

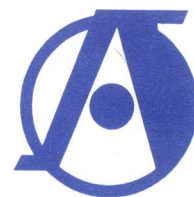
SHAH ALLOYS LTD.

Corp. 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

Fax : 02764 - 661110

E-mail : info@shahalloys.com



28th May 2013

Department of Corporate Service
Bombay Stock Exchange Limited
Phiroze Jeejeebhoy Tower.
Dalal Street,
Mumbai - 400 001

Manager
Listing Department
National Stock Exchange of India Limited
Exchange Plaza, Plot No C/1, G-Block,
Bandra – Kurla Complex, Bandra (E),
Mumbai – 400051

BSE Scrip Code: 513436

NSE Symbol – SHAHALLOYS

Sub: Out come of Board meeting held on 28th May, 2013 of the Company.

With reference to above, Board has approved the following items in the board meeting held on 28th May, 2013:

1. The Board has approved the audited financial results for the year ended on 31st March, 2013 and copy of the same is attached herewith.
2. The 23rd Annual General Meeting of the Company will be held on Tuesday, the 24th September 2013 at 9.30 a.m. at SAL Institute & Engineering Research, Opp. Science City, Ahmedabad 380 060
3. The Register of Members and Share Transfer Books of the Company will remain closed from Tuesday, 17th September, 2013 to Tuesday, 24th September, 2013 (both days inclusive).

We request you to take a note of the above and take on your record the same.

Thanking you.

Yours Faithfully,

For SHAH ALLOYS LIMITED

Vinod Kumar Shah
Company Secretary

**SHAH ALLOYS LIMITED**

Regd Off : 5/1, Shreeji House, B/h M.J. Library, Ashram Road, Ahmedabad - 380 006

AUDITED FINANCIAL RESULTS FOR THE QUARTER / YEAR ENDED 31ST MARCH, 2013**PART-I**

(Rs. in Crores)

	Particulars	QUARTER ENDED			YEAR ENDED	
		3/31/2013	12/31/2012	3/31/2012	3/31/2013	3/31/2012
		(Audited)	(Un audited)	(Audited)	(Audited)	(Audited)
1	Income from Operations					
	(a) Net Sales/Income from Operations (Net of excise duty)	137.49	164.05	189.78	584.53	757.81
	(b) Other Operating Income	1.31	0.78	1.36	3.81	3.19
	Total Income from Operations (a)+(b)	138.80	164.83	191.14	588.34	761.00
2	Expenditure					
	(a) Cost of materials consumed	107.90	101.72	136.71	408.49	503.92
	(b) Purchases of stock-in-trade	0.00	0.00	0.00	0.00	8.13
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(7.43)	7.29	(1.98)	(5.18)	65.02
	(d) Employee benefits expense	6.24	5.86	6.33	25.08	26.56
	(e) Depreciation and amortisation expense	7.66	7.69	7.93	30.64	31.74
	(f) Consumption of Stores & Spares	22.80	23.51	35.85	99.40	113.75
	(g) Power cost	15.02	17.34	25.21	72.89	120.87
	(h) Other Expenditure	8.53	9.71	10.49	33.94	38.63
	Total Expenditure (a) to (h)	160.72	173.12	220.54	665.26	908.62
3	Profit / (Loss) from operations before other income, finance costs and exceptional item (1-2)	(21.92)	(8.29)	(29.40)	(76.92)	(147.62)
4	Other income	0.06	0.11	-	0.31	-
5	Profit / (Loss) from ordinary activities before finance costs and exceptional items (3+4)	(21.86)	(8.18)	(29.40)	(76.61)	(147.62)
6	Finance costs	22.48	23.44	23.11	92.36	92.22
7	Profit / (Loss) from ordinary activities after finance costs but before exceptional items (5-6)	(44.34)	(31.62)	(52.51)	(168.97)	(239.84)
8	Exceptional items	-	-	-	-	-
9	Profit / (Loss) from ordinary activities before tax (7-8)	(44.34)	(31.62)	(52.51)	(168.97)	(239.84)
10	Tax expense	(28.14)	(10.14)	(16.91)	(68.30)	(78.46)
11	Net Profit / (Loss) from ordinary activities after tax (9 - 10)	(16.20)	(21.48)	(35.60)	(100.67)	(161.38)
12	Extraordinary items	-	-	-	-	-
13	Net Profit / (Loss) for the period (11 - 12)	(16.20)	(21.48)	(35.60)	(100.67)	(161.38)
14	Paid-up equity share capital (Equity shares having face value of Rs. 10/- each)	19.80	19.80	19.80	19.80	19.80
15	Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year					(363.75)
16	Earnings per share (of Rs. 10/- each) (not annualised)					
	Basic & Diluted	(8.19)	(10.85)	(17.98)	(50.85)	(81.51)

