

**11.09.2020**

To,

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

**BSE Scrip Code: 513436**

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 – SHAHALLOYS**

**Sub: Outcome of Board Meeting**

Pursuant to Regulation 33 of SEBI (LODR) Regulations, 2015, we are pleased to inform you that the Board of Directors of the company in its meeting held today have considered and taken on record the Unaudited Financial Results for the quarter ended on 30.06.2020 duly reviewed by the Audit Committee. We enclose the same in the prescribed form duly signed along with the Limited Review Report.

Further, in compliance with Regulation 30 of SEBI (LODR) Regulations, 2015 we also wish to state that the following business items *inter alia* have been transacted by the Board at today's meeting:

1. Re-appointment of Shri K. S. Kamath (DIN: 00261544) as Jt. Managing Director of the Company, whose current term is expiring on 30.10.2020, for a further term of Five years with effect from 31.10.2020 till 30.10.2025 subject to the approval of the members at the ensuing Annual General Meeting of the Company (*brief profile enclosed*).
2. Re-appointment of Smt. Shefali M. Patel (DIN: 07235872) as Non-Executive Woman Independent Director of the Company, whose current term is expiring at the ensuing Annual General Meeting of the Company, for further term of Five subject to the approval of the members at the ensuing Annual General Meeting of the Company (*brief profile enclosed*).

**CIN - L27100GJ1990PLC014698**

3. The Board took note of the Order issued by Registrar of Companies, Ahmedabad, Gujarat on 08th Sept., 2020 regarding extension of Annual General Meeting for all the Companies falling under the jurisdiction of Registrar of Companies, Ahmedabad, Gujarat by Three Months.
4. The Board approved the Directors' Report for the year ended 31<sup>st</sup> March 2020.
5. The Board approved the Notice of the 30th Annual General Meeting (AGM), which is scheduled to be held on the 26<sup>th</sup> day of November, 2020 (Reference: Section 96 of the Companies Act, 2013 and Extension of Annual General Meeting Order Issued by Registrar of Companies, Gujarat, Ahmedabad, vide its order dated 08th September, 2020, Order No. ROC-GJ/AGM EXT./2020-21/1462).
6. The Board decided to close the register of members from 14<sup>th</sup> November, 2020 till 26<sup>th</sup> November, 2020 (both days inclusive).

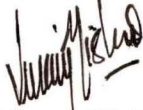
*[The aforesaid Board Meeting commenced at 07:15 p.m. and concluded at 07:45 p.m.]*

Kindly take the above on your record.

Thanking you.

Yours faithfully,

for Shah Alloys Limited



**Vinay Mishra**

Company Secretary & Compliance Officer



Encl.: As mentioned above



### Brief Profiles

|  |   |
|--|---|
| <b>Name</b>                              | Mr. K. S. Kamath  |
| <b>Nationality</b>                       | Indian  |
| <b>DIN</b>                               | 00621544  |
| <b>Date of Birth</b>                     | 05.05.1960  |
| <b>Educational Qualification</b>         | Bachelor in Commerce  |
| <b>Designation</b>                       | Jt. Managing Director   |
| <b>Period of Re-appointment</b>          | From 31.10.2020 till 30.10.2025   |
| <b>Work Experience</b>                   | More than 37 years in steel industry  |
| <b>Remuneration</b>                      | As decided by the Board   |
| <b>Relationship with other Directors</b> | None  |
| <b>Shareholding in the company</b>       | Nil   |
| <b>Affirmation</b>                       | The Jt. Managing Director being re-appointed is not debarred from holding the office of director by virtue of any SEBI order or any other such authority. |

|  |   |
|--|---|
| <b>Name</b>                              | Smt. Shefali M. Patel   |
| <b>Nationality</b>                       | Indian  |
| <b>DIN</b>                               | 07235872  |
| <b>Date of Birth</b>                     | 20.10.1972  |
| <b>Educational Qualification</b>         | B. Sc. (Physics)  |
| <b>Designation</b>                       | Non-Executive - Independent Women Director  |
| <b>Period of Re-appointment</b>          | From conclusion of 30 <sup>th</sup> AGM till conclusion of 35 <sup>th</sup> AGM   |
| <b>Work Experience</b>                   | Around 6 years in steel industry  |
| <b>Remuneration</b>                      | As decided by the Board   |
| <b>Relationship with other Directors</b> | None  |
| <b>Shareholding in the company</b>       | Nil   |
| <b>Affirmation</b>                       | The Director being re-appointed for the next term of 5 years is not debarred from holding the office of director by virtue of any SEBI order or any other such authority. |



