



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

30th May, 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: 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 Audited Financial Results for the quarter and year ended on 31.03.2018 duly reviewed by the Audit Committee. We enclose the same in the prescribed form duly signed alongwith the audit report and Statement of Impact of Audit Qualification (for audit report with modified opinion).

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

1. Approval of Directors' Report for the year ended 31st March 2018.
2. Audited Annual Accounts of the Company for the financial year ended March 31, 2018 subject to the adoption of shareholders in ensuing Annual General Meeting.
3. Notice for 15th Annual General Meeting, which is scheduled to be held on Monday, September 24, 2018.

[The aforesaid Board Meeting commenced at 06:30 p.m. and concluded at 07:15 p.m.]

Kindly take the above on your record.

Thanking you,

Yours faithfully,

for S.A.L. Steel Ltd


Company Secretary

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.
Audited Financial Results for the Quarter and Year Ended as on 31st March 2018

(₹ in Lakhs)

Particulars	Quarter Ended			For the year Ended	
	31-Mar-18 (Audited)	31-Dec-17 (UnAudited)	31-Mar-17 (Audited)	31-Mar-18 (Audited)	31-Mar-17 (Audited)
I Revenue from operations	14,224.69	15,296.11	8,619.07	50,865.43	39,702.93
II Other Operating Income	75.74	22.87	130.86	271.38	236.97
III Total Revenue (I + II)	14,300.43	15,318.98	8,749.93	51,136.81	39,939.90
IV Expenses					
a) Cost of Materials consumed	6,422.91	13,479.58	5,282.34	33,895.67	24,029.98
b) Purchase of stock-in-trade	938.87	271.37	0.00	1,210.23	0.00
c) Changes in inventories of finished goods, work-in-progress	1,480.13	(3,988.98)	729.67	(2,290.26)	(274.48)
d) Employee benefits expense	369.85	369.56	387.10	1,399.29	1,278.43
e) Excise Duty on Sales	0.00	0.00	0.00	963.00	3,641.77
f) Finance Costs	74.46	5.62	54.46	115.70	73.06
g) Depreciation and amortisation expenses	224.92	191.66	171.83	775.00	764.23
h) Consumption of stores & Spares	807.57	313.68	306.49	1,752.46	1,192.02
i) Power Cost and cost of power generation	884.63	1,744.74	980.91	5,266.39	4,849.63
j) Other Expenses	2,514.04	2,661.03	1,262.08	8,031.57	4,027.97
Total Expenses	13,717.38	15,048.26	9,174.88	51,119.05	39,582.61
V Profit/ (Loss) before exceptional and extraordinary items and tax	583.05	270.72	(424.95)	17.76	357.29
VI Exceptional item	6,378.26	0.00	0.00	6,378.26	0.00
VII Profit/ (Loss) After exceptional and extraordinary items and before tax	6,961.31	0.00	0.00	6,396.02	0.00
VIII Tax Expense	0.00	0.00	0.00	0.00	0.00
Current Tax	0.00	0.00	0.00	0.00	0.00
Deferred Tax	2,156.95	0.00	269.60	2,156.95	269.60
IX Profit/ (Loss) for the period from continuing operations (VII-VIII)	4,804.36	270.72	(694.55)	4,239.07	87.69
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)	4,804.36	270.72	(694.55)	4,239.07	87.69
XIV Other Comprehensive income (Net of Tax)	4.79	3.72	(2.38)	15.96	4.91
Total Comprehensive Income/(Loss) (after tax)	4,809.15	274.44	(692.17)	4,255.03	92.60
XV Earnings per equity share :					
(1) Basic	5.65	0.32	(0.82)	4.99	0.10
(2) Diluted	5.65	0.32	(0.82)	4.99	0.10

Notes:

1 Hon'ble Supreme Court of India vide order dated 10.01.2018 has set aside the order of Hon'ble NCLT, Ahmedabad dated 06.09.2017 and accordingly Corporate Insolvency Resolution Process against the company is closed.





2	The above results were reviewed by the Audit Committee and approved by Board of Directors in its meeting held on 30th May 2018.
3	The audited financial results of the Company for the Quarter and Year ended on 31st March, 2018 have been subject to Audit Report for the quarter and year ended as on 31.03.2018 by the Statutory Auditors of the Company.
4	Results for the quarter and year ended as on March 31, 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 and half year have been restated as per IND AS and are comparable on like to like basis.
5	Previous period figures have been regrouped and / or rearranged wherever necessary to make their classification comparable with the current period.
6	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.
7	Company has huge accumulated losses. However, during the quarter under review, Company entered into Settlement with Invent Assets Securitization & Reconstruction Pvt. Ltd. (INVENT) for the entire dues of various banks assigned to INVENT.
8	The Company has paid the capital advances in earlier years for total amounting ₹19,12,32,084/- which are currently shown under Long term loans and advances to the suppliers for the supply of customized equipments based of our specific design and requirements. The machines are manufactured and ready for dispatch but company does not have further fund to pay balance amount to lift the machines. However, the management is trying to recover such advances from the suppliers fully subject to provision made in the books of accounts of ₹ 2,37,83,523/-.
9	The above result does not include IND-AS compliance results for the preceding quarter and previous year ended March 31, 2017 as it is not mandatory as per SEBI circular dated July 5, 2016
10	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.
11	The IND-AS compliant financial results, pertaining to the relevant periods of the previous year as applicable, have not been subjected to limited review or audit. However, the management has exercised necessary due diligence to ensure that the financial results provide a true and fair view of its affairs.
12	Consequent to the introduction of GST w.e.f July 1, 2017 the Excise duty is subsumed under GST. There is NIL amount in Excise Duty for the quarter ended March, 18.
13	The Management expects that the loss of allowance if any as per Expected credit loss Method on the financial assets will not be significant enough in the year ended as on March 31, 2018 and hence, the Management has not given effect of the same in the financial results.
14	The reconciliation of net profit or loss for the quarter and year ended on 31st March, 2017 as prepared under Indian GAAP with net profit or loss as restated in accordance with Ind AS is given below:

