAC/62/2016 dated 05th July, 2016.
- (ii) give a true and fair view in conformity with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India of the profits, total comprehensive income and other financial information for the quarter & year ended on 31st March, 2019.

EMPHASIS MATTER

1. Note 31 to the financial Statements of the Company which states that the Company's current liabilities exceeded its current assets as at the 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, considering the profit earned by the company in the year ended on 31st March 2019 and considering the management view, the financial results of the Company have been prepared on a going concern basis.
2. Note 32 to the financial statements which describes about the Non disclosure of Reportable Segments as required under Indian Accounting Standard — 108 'Operating Segments'. As IND AS 108 Operating Segments mandates the disclosure requirements there is no impact on the financial results due to non disclosure.
3. During the Year under review, the company has written off an amount of Rs.9,12,32,064/- paid as advances for capital projects shown under the heading of "Long term loans and advances" up to the Financial year 2017-18.



4. Attention is invited to Note 41 of the Financial Statements which states that the balance confirmation from the suppliers, customers as well as to various loans or advances given have been called for, but the same are awaited till the date of audit. Thus, the balances of receivables, trade payables as well as loans and advances have been taken as per the books of accounts submitted by the company and are subject to confirmation from the respective parties.
5. During the year under ended on 31st March 2019, the company has carried out a techno economic assessment for the valuations of its Capital Projects, to identify the impairment loss and provision thereof if any. Based on the said techno economic assessment of the capital projects, the company has provided Rs 20,01,00,200/- as per note no 42 to the financial statements. The same is in accordance with Indian Accounting Standard — **36** 'IMPAIRMENT OF ASSETS', which states that impairment loss is recognized when the carrying amount of an assets exceeds its recoverable amount.

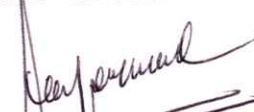
Our opinion is not modified in respect of the above matters.

Date: 30/05/19

Place: Ahmedabad

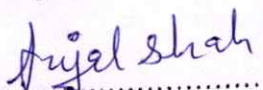
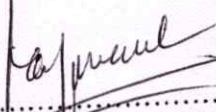
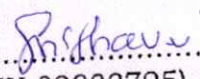


For Parikh & Majmudar
Chartered Accountants
FRNNO 107525W


C.A Dr Hiten Parikh
PARTNER
M.No. 40230

**Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with Annual Audited Financial Results –
S.A.L. STEEL LIMITED(Standalone)**

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2019 [See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]				
I.	Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications) Rs. In lacs	Adjusted Figures (audited figures after adjusting for qualifications) Rs. In lacs
	1.	Turnover / Total income	-	-
	2.	Total Expenditure	-	-
	3.	Net Profit/(Loss)	-	-
	4.	Earnings Per Share	-	-
	5.	Total Assets	-	-
	6.	Total Liabilities	-	-
	7.	Net Worth	-	-
	8.	Any other financial item(s) (as felt appropriate by the management)	-	-
II. Audit Qualification (each audit qualification separately):				
	a. Details of Audit Qualification:		NIL	
	b. Type of Audit Qualification : Qualified Opinion / Disclaimer of Opinion / Adverse Opinion		N.A.	
	c. Frequency of qualification: Whether appeared first time / repetitive / since how long continuing		N.A.	
	d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:		N.A.	
	e. For Audit Qualification(s) where the impact is not quantified by the auditor:		N.A.	
	(i) Management's estimation on the impact of audit qualification:		N.A.	
	(ii) If management is unable to estimate the impact, reasons for the same:		N.A.	
	(iii) Auditors' Comments on (i) or (ii) above:		N.A.	

Signatories	
- Whole Time Director	Shri Sujal Shah  (DIN 01431407)
- Chief Financial Officer (CFO)	Shri Babulal Singhal  (PAN: AMJPS3589F)
- Auditor of the company Parikh & Majmudar, Chartered Accountants (FRN: 107525W)	Shri CA (Dr.) Hiten Parikh  (ICAI Membership No. 040230)
- Audit Committee Chairman	Shri Shrikant Jhaveri  (DIN 02833725)

