



# Steel Exchange India Limited

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GST NO: 37AABCP9362L1ZV

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SEIL/ Un-audited Results- Q3/ 2018-19

11<sup>th</sup> February, 2019

To  
The Manager,  
Department of Corporate Services,  
BSE Limited  
P.J. Towers, Dalal Street,  
Mumbai - 400001

To  
The Manager,  
Listing Department,  
National Stock Exchange of India Limited,  
Exchange Plaza, Bandra Kurla Complex,  
Bandra (East), Mumbai - 400051

**Scrip Code: 534748**

**Scrip ID: STEELXIND**

Dear Sir,

**Sub: Submission of Revised Un-audited Financial Results for the quarter and Nine Months ended 31<sup>st</sup> December, 2018- Reg.**

We refer our previous letter dated 07.02.2019 vide which, we have declared Un audited standalone financial results of the Company for the quarter and nine months ended 31<sup>st</sup> December 2018.

With reference to the above, we are submitting herewith the revised Un audited standalone financial results copy of the Company for the quarter and Nine Months ended 31<sup>st</sup> December, '2018 with rectified figures of Earnings Per Share (EPS) in both Quarter and Nine Months Period ended & the word **un audited** instead of **audited** in heading Column of Nine months period ended 31<sup>st</sup> December, 2018 and we have already submitted rectified results to Exchanges and other mode of publication of results to general public as per SEBI (LODR).

Except the figures shown against EPS and Heading of Un audited instead of Audited all other figures and information in the revised results remain unchanged.

Kindly take the same on record.

**For Steel Exchange India Limited**

*Raveendra Babu M*

**Raveendra Babu M**  
**Company Secretary**



CC to: The Calcutta Stock Exchange Limited, 7, Lyons, Range, and Kolkata - 700001

## WORKS

<b>Integrated Steel Plant</b>	: Sreerampuram, L.Kota Mandal, Vizianagaram District-535161. Phone : 08966-267172, Fax : 08966-267218
<b>Power Plant &amp; SMS</b>	: Opp. Mandapalli New Bridge, Kothapeta, East Godavari District-533223. Phone: 08855-244400, Fax : 08855-244406
<b>Re-Rolling Unit</b>	: Plot No : 1, I.D.A. Edulapaka Bonangi, Paravada Mandal, Visakhapatnam-531201. Phone: 08924-247055, Fax: 08924-247685