(₹ in Lakhs)

Particulars	Quarter ended 31.03.2017	Year ended 31.03.2017
Net Profit after Tax as per previous Indian GAAP	(92.98)	689.25
Add:		
Adjustment of Prior Period Expenses	25.74	25.74
Reclassification of Actuarial loss on Defined Benefit plans to Other Comprehensive Income		
Sub Total	25.74	25.74
Less:		
Reclassification of Actuarial loss on Defined Benefit plans to Other Comprehensive Income	7.11	7.11
Adjustment of Prior Period Expenses	350.60	350.60
Deferred Tax impact of Ind AS adjustments	269.60	269.60
Sub Total	627.31	627.31
Net Profit after Tax before OCI as per Ind AS	(694.55)	87.68
Other Comprehensive Income	(2.38)	4.91
Net Profit after Tax as per Ind AS	(692.17)	92.59

The reconciliation of Equity as at year ended 31st March, 2017 as prepared under Indian GAAP with Equity restated in accordance with Ind AS is given below:

SN	Particulars	As at 31st March, 2016	As at 1st April, 2016
1	Total Equity/(Shareholders' Fund) as per GAAP	(11,317)	(12,006)
2	Deferred Tax Impact of Ind AS adjustments	(270)	864
3	Prior Period Expenses	(784)	(1,323)
4	Remeasurements of Defined Benefit Plans	(2)	-
5	Total Equity as per Ind AS	(12,373)	(12,465)

15 The Statement of Assets and Liabilities as at 31st March, 2018 (Amount in ₹ Lakhs)

Sr. No.	Particulars	Year Ended	Year Ended
		31.03.2018	31.03.2017
		Audited	Audited
ASSETS			
1	Non-Current Assets		
a)	Property, Plant and Equipment	12,770.03	13,274.25
b)	Capital work-in-progress	2,470.25	2,470.25
c)	Other Intangible assets	5.77	5.77
d)	Financial Assets	-	-
(i)	Trade receivables	268.01	351.50
(ii)	Loans	12.63	12.34
(iii)	Security Deposits	-	-
e)	Deferred tax assets (net)	-	592.30
f)	Other non-current assets	950.00	988.71
2	Current assets		
a)	Inventories	7,603.33	6,020.33
b)	Financial Assets	-	-
(i)	Trade receivables	3,469.64	5,029.03
(ii)	Cash and cash equivalents	241.86	123.67
(iii)	Bank balances other than (iii) above	-	-
(iv)	Loans	-	-
c)	Other current assets	407.85	683.81
		28,199.37	29,551.96
EQUITY & LIABILITIES :			
Equity			
a)	Equity Share capital	8,496.67	8,496.67
b)	Other Equity	(8,117.50)	(12,372.52)
LIABILITIES :			
1) Non-Current Liabilities			
a)	Financial Liabilities		
(i)	Borrowings	17,451.50	16,895.77
(ii)	Trade payables	502.27	319.75
(iii)	Other financial liabilities	44.05	44.05
b)	Provisions	84.86	84.48
c)	Deferred tax liabilities (Net)	1,573.21	-
d)	Other non-current liabilities	67.89	90.52
2)	Current liabilities		
(i)	Borrowings	-	-
(ii)	Trade payables	2,362.52	2,880.09
(iii)	Other financial liabilities (other than those specified in item (c))	36.54	8,609.38
(iv)	Other current liabilities	5,619.81	4,430.23
c)	Provisions	77.55	73.54
		28,199.37	29,551.96

Place: Santej
Date : 30-05-2018

For S.A.L. Steel Limited

Rajendra V. Shah

Chairman
(DIN 00020904)



**CHARTERED ACCOUNTANTS**

CA. (DR). HITEN PARIKH

M.Com., LL.B., FCA., Phd

CA. SANJAY MAJMUDAR

B.Com., LL.B., FCA

**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 financial results of **SAL STEEL LIMITED** (the Company) for the year ended 31st March, 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 is the responsibility of the Company's Management and is approved by the Board of Directors. The Statement, as it relates to the year ended March 31, 2018, has been compiled from the related annual financial statements prepared in accordance with Indian Accounting Standards, (INDAS) 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 express an opinion on the Statement based on our audits of 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.



