



SAL STEEL LIMITED

Admn. Office : Shah Alloys Corporate House, Sola - Kalol Road, Santej, Ta. Kalol, Dist. Gandhinagar- 382721
Regd. Office : 5/1, Shreeji House, 5th Floor, Behind M.J.Library, Ashram Road, Ahmedabad- 6. India
Phone : 02764 - 661100

November 14, 2018

To,

Department of Corporate Service
Bombay Stock Exchange Ltd.
PhirozeJeejeebhoy Tower.
Dalal Street,
Mumbai - 400 001

BSE Scrip Code: 532604

Manager
Listing Department
National Stock Exchange of India Ltd.
Exchange Plaza, Plot No C/1, G-Block,
Bandra - Kurla Complex, Bandra (E),
Mumbai - 400051
NSE Symbol - SALSTEEL

Sub: Out of Board Meeting held on 14th November 2018

Sir,

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 for the quarter and half year ended on 30.09.2018 along with Limited Review Report, copy of approved results along with Limited Review Report is enclosed for ready reference.

Further, in compliance with Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, this is to inform that:

- Shri Jayant Jagatkumar Garai, Chief Executive Officer of the Company is ceased to be on position w.e.f. close of office hours on 30th October, 2018 on account of resignation.
- Shri Nirajkumar Jain, Company Secretary and Compliance Officer of the Company has placed his resignation and same has been taken into consider by the Board. Shri Nirajkumar Jain will cease to be on the position w.e.f. close of office hours on 8th December, 2018 on account of resignation.

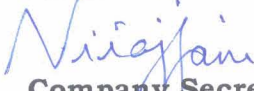
[Board Meeting commenced on 04:30 p.m. and concluded on 05:30 p.m.]

Kindly take the above on your record.

Thanking you,

Yours faithfully,

for S.A.L. Steel Ltd.


Company Secretary
Encl: a/a

CIN-L 29199GJ2003PLC043148

SAL**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 and Half Year Ended as on 30th September 2018

CIN : L29199GJ2003PLC043148 Website : www.salsteel.co.in

Rs. in Crores

Sr No	Particulars	Quarter Ended			Half year Ended		year Ended
		30-Sep-18	30-Jun-18	30-Sep-17	30-Sep-18	30-Sep-17	31-Mar-18
		(Un Audited)	(Un Audited)	(Un Audited)	(Un Audited)	(Un Audited)	(Audited)
I	Revenue from operations	152.96	158.35	105.52	311.31	203.82	446.08
II	Other Operating Income	0.04	0.00	1.47	0.04	1.73	2.71
III	Total Revenue (I + II)	153.00	158.35	106.99	311.35	205.55	448.79
IV	Expenses						
	a) Cost of Materials consumed	104.64	91.40	61.90	196.04	139.93	338.96
	b) Purchase of stock-in-trade	0.00	0.00	0.00	0.00	0.00	12.10
	c) Changes in inventories of finished goods, work-in-progress	2.22	14.38	3.41	16.60	2.19	(22.90)
	d) Employee benefits expense	3.83	4.19	3.48	8.02	6.60	13.99
	e) Finance Costs	0.00	0.00	0.04	0.00	0.36	1.16
	f) Depreciation and amortisation expenses	1.96	1.95	1.90	3.91	3.58	7.75
	g) Consumption of stores & Spares	4.71	2.80	3.78	7.51	6.31	17.52
	h) Power Cost and cost of power generation	16.24	36.93	15.29	53.17	26.37	52.66
	i) Other Expenses	9.34	16.06	17.76	25.40	28.57	27.37
	Total Expenses	142.94	167.71	107.56	310.65	213.91	448.61
V	Profit/ (Loss) before exceptional and extraordinary items and tax	10.06	(9.36)	(0.57)	0.70	(8.36)	0.18
	Other Income	0.00	0.00	0.00	0.00	0.00	0.00
VI	Exceptional Item	0.00	0.00	0.00	0.00	0.00	63.78
VII	Profit/ (Loss) After exceptional and extraordinary items and before tax	10.06	(9.36)	(0.57)	0.70	(8.36)	63.96
VIII	Tax Expense						
	Current Tax	0.00	0.00	0.00	0.00	0.00	0.00
	Deferred Tax	4.42	-1.39	0.00	3.03	0.00	21.57
IX	Profit/ (Loss) for the period from continuing operations (VII-VIII)	5.64	(7.97)	(0.57)	(2.33)	(8.36)	42.39
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 + XII)	5.64	(7.97)	(0.57)	(2.33)	(8.36)	42.39
	Other Comprehensive income (Net of Tax)	0.04	0.04	0.04	0.08	0.07	0.16
XIV	Total Comprehensive income/(Loss) (after tax)	5.68	(7.93)	(0.54)	(2.25)	(8.29)	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	84.97
	Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year						(81.18)
XV	Earnings per equity share :						
	(1) Basic	0.66	(0.94)	(0.07)	(0.27)	(0.98)	4.99
	(2) Diluted	0.66	(0.94)	(0.07)	(0.27)	(0.98)	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 14th November 2018. The Statutory Auditors have carried out a Limited Review of the Financial Results for the quarter ended September 30, 2018.
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 as on 30.09.2018 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, company is not require to submit segment reporting.