CIN - L27100GJ1990PLC014698

# SAL SHAH ALLOYS LIMITED

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

CIN : L27100GJ1990PLC014698 WWW.SHAHALLOYS.COM

## STATEMENT OF STANDALONE UN AUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE, 2020



Amount (Rs In Crores)

|       | Particulars   | QUARTER ENDED |               |               | YEAR ENDED     |
|-------|---|---------------|---------------|---------------|----------------|
|       |   | 30/06/2020    | 31/03/2020    | 30/06/2019    | 31/03/2020     |
|       |   | (Un Audited)  | (Audited)     | (Un Audited)  | (Audited)      |
| I     | Revenue from Operations   | 33.18         | 117.57        | 141.54        | 489.34         |
| II    | Other Operating Income  | 0.49          | 0.27          | 0.34          | 0.97           |
|       | Other Non Operating Income  | 0.00          | 0.00          | 0.00          | 0.00           |
| III   | <b>Total Revenue (I + II)</b>   | <b>33.67</b>  | <b>117.84</b> | <b>141.88</b> | <b>490.31</b>  |
| IV    | <b>Expenses</b>   |               |               |               |                |
|       | (a) Cost of materials consumed  | 9.87          | 80.67         | 98.13         | 357.53         |
|       | (b) Changes in inventories of finished goods, work-in-progress                          | 14.92         | (8.89)        | 12.35         | 0.68           |
|       | (c) Employee benefits expense   | 2.64          | 4.56          | 5.09          | 21.12          |
|       | (d) Finance costs   | 0.93          | 0.11          | 0.13          | 0.45           |
|       | (e) Depreciation and amortisation expense   | 3.24          | 3.25          | 3.24          | 12.98          |
|       | (f) Consumption of Stores & Spares  | 1.00          | 24.77         | 14.30         | 97.66          |
|       | (g) Power cost  | 2.60          | 6.37          | 13.11         | 46.71          |
|       | (h) Other Expenditure   | 1.38          | 6.23          | 3.81          | 21.35          |
|       | <b>Total Expenses (a) to (h)</b>  | <b>36.58</b>  | <b>117.07</b> | <b>150.16</b> | <b>558.48</b>  |
| V     | <b>Profit / (Loss) Before exceptional and extraordinary items and tax (III - IV)</b>    | <b>(2.91)</b> | <b>0.77</b>   | <b>(8.28)</b> | <b>(68.17)</b> |
| VI    | <b>Exceptional Item</b>   | 0.00          | 0.00          | 0.00          | 91.98          |
| VII   | <b>Profit / (Loss) after exceptional and before extraordinary items and tax (V+VI)</b>  | <b>(2.91)</b> | <b>0.77</b>   | <b>(8.28)</b> | <b>23.81</b>   |
| VIII  | Current Tax   | 0.00          | (3.32)        | 0.00          | 0.00           |
|       | Deferred Tax  | (1.01)        | 8.54          | (11.04)       | 28.47          |
| IX    | <b>Net Profit / (Loss) for the period from continuing operations (VII - VIII)</b>       | <b>(1.90)</b> | <b>(4.45)</b> | <b>2.76</b>   | <b>(4.66)</b>  |
| X     | Profit / (Loss) From discontinuing operations   | 0.00          | 0.00          | 0.00          | 0.00           |
| XI    | <b>Tax Expense of discontinuing operations</b>  | 0.00          | 0.00          | 0.00          | 0.00           |
| XII   | <b>Profit / (Loss) From discontinuing operations (after tax) (X-XI)</b>                 | <b>0.00</b>   | <b>0.00</b>   | <b>0.00</b>   | <b>0.00</b>    |
| XIII  | <b>Net (Loss) profit for the period (IX - X)</b>  | <b>(1.90)</b> | <b>(4.45)</b> | <b>2.76</b>   | <b>(4.66)</b>  |
| XIV   | <b>Items not reclassified to Profit and loss</b>  |               |               |               |                |
|       | <b>Other comprehensive income Net of Tax</b>  | <b>0.03</b>   | <b>0.10</b>   | <b>0.01</b>   | <b>0.13</b>    |
| XV    | Other Comprehensive income that will be reclassified in P & L                           | 6.66          | (2.21)        | (5.87)        | (9.83)         |
|       | <b>Total comprehensive income Net of Tax</b>  | <b>6.69</b>   | <b>(2.11)</b> | <b>(5.86)</b> | <b>(9.70)</b>  |
| XVI   | <b>Total Income after Comprehensive income</b>  | <b>4.79</b>   | <b>(6.56)</b> | <b>(3.10)</b> | <b>(14.36)</b> |
|       | <b>Earnings per equity share:</b>   |               |               |               |                |
| XVII  | Paid-up equity share capital<br>(Equity shares having face value of Rs. 10/- each)      | 19.80         | 19.80         | 19.80         | 19.80          |
| XVIII | Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year |               |               |               | (32.53)        |
| XIX   | Earnings per share (of Rs. 10/- each) (not annualised)                                  |               |               |               |                |
|       | (1) Basic   | (0.96)        | (2.25)        | 1.39          | (2.35)         |
|       | (2) Diluted   | (0.96)        | (2.25)        | 1.39          | (2.35)         |