BASIS OF QUALIFIED OPINION

1. *Management is of the view that they do not anticipate execution of its ongoing capital projects. However, the Company has not made adequate provision towards recovery of advances for the said capital projects for the amount of Rs.9,12,32,064/- which are currently shown under Long term loans and advances. The consequential impact of adjustment, if any, on the actual realization of said advances on the financial results is currently not ascertainable. Therefore, we are unable to comment on its consequential financial impact, if any, on the financial statements.*
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 year ended 31st March, 2018.

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph these Financial Results;

- (i) Are 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 of the net Profit (including other comprehensive income) and other financial information for the year ended on 31st March, 2018.

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 for the year ended on 31st March 2018 and considering the view of the management, 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. Note no 40 to the Financial statements about the settlement agreement entered in to by the company with effect from 22nd February 2018 for the entire dues in respect of various facilities and assistance provided by Union bank of India, State Bank of Saurashtra, State Bank of India and State Bank of Hyderabad which is now assigned to Invent Assets Securitization & Reconstruction Pvt. Ltd. The company has accounted for the Waiver of Interest portion (as per the books of the company) as Income in the statement of Profit and loss. The said agreements provides for the settlement of entire dues in respect of financial assistance and facilities with the underlying Securities for the payment of Rs 18051.50 lacs towards full and final settlement against the total liability (Principal and Interest) of Rs 24430 lacs resulting in to the waiver of liability (Principal and Interest as per the books of the company) for the amount of Rs 6378.26 lacs. The said waiver of liability (Interest) for the amount of Rs 6378.26 has been shown as income in the Statement of Profit and loss and has been reflected as an Exceptional Item in the Statement of Profit and loss for the year ended on 31st March 2018.

4. Refer Note 42 to the notes forming part of financial statements which mentions about the Order of Hon'ble National Company Law Tribunal (NCLT), Ahmedabad Bench dated 6th Sep 2017 [C P (IB) no. 94/9/NCLT/AHM/2017] which had admitted the company under Corporate Insolvency Resolution Process (CIRP) under section 9(5)(i) of the Insolvency and Bankruptcy Code, 2016 and accordingly appointed Interim Resolution Professional (IRP). However, on the basis of the records produced before us, and as explained to us, the promoters of the company have entered in to a settlement with operational creditor who had filed application before Hon'ble NCLT, Ahmedabad and



obtained no objection from other operational creditors as well as financial creditors and moved a petition under Article 142 of the constitution before the Hon'ble Supreme Court of India, New Delhi. As per the order dated 10th January 2018 of the Hon'ble Supreme court of India, the order passed by the Hon'ble NCLT, Ahmedabad dated 06th September,2017 has been set aside and accordingly the CIRP proceedings have been effectively discontinued and powers of the Board of Directors of the Company have been reinstated.

5. 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
6. Attention is invited to Note 42 of the Financial Statements 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 06th Septemeber,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 06th January,2018, while computing 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.

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

Date: 30/05/18

Place: Ahmedabad



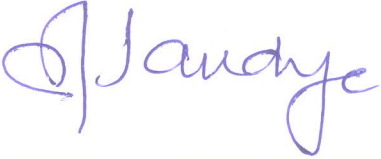


For Parikh & Majmudar
Chartered Accountants
FRNNO 107525W

C.A Dr. Hiten Parikh
PARTNER
M.No. 40280

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, 2018				
[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:		Pl. refer Para no. 1 & 2 of Qualifications of Auditors' Report	
	b. Type of Audit Qualification : Qualified Opinion / Disclaimer of Opinion / Adverse Opinion		Qualified opinion	
	c. Frequency of qualification: Whether appeared first time / repetitive / since how long continuing		Para 1 of Qualification: Since FY : 2014-15 Para 2 of Qualification: FY : 2017-18	
	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:		Para no. 1 & 2 of Qualifications of Auditors' Report	
	(i) Management's estimation on the impact of audit qualification:		Not quantifiable	

<p>(ii) If management is unable to estimate the impact, reasons for the same:</p>	<p><u>Para 1</u></p> <p>Company has paid the capital advances in earlier years and the same stands to Rs. 9,12,32,064/- which are currently shown under long term loans and advances to the suppliers for the supply of customized equipments. However, the management is trying to recover such advances from the suppliers.</p> <p><u>Para 2</u></p> <p>Management expects that the loss of allowance if any as per Expected Credit loss method on the financial assets will not be material enough and hence effect of the same has not been given in the financial results.</p>
<p>(iii) Auditors' Comments on (i) or (ii) above:</p>	<p>For Para 1 & 2 of Qualifications: Nothing further to add.</p>

III.	Signatories	
	Shri Anil Pandya (DIN: 02453919) Whole Time Director	
	Shri Babulaj Singhal (DIN: 01484213) Director Cum CFO	
	Shri J. M. Shah (DIN: 01412666) Audit Committee Chairman	
	Shri CA (Dr.)Hiten Parikh Parikh & Majmudar, Chartered Accountants (FRN: 107525W) (ICAI Membership No. 040230)	