**Part I: Statement of Standalone Un-Audited Results for the Quarter and Nine Months Period ended 31st December, 2018**

Particulars	Quarter ended				Year ended	
	31.12.2018 (Unaudited)	30.09.2018 (Unaudited)	31.12.2017 (Unaudited)	Nine Months Period ended 31.12.2018 (Unaudited)		31.12.2017 (Unaudited)
<b>1. Revenue from operations</b>						
Gross sales/Income from operations	29,066.45	23,178.58	28,475.15	77,582.73	59,580.25	93,114.83
<b>Total revenue from operations</b>	<b>29,066.45</b>	<b>23,178.58</b>	<b>28,475.15</b>	<b>77,582.73</b>	<b>59,580.25</b>	<b>93,114.83</b>
2. Other Income	16.35	200.44	168.89	255.54	493.51	836.54
<b>3. Total Income [1+2]</b>	<b>29,082.80</b>	<b>23,379.02</b>	<b>28,644.04</b>	<b>77,838.26</b>	<b>60,073.76</b>	<b>93,951.37</b>
<b>4. Expenses</b>						
(a) Raw materials consumed	18,684.95	15,908.27	12,191.80	51,666.18	27,912.96	42,832.97
(b) Purchases of finished, semi-finished steel & other products	6,711.69	4,591.67	10,986.21	14,510.49	22,000.24	34,477.39
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(2,250.79)	(1,741.65)	2,495.55	(4,606.14)	238.73	1,710.51
(d) Employee benefits expense	642.69	605.49	569.55	1,837.92	1,733.46	2,416.46
(e) Finance costs	45.13	7.51	4,646.33	87.13	13,558.04	13,552.06
(f) Depreciation and amortisation expense	734.68	738.36	742.65	2,208.79	2,181.09	2,899.87
(g) Excise duty	-	-	-	-	905.89	905.89
(h) Other expenses	2,568.47	3,088.82	1,344.60	8,242.18	5,808.76	11,866.76
<b>Total Expenses [4(a) to 4(h)]</b>	<b>27,136.81</b>	<b>23,198.47</b>	<b>32,976.68</b>	<b>73,946.55</b>	<b>74,039.16</b>	<b>110,661.91</b>
<b>5. Profit / (Loss) before exceptional items and tax (3-4)</b>	<b>1,945.99</b>	<b>180.55</b>	<b>(4,332.64)</b>	<b>3,891.71</b>	<b>(13,965.40)</b>	<b>(16,710.54)</b>
6. Exceptional items	-	-	-	-	-	-
<b>7. Profit / (Loss) before tax (5-6)</b>	<b>1,945.99</b>	<b>180.55</b>	<b>(4,332.64)</b>	<b>3,891.71</b>	<b>(13,965.40)</b>	<b>(16,710.54)</b>
8. Tax expense	-	-	-	-	-	-
(a) Current Tax	-	-	-	-	-	-
(b) Deferred Tax	-	-	-	-	-	-
<b>Total tax expense [8(a)-(b)]</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(4,456.23)</b>
<b>9. Net Profit / (Loss) for the period (7-8)</b>	<b>1,945.99</b>	<b>180.55</b>	<b>(4,332.64)</b>	<b>3,891.71</b>	<b>(13,965.40)</b>	<b>(4,456.23)</b>
10. Other comprehensive income	-	-	-	-	-	-
A (i) Items that will not be reclassified to profit or loss	-	-	-	-	-	-
(ii) Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-	-	-
B (i) Items that will be reclassified to profit or loss	-	-	-	-	-	-
(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-	-
Total other comprehensive income	-	-	-	-	-	-
<b>11. Total Comprehensive Income for the period (9+10)</b>	<b>1,945.99</b>	<b>180.55</b>	<b>(4,332.64)</b>	<b>3,891.71</b>	<b>(13,965.40)</b>	<b>(4,456.23)</b>
12. Paid-up equity share capital [Face Value per share: ₹.10/-]	7,598.48	7,598.48	7,598.48	7,598.48	7,598.48	7,598.48
13. Other Equity excluding revaluation reserves	-	-	-	-	-	-
<b>14. Earnings per equity share (of ₹.10/- each)</b>						
(a) Basic (in ₹.)	2.56	0.02	(5.70)	5.12	(18.38)	(22.39)
(b) Diluted (in ₹.)	2.56	0.02	(5.70)	5.12	(18.38)	(22.39)