*Bawa*





| <b>Notes:</b>  |  |
|--|--|
| 1  | The above Un audited results were reviewed and recommended by the Audit Committee and were approved by the Board of Directors at its meeting held on 11th September 2020. The Statutory Auditors have carried out a Limited Review of the Financial Results for the quarter ended on June 30, 2020.  |
| 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  | The management expects that the loss of allowance if any as per Expected credit loss Method on the financial assets will not be material enough in the quarter ended June 30, 2020 and hence, the Management has not given effect of the same in the financial results .   |
| 4  | The management expects that the impact of "Effective Interest Method" to the Finance cost as per the Requirement of IND AS 109 on the financial Results will not be material enough in the year ended 30th June, 2020 and hence, the Management has not given effect of the same in the financial results .  |
| 5  | Previous period figures have been regrouped and / or rearranged wherever necessary to make their classification comparable with the current period.  |
| 6  | The segment reporting as per Indian Accounting Standard 108 applies to business segments or geographical segments. In case of our company, we are manufacturing Steel products only and further our manufacturing is limited to locally only, as such Indian Accounting Standard 108 is not applicable to us.  |
| 7  | The outbreak of COVID-19 pandemic globally and in India is causing significant disturbance and slow down of economic activity, COVID 19 has caused interruption in production, supply chain disruption, unavailability of personnel, etc. during last week of March, 2020 and thereafter. The management of the Company has exercised due care in concluding significant accounting judgments and estimates in preparation of the financial results In assessing the recoverability of Trade receivables, the Company has considered subsequent recoveries, past trends, credit risk profiles of the customers and internal and external information available up to the date of issuance of these financial results. In assessing the recoverability of inventories, the Company has considered the latest selling prices, customer orders on hand and margins. Based on the above assessment, the Company is of the view that the carrying amounts of Trade receivables and inventories are expected to be realisable to the extent shown in the financial results The impact of COVID-19 may be different from the estimates as at the date of approval of these financial results and the Company will continue to closely monitor the development |
| <b>FOR SHAH ALLOYS LIMITED</b><br><br><br><b>K. S. KAMATH</b><br><b>JT. MANAGING DIRECTOR</b><br><b>DIN : 00261544</b> |  |
| <b>PLACE : SANTEJ</b><br><b>DATE : 11-09-2020</b>  |  |

*K. S. Kamath*



**Independent Auditors Review Report on the Quarterly Unaudited Financial Results of the Company pursuant to the Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015,as amended**

Review Report to **Board of Directors of**  
**SHAH ALLOYS LIMITED,**  
**Ahmedabad.**

We have reviewed the accompanying statement of unaudited standalone financial results of **SHAH ALLOYS LIMITED** (the "company") for the Quarter ended 30<sup>th</sup> June,2020. (the "statement") attached herewith, being submitted by the company pursuant to the requirements of Regulation 33 of the SEBI (Listing obligations & Disclosure Requirements) Regulation,2015, as amended (the listing regulation)

The preparation of the Statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" as prescribed under Section 133 of Companies Act, 2013, as amended read with relevant rules issued there under and other accounting principles generally accepted in India, read with the circular is the responsibility of the Company's Management and approved by the Board of Directors of the Company. Our responsibility is to express a conclusion on the statement based on our review.