Place: Santej
Date : 14-11-2018

For S.A.L. Steel Limited


Rajendra V. Shah
Chairman
(DIN 00020904)

7 The Statement of Assets and Liabilities as at 30th September 2018

Statement of Assets and Liabilities

Amount Rs In Crores

Sr No	Particulars	As at 30.09.2018
		(Un Audited)
	ASSETS	
1)	Non-current assets	
a)	Property, Plant and Equipment	124.70
b)	Capital work-in-progress	24.98
c)	Other Intangible assets	0.06
d)	Financial Assets	
(i)	Trade receivables	2.98
(ii)	Loans	0.08
(iii)	Security Deposits	0
e)	Deferred tax assets (net)	0
f)	Other non-current assets	2.54
2)	Current assets	
a)	Inventories	44.39
b)	Financial Assets	
(i)	Trade receivables	77.45
(ii)	Cash and cash equivalents	2.95
(iii)	Bank balances other than (iii) above	0
c)	Other current assets	12.70
	TOTAL ASSETS	292.83
	EQUITY & LIABILITIES :	
	EQUITY:	
a)	Equity Share capital	84.97
b)	Other Equity	-66.93
	LIABILITIES :	
1)	Non-Current Liabilities	
a)	Financial Liabilities	
(i)	Borrowings	163.68
(ii)	Trade payables	1.80
(iii)	Other Financial Liabilities	0.44
b)	Provisions	0.85
c)	Deferred tax liabilities (Net)	18.80
d)	Other non-current liabilities	1.36
2)	Current liabilities	
(i)	Borrowings	0
(ii)	Trade payables	20.75
(iii)	Other financial liabilities	7.36
(iv)	Other current liabilities	59.04
(v)	Provisions	0.70
	Total Equity and Liabilities	292.83

For S.A.L. Steel Limited

Place: Santej

Date : 14-11-2018


 Rajendra V. Shah
 Chairman
 (DIN 00020904)

Limited Review Report on the Unaudited Financial Results for the quarter ended and Half year ended on September 30, 2018 pursuant to the Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To the Board of Directors of **SAL STEEL LIMITED**

We have reviewed the accompanying statement of unaudited financial results ("the statement") of **SAL STEEL LIMITED** "the company" for the Quarter ended and Half year ended on 30th September, 2018. 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 which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" as prescribed under Section 133 of Companies Act, 2013 ("the Act") read with relevant rules issued there under and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement 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" 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 statements 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



Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with aforesaid accounting standard and other recognized accounting practices and policies have not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

EMPHASIS OF MATTER

1. The Financial results Indicate 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 management view, the financial results of the Company has been prepared on a going concern basis.
2. Note 5 to the financial results 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. In view of the fact that the company against whom an application for Corporate Insolvency Resolution Process (CIRP) has been admitted under the Insolvency & Bankruptcy Code 2016 vide order of the National Company Law Tribunal Ahmedabad dated 06.09.2017 [CP(IB) No.94/9/NCLT/AHM/2017] u/s 9 of the IBC 2016 and in line with the press release of the CBDT dated 06.01.2018, while calculating the liability of MAT u/s 115JB of the Income Tax Act the amount of total loss brought forward (including unabsorbed depreciation) has been allowed to be reduced from the book profit for the year under review, and hence no provision for current tax has been made in the books of accounts for the quarter under review.

Our report is not modified in respect of this matter of Emphasis



OTHER MATTERS

- I) Balance of Trade receivables, Loans & Advances & Trade payables are subject to confirmation from respective parties.
- II) The closing stock as at 30.09.2018 is as taken, valued and certified by the Management.