\*See accompanying note to the Financial Results



**SEGMENT REVENUE, RESULTS AND CAPITAL EMPLOYED FOR THE QUARTERLY AND NINE MONTHS PERIOD ENDED 31ST DECEMBER, 2018**

Particulars	Quarter ended				Year ended 31.03.2018 (Audited)
	31.12.2018 (Unaudited)	30.09.2018 (Unaudited)	31.12.2017 (Unaudited)	31.12.2018 (Unaudited)	
<b>1.Revenue by Business Segment:</b>					
Steel					
Power	30,598.54	25,076.15	45,925.39	82,727.64	100,404.63
<b>Total</b>	<b>34,051.04</b>	<b>28,578.85</b>	<b>49,639.18</b>	<b>94,158.47</b>	<b>169,887.09</b>
Less: Inter segment revenue	4,984.59	5,400.27	21,164.03	16,575.74	50,158.25
<b>Total income from operations</b>	<b>29,066.45</b>	<b>23,178.58</b>	<b>28,475.15</b>	<b>77,582.73</b>	<b>59,580.25</b>
<b>2.Segment results (Profit)/Loss (-) before finance cost , exceptional items and tax</b>					
Steel					
Power	2,868.65	(43.35)	1,568.29	4,357.18	4,131.68
Less: Finance cost	(877.53)	231.41	(1,254.60)	(378.34)	(4,839.04)
<b>Profit/(Loss) before exceptional items and tax :</b>	<b>1,991.12</b>	<b>188.06</b>	<b>313.69</b>	<b>3,978.84</b>	<b>(707.36)</b>
Less: Exceptional items	45.13	7.51	4,646.33	87.13	13,258.04
<b>Profit / (Loss) before tax</b>	<b>1,945.99</b>	<b>180.55</b>	<b>(4,332.64)</b>	<b>3,891.71</b>	<b>(13,965.40)</b>
<b>3.Segment Assets</b>	<b>1,945.99</b>	<b>180.55</b>	<b>(4,332.64)</b>	<b>3,891.71</b>	<b>(13,965.40)</b>
Steel Business					
Power Business	122,753.02	127,077.91	137,781.59	122,753.02	137,781.59
<b>Total:</b>	<b>27,179.67</b>	<b>27,417.27</b>	<b>30,680.19</b>	<b>27,179.67</b>	<b>30,680.19</b>
<b>4.Segment Liabilities</b>	<b>149,932.69</b>	<b>154,495.18</b>	<b>168,461.78</b>	<b>149,932.69</b>	<b>168,461.78</b>
Steel Business					
Power Business	99,697.15	106,600.00	109,467.23	99,697.15	109,467.23
<b>Total:</b>	<b>15,146.48</b>	<b>14,236.98</b>	<b>13,514.98</b>	<b>15,146.48</b>	<b>13,514.98</b>
<b>Total:</b>	<b>114,843.64</b>	<b>120,836.99</b>	<b>122,982.21</b>	<b>114,843.64</b>	<b>122,982.21</b>

( ' In Lakhs)

1. The above results were reviewed by the audit committee and approved by the Board of Directors in their respective meetings held on 07.02.2019 and a limited review of the same was carried out by the Statutory Auditors of the Company.

2. Considering the requirements under Indian Accounting Standard (Ind AS) 108 on "Operating Segments", the Company has identified sale of Steel and Power as primary business segments and accordingly the disclosures have been made. As per this standard the Company has reported segment information as described below:(a) The steel segment includes production and marketing operations of Rebars (TMT) & Billets. (b) The power segment includes generation and marketing operations of Thermal and Gas based power.

3. Other income includes interest, lease rentals received and miscellaneous income.

4. The majority of the lenders have stopped charging interest on debts since the Company has been categorized as Non-performing Asset. The Company is in active discussion / negotiation with the Lenders for a suitable debt resolution by way of debt restructuring at a sustainable level. Pending finalization of debt resolution, the Company has stopped providing for accrued interest and unpaid effective from 1st January 2018, in its books of accounts pending finalisation of any debt resolution with the Lenders.

5. The amount of such accrued and unpaid interest (including penal interest and other charges) not provided for is estimated at Rs.4,658.79 lakhs for the quarter ended 31st December, 2018 and the same has also not been considered for completion of results of the current quarter. The accumulated interest not provided as on 31st December, 2018 is estimated at Rs.17,168.23 lakhs. The Statutory Auditors have qualified their Review Report in respect of this matter.

6. The Company continues to be in liquidity stress with the current liabilities exceeding the current assets as on 31st December, 2018. It is expected that the overall financial health of the Company would improve considerably after debt resolution. Accordingly, the Company has prepared the financial results on the basis of going concern assumption. The statutory auditors have also drawn attention to the above matter without qualifying their observation in their Review Report.

7. The wholly owned subsidiary "SEEL (HONG KONG) Limited" continues to be in dormant state with no investment and no activity since inception and hence the Consolidated Financial Statements are not furnished.

8. Previous period/quarter figures have been re arranged/re grouped where ever considered necessary.

For and on behalf of the Board

B. Seefah Kumar

Chairman cum Managing Director

Place: Visakhapatnam  
Date : 07.02.2019





## PAVULURI & Co.

CHARTERED ACCOUNTANTS

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### **Independent Auditor's Report on Unaudited Quarterly Standalone Financial Results and year to date results of Steel Exchange India Limited for the quarter and Nine Months ended 31<sup>st</sup> December, 2018 pursuant to Regulation 33 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.**