We conducted our review of the statement 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 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. For the Quarter ending on 30<sup>th</sup> Juner ,2020, the company has discontinued to make the provision of interest on loans from banks and financial institutions (excluding on the settlement entered with ARCs for specific loans which are assigned to them and also on the loans which are time barred under the law of limitation ).Had the company continued the said practice of making provision of interest on loans from banks and financial institutions for the quarter ended on 30<sup>th</sup> June,2020, the loss for the quarter would have been higher by Rs 81.21 lakhs and current liabilities would have been higher to that extent.*
- 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 Financial results for the quarter ended June 30, 2020.**
- 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 financial results for the quarter ended June 30, 2020.**

Based on our review conducted except for the possible effects of the matter described in the Basis for Qualified Opinion as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard ("Ind AS") as specified under Section 133 of Companies Act, 2013 as amended, 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 the Regulation, read with the Circular including the manner in which it is to be disclosed, or that it contains any material misstatement



**EMPHASIS 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, in view of the management, the Company is making sincere efforts for the revival of the Business & the management is confident to recover the losses through improved profitability in foreseeable future and therefore the financial results of the Company have been prepared on a "going concern basis".

*Our conclusion 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 30.06.2020 is as taken, valued and certified by the Management.


Our conclusion is not modified in respect of other matters.

Date: 11/09/2020

Place: Ahmedabad



For Parikh & Majmudar  
Chartered Accountants  
FRNNO 107525W

  
C.A Dr. Biten Parikh  
PARTNER

M.No. 40230

UDIN: 20040230AAAAIF2862



# SAL SHAH ALLOYS LIMITED

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

CIN : L27100GJ1990PLC014698 WWW.SHAHALLOYS.COM

## STATEMENT OF CONSOLIDATED UN AUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE, 2020

Amount (Rs In Crores)