PART-II

A	Particulars of Shareholding	QUARTER ENDED			YEAR ENDED	
		3/31/2013	12/31/2012	3/31/2012	3/31/2013	3/31/2012
1	Public Shareholding					
	- Number of shares	9068294	9068294	9068294	9068294	9068294
	- Percentage of shareholding	45.81%	45.81%	45.81%	45.81%	45.81%
2	Promoters and Promoter Group Shareholding					
	a) Pledged / Encumbered					
	- Number of shares	10590370	10590370	10590370	10590370	10590370
	- Percentage of Total Promotor and Promoters Group Shareholding	98.71%	98.71%	98.71%	98.71%	98.71%
	- Percentage of Total Share Capital	53.49%	53.49%	53.49%	53.49%	53.49%
	b) Non - encumbered					
	- Number of shares	138876	138876	138876	138876	138876
	- Percentage of Total Promotor and Promoters Group Shareholding	1.29%	1.29%	1.29%	1.29%	1.29%
	- Percentage of Total Share Capital	0.70%	0.70%	0.70%	0.70%	0.70%

B	INVESTOR COMPLAINTS	Quarter ended 3/31/2013
	Pending at the beginning of the quarter	Nil
	Received during the quarter	Nil
	Disposed of during the quarter	Nil
	Remaining unresolved at the end of the quarter	Nil

Kamlesh



2. Annexure-IX of Clause 41 shall be substituted with the following, viz.,
Clause 41 of the Listing Agreement For Companies

Statement of Assets and Liabilities

(Rs. In Crore)

	PARTICULAR	As at 3/31/2013	As at 3/31/2012
A	EQUITY AND LIABILITIES		
1	Shareholders' funds		
	(a) Share capital	19.80	19.80
	(b) Reserves and surplus	(464.42)	(363.75)
	Sub-total - Shareholders' funds	(444.62)	(343.95)
2	Share application money pending allotment	-	-
3	Non-current liabilities		
	(a) Long-term borrowings	415.41	481.50
	(b) Other long-term liabilities	17.05	17.55
	(c) Long-term provisions	1.47	1.57
	Sub-total - Non-current liabilities	433.93	500.62
4	Current liabilities		
	(a) Short-term borrowings	318.42	311.02
	(b) Trade payables	114.95	127.03
	(c) Other current liabilities	489.63	332.14
	(d) Short-term provisions	3.75	3.15
	Sub-total - Current liabilities	926.75	773.34
	TOTAL - EQUITY AND LIABILITIES	916.06	930.01
B	ASSETS		
1	Non-current assets		
	(a) Fixed assets	263.82	294.47
	(b) Non-current investments	39.95	39.95
	(c) Long-term loans and advances	30.25	50.25
	(d) Deferred tax assets (net)	305.76	237.45
	Sub-total - Non-current assets	639.78	622.12
2	Current assets		
	(a) Inventories	124.80	129.79
	(b) Trade receivables	67.84	109.66
	(c) Cash and cash equivalents	0.85	3.08
	(d) Short-term loans and advances	82.78	65.35
	(e) Other current assets	0.01	0.01
	Sub-total - Current assets	276.28	307.89
	TOTAL - ASSETS	916.06	930.01

Notes:

- 1 The above results were reviewed by the Audit Committee and approved by Board of Directors in the meeting held on 28th May, 2013
- 2 Company has identified two segments as per Accounting Standard 17.
- 3 The financial statements have been prepared as per Revised Schedule VI of Companies Act, 1956. Accordingly, corresponding financial figures of previous year have been regrouped / re-classified, wherever necessary, to make them comparable with that of current year.
- 4 The figures of last quarter are the balancing figures between audited figures in respect of the full financial year and the published year to date upto 3rd Quarter.