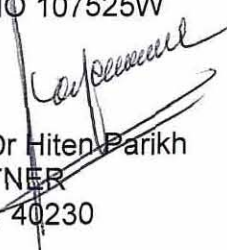
Our Conclusion is not modified in respect of other matters.

Date: 14/11/18

Place: Ahmedabad



For Parikh & Majmudar
Chartered Accountants
FRNNO 107525W


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

Limited Review Report on the Unaudited Financial Results for the quarter ended and Half year ended on September 30, 2018 pursuant to the Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To the Board of Directors of **SHAH ALLOYS LIMITED**

We have reviewed the accompanying statement of unaudited financial results ("the statement") of **SHAH ALLOYS LIMITED** "the company" for the Quarter ended and Half year ended on 30th September, 2018. 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 which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" as prescribed under Section 133 of Companies Act, 2013 ("the Act") read with relevant rules issued there under and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement 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" 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 statements 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.



Basis for Qualified Opinion

1. *The Company has not provided for foreign exchange loss in the financial results on the Principal amount of 1,00,00,000 USD and on the Premium amount of 48,25,500 USD of the Foreign Currency Convertible Bonds (FCCB) which had become due for payment on September 22, 2011 and remain unpaid as at September 30, 2018, which constitutes a departure from the Indian Accounting Standard- 21. "The Effects of Changes in Foreign Exchange Rates which requires that each foreign currency monetary items should be reported using the closing rate as at the balance sheet date. Non provision of the foreign exchange loss on the aforesaid Foreign Currency Convertible Bonds (FCCB) and the Premium amount relates to the period from September 23, 2011 to September 30 2018. Had the company followed the Accounting Standard and made the provision for foreign exchange on the above FCCB for the quarter ending on 30.09.2018, then the profit of the company for the quarter ending on 30.09.2018 would have been lower by Rs. 5,84,08,022 and to that extent the liability would have been higher. However, the company has not provided for foreign exchange fluctuation on the above FCCB since September 2011 and accordingly the total net loss on foreign exchange works out to Rs. 5,84,08,022 which has not been provided by the company. Thus, balance of Reserve and surplus and the current liabilities have been understated by Rs. 35,12,82,810/- as on 30.09.2018.*
2. The Company has not assessed the impact of Effective Interest Method to the finance cost as per the requirement of Ind AS 109 'Financial Instruments and hence, the effect of the same, if any, on the financial results is not identifiable therefore, we are unable to comment upon its impact on the Quarterly results for the Quarter ended September 30, 2018.
3. The Company has not evaluated the provisioning requirement of a loss allowance on its financial assets so as to give impact of impairment if any as per the expected credit loss method as per the requirement of Ind AS 109 'Financial Instruments' and hence, the effect of the same if any on the Financial Results is not identifiable therefore. We are unable to



comment upon its impact on the Quarterly results for the period ended September 30, 2018

4. *For the Quarter ending on 30th September, 2018, the company has discontinued to make the provision of interest on loans from banks and financial institutions (excluding loans assigned to various ARCs). Had the company continued the said practice of making provision of interest on loans from banks and financial institutions for the quarter ended on 30th September 2018 the profit of the quarter would have been lower by Rs 329.09 lacs and current liabilities would have been higher to that extent.*

Qualified Conclusion

Based on our review conducted as above, *except as mentioned in qualified opinion* nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with aforesaid accounting standard and other recognized accounting practices and policies have not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

EMPHASIS OF MATTER

- 1) 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 quarter ended on 30th September 2018 and considering the management view, the financial results of the Company have been prepared on a going concern basis.
- 2) Provision for tax liability u/s 115JB (2)(vii) of Income Tax Act, 1961 has been considered after taking into account the fact that the company was registered and declared "SICK" by the Hon'ble Board for Industrial and



Financial Reconstruction (BIFR) and accordingly the same has been computed and reflected in the books of accounts.

Our report is not modified in respect of this matter of Emphasis

OTHER MATTERS

- I) Balance of Trade receivables, Loans & Advances & Trade payables are subject to confirmation from respective parties.
- II) The closing stock as at 30.09.2018 is as taken, valued and certified by the Management.

Our Conclusion is not modified in respect of other matters.

Date: 14-11-2018

Place: Ahmedabad



For Parikh & Majmudar
Chartered Accountants
FRNNO 107525W

C.A Dr Hiten Parikh
PARTNER
M.No 40230