|              | Particulars   | QUARTER ENDED |               |               | YEAR ENDED     |
|--------------|---|---------------|---------------|---------------|----------------|
|              |   | 6/30/2020     | 31/03/2020    | 6/30/2019     | 3/31/2020      |
|              |   | (Un Audited)  | (Audited)     | (Un Audited)  | (Audited)      |
| <b>I</b>     | Revenue from Operations   | 33.18         | 117.57        | 141.54        | 489.34         |
| <b>II</b>    | Other Operating Income  | 0.49          | 0.27          | 0.34          | 0.97           |
|              | Other Non Operating Income  | 0.00          | 0.00          | 0.00          | 0.00           |
| <b>III</b>   | <b>Total Revenue (I + II)</b>   | <b>33.67</b>  | <b>117.84</b> | <b>141.88</b> | <b>490.31</b>  |
| <b>IV</b>    | <b>Expenses</b>   |               |               |               |                |
|              | (a) Cost of materials consumed  | 9.87          | 80.67         | 98.13         | 357.53         |
|              | (b) Changes in inventories of finished goods, work-in-progress                          | 14.92         | (8.89)        | 12.35         | 0.68           |
|              | (c) Employee benefits expense   | 2.64          | 4.56          | 5.09          | 21.12          |
|              | (d) Finance costs   | 0.93          | 0.11          | 0.13          | 0.45           |
|              | (e) Depreciation and amortisation expense   | 3.24          | 3.25          | 3.24          | 12.98          |
|              | (f) Consumption of Stores & Spares  | 1.00          | 24.77         | 14.30         | 97.66          |
|              | (g) Power cost  | 2.60          | 6.37          | 13.11         | 46.71          |
|              | (h) Other Expenditure   | 1.38          | 6.23          | 3.81          | 21.35          |
|              | <b>Total Expenses (a) to (h)</b>  | <b>36.58</b>  | <b>117.07</b> | <b>150.16</b> | <b>558.48</b>  |
| <b>V</b>     | <b>Profit / (Loss) Before exceptional and extraordinary items and tax (III - IV)</b>    | <b>(2.91)</b> | <b>0.77</b>   | <b>(8.28)</b> | <b>(68.17)</b> |
| <b>VI</b>    | <b>Exceptional Item</b>   | <b>0.00</b>   | <b>0.00</b>   | <b>0.00</b>   | <b>91.98</b>   |
| <b>VII</b>   | <b>Profit / (Loss) after exceptional and before extraordinary items and tax (V+VI)</b>  | <b>(2.91)</b> | <b>0.77</b>   | <b>(8.28)</b> | <b>23.81</b>   |
| <b>VIII</b>  | <b>Current Tax</b>  | <b>(1.01)</b> | <b>(3.32)</b> | <b>0.00</b>   | <b>0.00</b>    |
|              | Deferred Tax  | 0.00          | 8.54          | (11.04)       | 28.47          |
| <b>IX</b>    | <b>Net Profit / (Loss) for the period from continuing operations (VII - VIII)</b>       | <b>(1.91)</b> | <b>(4.45)</b> | <b>2.76</b>   | <b>(4.66)</b>  |
| <b>X</b>     | Profit / (Loss) From discontinuing operations   | 0.00          | 0.00          | 0.00          | 0.00           |
| <b>XI</b>    | <b>Tax Expense of discontinuing operations</b>  | <b>0.00</b>   | <b>0.00</b>   | <b>0.00</b>   | <b>0.00</b>    |
| <b>XII</b>   | <b>Profit / (Loss) From discontinuing operations (after tax) (X-XI)</b>                 | <b>0.00</b>   | <b>0.00</b>   | <b>0.00</b>   | <b>0.00</b>    |
| <b>XIII</b>  | <b>Net (Loss) profit for the period (IX - X)</b>  | <b>(1.91)</b> | <b>(4.45)</b> | <b>2.76</b>   | <b>(4.66)</b>  |
|              | <b>Share of Profit / (Loss) of Associate Concern</b>                                    | <b>6.66</b>   | <b>(2.21)</b> | <b>(5.87)</b> | <b>(9.83)</b>  |
| <b>XIV</b>   | Items not reclassified to Profit and loss   |               |               |               |                |
|              | Other comprehensive income Net of Tax   | 0.03          | 0.10          | 0.01          | 0.13           |
| <b>XV</b>    | Other Comprehensive income that will be reclassified in P & L                           | 6.66          | (2.21)        | (5.87)        | (9.83)         |
|              | <b>Total comprehensive income Net of Tax</b>  | <b>6.69</b>   | <b>(2.11)</b> | <b>(5.86)</b> | <b>(9.70)</b>  |
| <b>XVI</b>   | <b>Total Income after Comprehensive income</b>  | <b>(1.88)</b> | <b>(4.35)</b> | <b>2.77</b>   | <b>(4.53)</b>  |
|              | <b>Earnings per equity share:</b>   |               |               |               |                |
| <b>XVII</b>  | Paid-up equity share capital<br>(Equity shares having face value of Rs. 10/- each)      | 19.80         | 19.80         | 19.80         | 19.80          |
| <b>XVIII</b> | Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year |               |               |               | (37.73)        |
| <b>XIX</b>   | Earnings per share (of Rs. 10/- each) (not annualised)                                  |               |               |               |                |
|              | (1) Basic   | (0.96)        | (2.25)        | 1.39          | (2.35)         |
|              | (2) Diluted   | (0.96)        | (2.25)        | 1.39          | (2.35)         |