Place: Santej
Date : 28-05-2013



For, Shah Alloys Limited

K S Kamath
K S Kamath
Jt. Managing Director

**SHAH ALLOYS LIMITED**

Regd Office: 5/1, Shreeji House, Behind M.J. Library, Ashram Road, Ahmedabad - 380 006

SEGMENT WISE REVENUE, RESULTS & CAPITAL EMPLOYED

(Rs. in Crores)

PARTICULARS	QUARTER ENDED			YEAR ENDED	
	31/03/2013 (Audited)	31/12/2012 (Unaudited)	31/03/2012 (Audited)	31/03/2013 (Audited)	31/03/2012 (Audited)
1. Segment Revenue <i>(Net Sales/Income from Operation)</i>					
a) Stainless Steel Plant	137.49	164.05	189.45	584.53	744.76
b) Medical Store & Laboratory	0.00	0.00	0.34	0.00	13.05
Total	137.49	164.05	189.79	584.53	757.81
<u>Less:</u> Inter Segment Revenue	0.00	0.00	0.00	0.00	0.06
Total Sales/Income from Operation	137.49	164.05	189.79	584.53	757.75
2. Segment Results <i>(Profit and Loss before Tax & Interest)</i>					
a) Stainless Steel plant	(21.86)	(8.18)	(29.07)	(76.61)	(149.93)
b) Medical Store & Laboratory	0.00	0.00	(0.33)	0.00	2.31
Total	(21.86)	(8.18)	(29.40)	(76.61)	(147.62)
<u>Less:</u> Interest & Finance Charges	22.48	23.44	23.11	92.36	92.22
Total Profit before Tax	(44.34)	(31.62)	(52.51)	(168.97)	(239.84)
3. Capital Employed <i>(Segment assets - Segment liabilities)</i>					
a) Stainless Steel Plant	(455.58)	(439.75)	(356.25)	(455.58)	(356.25)
b) Medical Store & Laboratory	10.54	10.80	11.89	10.54	11.89
Total	(445.04)	(428.95)	(344.36)	(445.04)	(344.36)

Place: Santej

Date: 28th May, 2013

For, Shah Alloys Ltd.

K S Kamath

K S Kamath

Jt. Managing Director



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Chartered Accountants

Auditor's Report On Quarterly Financial Results and Year to Date Results of the Company Pursuant to the Clause 41 of the Listing Agreement

To

Board of Directors of Shah Alloys Limited
Ahmedabad

1. We have audited the quarterly financial results of Shah Alloys Limited (the Company) for the quarter ended March 31, 2013 and the year to date results for the period from April 1, 2012 to March 31, 2013, attached herewith, being submitted by the company pursuant to the requirement of Clause 41 of the Listing Agreement, 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. The quarterly financial results are the derived figures between the audited figures in respect of the current full year ended March, 31 2013 and the published year-to-date figures up to December 31 2012, being the date of the end of the third quarter of the current financial year, which were subject to limited review. The financial results for the quarter ended March 31 2013 have been prepared on the basis of the financial result for the quarter ended December 31 2012, audited annual financial statements as at and for the year ended March 31 2013 and the relevant requirements of Clause 41 of the Listing Agreement and are the responsibility of the company's management and have been approved by the board of directors of the company. Our responsibility is to express an opinion on these financial results based on our review of the financial result for the quarter ended December 31 2012, which was prepared in accordance with the recognition and measurement principles laid down in Accounting Standard (AS) 25, Interim Financial Reporting, issued pursuant to the Companies (Accounting Standards) Rules, 2006 (as amended) as per Section 211(3C) of the Companies Act, 1956 and other accounting principle's generally accepted in India and our audit of the annual financial statements as at and for the year ended March 31 2013, and the relevant requirement of Clause 41 of the Listing Agreement.
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 financial results are 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 these quarterly financial results as well as the year to date results:

Subject to

1) Non provision of foreign exchange gain of ₹ 57,52,294/- for the current quarter on Foreign Currency Convertible Bonds (FCCB) outstanding as at 31st March 2013 as required under AS 11 "The Effects of Changes in Foreign Exchange Rates" due to which loss for the current quarter has been over-stated by ₹ 57,52,294/- and reserves and surplus has been overstated to the extent of ₹ 8,25,60,244/-;

2) Consequent upon the sanction of the restructuring package given under CDR mechanism by banks & financial institution, the company was required to start repaying the loans sanctioned by banks/institutions and debenture holders from June 2011 onwards, however the company has made continuing default in repaying the dues of term loans, working capital term loans, and Non convertible debentures for ₹ 177,72,94,884/- as per the terms stipulated in the CDR rework proposal. Moreover the company has made a continuing default in payment of interest on Funded Interest Term Loan and Working capital facilities to the tune of ₹ 20,54,97,558/- and ₹ 98,80,47,668/- respectively;

3) On the basis of information and explanation given to us and on the basis of records produced before us in respect of loans granted by the company in the earlier years to a party covered under the register maintained under section 301 of the Companies Act, 1956, recovery of the said loan has been fixed by the Corporate Debt Restructuring (CDR) Cell. As per the terms of CDR, the company has to recover ₹ 10,00,00,000/- in the financial year 2011-12 and ₹ 20,00,00,000/- in the financial year 2012-13. However till date, the company has not recovered the same.;

4) Moreover, the Company, in September 2006, has raised US \$ 10 million through Unsecured Zero Coupon Foreign Currency Convertible Bonds (FCCB), due on 22nd September, 2011. On full conversion of FCCB, the FCCB will be converted in to 26,41,143 Equity shares of ₹ 10 each at a premium of ₹ 165 per share, at the option of the Bondholders at any time before the maturity of the bonds. On Conversion, Capital will increase by ₹ 2,64,11,430 and Share Premium by ₹ 43,57,88,570/-. If Bonds are not converted, the company will have to repay the bonds at a premium & in US Dollars. The company has provided the premium till 22nd September, 2011 which has been adjusted against Security Premium in accordance with Section 78 of the Companies Act, 1956.

However, the company has defaulted in repayment of the foreign currency convertible bond (FCCB) dues on its maturity. The default is subsisting since 556 days.

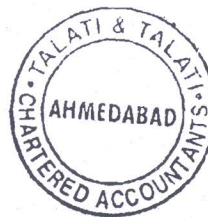


nothing has come to our notice that causes us to believe that the accompanying statement of audited financial results prepared in accordance with accounting standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement."

(i) are presented in accordance with the requirements of Clause 41 of the Listing Agreement in this regard; and

(ii) give a true and fair view of the net loss and other financial information for the quarter ended March 31, 2013 as well as the year to date results for the period from April 1, 2012 to March 31, 2013

4. Further, read with the paragraph 1 above we report that the figures for the quarter ended March 31 2013 represent the derived figures between the audited figures in respect of the current full financial year ended March 31 2013 and the published year-to-date figures up to December 31 2012, being the date of the end of the third quarter of the current financial year, which were subjected to limited review as stated in paragraph 1 above, as required under Clause 41(I)(d) of the Listing Agreement
5. Further, we also report that we have, on the basis of the books of account and other records and information and explanations given to us by the management, also verified the number of shares as well as percentage of shareholdings in respect of aggregate amount of public shareholdings, as furnished by the company in terms of Clause 35 of the Listing Agreement and found the same to be correct.



Place: Ahmedabad
Date: May 28, 2013

For Talati & Talati
Chartered Accountants
Firm Reg No: 110758W

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

Umesh Talati
Partner
Membership No: 34834