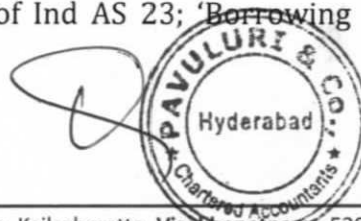
To

**The Board of Directors,  
Steel Exchange India Limited**

1. We have reviewed the accompanying Statement of unaudited financial results of STEEL EXCHANGE INDIA LIMITED ("the Company") for the quarter ended 31<sup>st</sup> December, 2018 and year to date results for the period from 01<sup>st</sup> April 2018 to 31<sup>st</sup> December, 2018 together with the notes thereon attached herewith. The statement is being submitted by the Company pursuant to the requirements of Regulation 33 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by the Circular no. CIR/CFD/FAC/62/2016 dated July 5, 2016, and has been initialled by us for identification purpose.
2. This Statement, which is the responsibility of the Company's management and approved by the Board of Directors in their meeting held on 07.02.2019 has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 'Interim Financial Reporting' ("Ind AS 34"), prescribed under section 133' of the Companies Act, 2013 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.
3. We conducted our review of the statement in accordance with the Standard on Review Engagements(SRE) 2410, " Review of Interim Financial Information performed by the Independent Auditor of the Entity" specified under Section 143 (10) of the Companies Act, 2013. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of the Company personnel and an analytical procedure applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

#### **Bases of qualified conclusion:**

4. We draw attention to Note 5 of accompanying statement with regard to non-recognition of interest expense on the borrowings of the company. The accumulated interest not provided as on December 31, 2018 is Rs. 17,168.23 lakhs (including Rs.3,682.14 lakhs for Quarter 4 of F.Y.2017-18 and Rs.8,827.30 lakhs for the Quarter 1 & 2 of F.Y 2018-19 which is not in accordance with the requirement of Ind AS 23; 'Borrowing Cost' read with Ind AS 109: 'Financial Instruments'.





## PAVULURI & Co.

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Had the aforesaid interest expense been recognized, finance costs for the quarter ended December 31, 2018 would have been Rs.4,745.92 Lakhs instead of the reported amount of Rs.87.13 Lakhs; Total Expenses for the quarter ended December 31, 2018 would have been Rs.31,795.60 Lakhs instead of the reported amount of Rs.27,136.81 Lakhs; Loss before exceptional items and Tax for the quarter ended December 31, 2018 would have been Rs.2712.80 Lakhs instead of the reported profit Rs.1,945.99 Lakhs; Loss before the tax for the quarter ended December 31, 2018 would have been Rs. 2712.80 Lakhs instead of the Profit reported of Rs.1,945.99 Lakhs; Loss for the quarter ended December 31, 2018 would have been Rs. 2712.80 Lakhs instead of the Profit reported of Rs.1,945.99 Lakhs; Total Comprehensive Loss for the quarter ended December 31, 2018 would have been

Rs. 2712.80 Lakhs instead of the Profit reported of Rs.1,945.99 Lakhs and Loss per share (EPS) for the quarter ended December 31, 2018 would have been Rs.3.57 instead of Profit per share reported of Rs.2.56. Other Equity and Other Current Financial Liabilities as at December 31, 2018 would have been Rs.4,447.28 Lakhs and Rs.145,186.92 Lakhs instead of the reported amount of Rs.9,160.07 Lakhs and Rs.140,528.13 Lakhs respectively.

### Qualified Conclusion:

- Based on our review conducted as above, except for the matter described in the Basis of Qualified Conclusion paragraph above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited standalone financial results prepared in accordance with the applicable Indian Accounting Standards as prescribed under Section 133 of the Companies Act, 2013, read with relevant rules issued there under and other recognized accounting practices and policies, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by 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.
- We draw your attention to the following matters:

Note 6 to the statement regarding the preparation of the statement on going concern basis. The Company has reported profit for the quarter ended December 31, 2018 subject to our qualified conclusion stated above. As on date, the Company's current liabilities exceeded its current assets. 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.

Our conclusion is not qualified in respect of these matters.

Place: Visakhapatnam  
Date: 07.02.2019

For PAVULURI & CO  
Chartered Accountants  
Firm Regn. No. 012194S