*K. Sonalk*



**Notes:**

- 1 The above Un audited consolidated results were reviewed and recommended by the Audit Committee and were approved by the Board of Directors at its meeting held on 11th September 2020. The Statutory Auditors have carried out a Limited Review of the Financial Results for the quarter ended on June 30, 2020.
- 2 The format for above consolidated 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 The management expects that the loss of allowance if any as per Expected credit loss Method on the financial assets will not be material enough in the quarter ended June 30, 2020 and hence, the Management has not given effect of the same in the consolidated financial results .
- 4 The management expects that the impact of "Effective Interest Method" to the Finance cost as per the Requirement of IND AS 109 on the financial Results will not be material enough in the year ended 30th June, 2020 and hence, the Management has not given effect of the same in the consolidated financial results .
- 5 Previous period figures have been regrouped and / or rearranged wherever necessary to make their classification comparable with the current period
- 6 The segment reporting as per Indian Accounting Standard 108 applies to business segments or geographical segments. In case of our company, we are manufacturing Steel products only and further our manufacturing is limited to locally only, as such Indian Accounting Standard 108 is not applicable to us.
- 7 The outbreak of COVID-19 pandemic globally and in India is causing significant disturbance and slow down of economic activity, COVID 19 has caused interruption in production, supply chain disruption, unavailability of personnel, etc. during last week of March, 2020 and thereafter. The management of the Company has exercised due care in concluding significant accounting judgments and estimates in preparation of the financial results In assessing the recoverability of Trade receivables, the Company has considered subsequent recoveries, past trends, credit risk profiles of the customers and internal and external information available up to the date of issuance of these financial results. In assessing the recoverability of inventories, the Company has considered the latest selling prices, customer orders on hand and margins. Based on the above assessment, the Company is of the view that the carrying amounts of Trade receivables and inventories are expected to be realisable to the extent shown in the financial results The impact of COVID-19 may be different from the estimates as at the date of approval of these financial results and the Company will continue to closely monitor the development

**FOR SHAH ALLOYS LIMITED***K. S. Kamath***K. S. KAMATH  
JT. MANAGING DIRECTOR  
DIN : 00261544****PLACE : SANTEJ  
DATE : 11-09-2020**





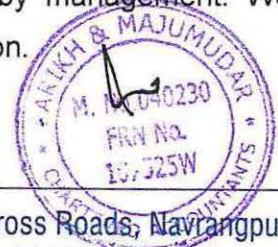
**Independent Auditors Review Report on the quarterly Unaudited Consolidated Financial Results of the Company pursuant to the Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended**

Review Report to,  
The Board of Directors  
**SHAH ALLOYS LTD**  
**Ahmedabad.**

We have reviewed the accompanying statement of unaudited consolidated financial results of SHAH ALLOYS LTD (the "company") for the quarter ended 30<sup>th</sup> June, 2020. (the "statement") attached herewith, being submitted by the parent pursuant to the requirements of Regulation 33 of the SEBI (Listing obligations & Disclosure Requirements) Regulation, 2015, as amended (the listing Regulation) .

This Statement is the responsibility of the Company's Management and is approved by the Board of Directors has been prepared in accordance with Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34") 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 review.

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.



### Basis for Qualified Opinion

1. *For the Quarter ending on 30<sup>th</sup> June ,2020, the Holding company has discontinued to make the provision of interest on loans from banks and financial institutions (excluding on the settlement entered with ARCs for specific loans which are assigned to them and also on the loans which are time barred under the law of limitation ).Had the Holding company continued the said practice of making provision of interest on loans from banks and financial institutions for the quarter ended on 30<sup>th</sup> June,2020, the loss of the year would have been higher by Rs 81.21 lakhs and current liabilities would have been higher to that extent.*
2. The Holding 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 Financial results for the quarter ended June 30,2020.
3. The Holding 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 financial results for the quarter ended June 30, 2020.

Based on our review conducted as above, *except as mentioned in qualified opinion*, and based on the consideration referred to in paragraph below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard (" Ind AS") as specified under Section 133 of Companies Act, 2013 as amended, 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 the Regulation, read with the Circular including the manner in which it is to be disclosed, or that it contains any material misstatement





**EMPHASIS OF MATTER**

1. The Consolidated financial statements states the holding companies current liabilities exceeded its current assets as at the balance sheet date. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the holding Company's ability to continue as a going concern. However, in view of the management, the holding Company is making sincere efforts for the revival of the Business & the management is confident to recover the losses through improved profitability in foreseeable future and there fore the financial results of the holding Company have been prepared on a "going concern basis".
2. The Consolidated financial statements which describes about the Non disclosure of Reportable Segments as required under Indian Accounting Standard — 108 'Operating Segments' by the Associate Company . As IND AS 108 Operating Segments mandates the disclosure requirements there is no impact on the Consolidated financial results due to non disclosure.

*Our conclusion is not modified in respect of this matter of Emphasis.*

Date: 11/09/2020

Place: Ahmedabad



For Parikh & Majmudar  
Chartered Accountants  
FRNNO 107525W

  
C.A Dr. Hiten Parikh  
PARTNER

M.No. 40230

UDIN: 20040230AAAIG1888