



**REGD. OFFICE & WORKS :** Plot No.2, G.I.D.C. Estate, Palej, Dist. Bharuch - 392 220, Gujarat, India.

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CIN : L27110GJ1989PLC011748 • Email : [sgl@steelcogujarat.com](mailto:sgl@steelcogujarat.com) • Website : [www.steelcogujarat.com](http://www.steelcogujarat.com)

SGL/PLJ/CS/2016-17/49

November 11, 2016

To,  
BSE Limited,  
Listing Compliance,  
Corporate Relationship Department,  
25<sup>th</sup> Floor, P J Tower, Dalal Street,  
Mumbai - 400 001

Fax No (022) 22723121/3719/2037/2039

**Sub: SUBMISSION OF OUTCOME OF BOARD MEETING HELD ON 11/11/2016**

**REF: SCRIP NO. 500399 & SCRIP – STEELCO**

Dear Sir / Madam,

With reference to the above and pursuant to Regulation 30 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, we would like to inform you that the Board of Directors at their meeting held on 11/11/2016 have considered & approved Standalone Unaudited Financial Results along with Limited Review Report for the quarter ended on 30/09/2016 (Attached herewith);

We would like to add that this outcome along with necessary attachment are being sent to you by uploading through listing centre as well as through e-mail / fax and courier immediately on conclusion of Board Meeting.

We would request to kindly take same on record and acknowledge the receipt.

Thanking you,

Yours faithfully,  
For STEELCO GUJARAT LIMITED

  
Aneel Thakkar  
Company Secretary



Encl: As above.

**CORPORATE OFFICE :**

4th Floor, Marble Arch, Race Course Circle, Vadodara - 390 007. Gujarat. Phone : (+91-265) 2333484, 2336407 Fax : 2333483



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Visit us on : [www.steelcogujarat.com](http://www.steelcogujarat.com) E-mail : [sgl@steelcogujarat.com](mailto:sgl@steelcogujarat.com) CIN No.: L27110GJ1989PLC011748

### UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH SEPTEMBER, 2016

Part - I

(Rs. In Lakh)

Sr. No.	Particulars	STANDALONE					
		Quarter ended			Half year ended		Year ended
		30/09/2016	30/06/2016	30/09/2015	30/09/2016	30/09/2015	31/03/2016
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	<b>Income form operations</b>						
	(a) Net Sales / Income from Operations (Net of Excise Duty)	12,691.27	14,125.65	12,620.88	26,816.92	24,500.69	49,575.94
	(b) Other Operating Income	96.80	295.83	296.45	392.63	654.94	1,219.24
	<b>Total Income from operation (net) (1a+1b)</b>	<b>12,788.07</b>	<b>14,421.48</b>	<b>12,917.33</b>	<b>27,209.55</b>	<b>25,155.63</b>	<b>50,795.18</b>
2	<b>Expenses</b>						
	(a) Cost of material consumed	10,224.95	11,140.43	9,904.93	21,365.38	19,533.09	38,987.91
	(b) Purchase of stock-in-trade	0.00	0.00	0.00	0.00	0.00	0.00
	(c) Changes in inventories of finished goods, work-in-process and stock-in-trade	267.58	(8.23)	122.20	259.35	8.00	631.48
	(d) Employees benefit expense	417.08	399.61	366.49	816.69	742.95	1,452.72
	(e) Depreciation and amortisation expenses	63.88	63.37	64.27	127.25	128.12	254.92
	(f) Other Expenses	2,063.04	2,428.67	2,737.83	4,491.71	5,086.82	9,753.47
	<b>Total Expenses (2a to 2f)</b>	<b>13,036.53</b>	<b>14,023.85</b>	<b>13,195.72</b>	<b>27,060.38</b>	<b>25,498.98</b>	<b>51,080.50</b>
3	Profit/(Loss) from Operations before Other Income, Finance Cost and Exceptional Items ( 1 - 2 )	(248.46)	397.63	(278.39)	149.17	(343.35)	(285.32)
4	Other Income	11.11	26.65	50.00	37.76	74.74	258.28
5	Profit/(Loss) before Finance Cost and Exceptional Items ( 3 + 4 )	(237.35)	424.28	(228.39)	186.93	(268.61)	(27.04)
6	Finance Cost	399.72	499.54	501.03	899.25	1,039.34	2,095.76
7	Profit/(Loss) from Ordinary Activities after Finance Cost but before Exceptional Items ( 5 - 6 )	(637.07)	(75.26)	(729.42)	(712.32)	(1,307.95)	(2,122.80)
8	(a) Excess Provision of Depreciation Written back	0.00	0.00	0.00	0.00	0.00	0.00
	(b) Exceptional items	0.00	0.00	732.59	0.00	732.59	732.59
9	Profit (+) / Loss (-) from Ordinary Activities before tax ( 7 + 8 )	(637.07)	(75.26)	3.17	(712.32)	(575.36)	(1,390.21)
10	Tax Expense	0.00	0.00	0.00	0.00	0.00	0.00
11	Net Profit (+) / Loss (-) from Ordinary Activities after tax ( 9 - 10 )	(637.07)	(75.26)	3.17	(712.32)	(575.36)	(1,390.21)
12	Extraordinary Items (net of tax expense)	0.00	0.00	0.00	0.00	0.00	(1,488.84)
13	Net Profit (+) / Loss (-) for the period ( 11 - 12 )	(637.07)	(75.26)	3.17	(712.32)	(575.36)	98.63
14	Share of Profit/Loss of Associates	0.00	0.00	0.00	0.00	0.00	0.00
15	Minority Interest	0.00	0.00	0.00	0.00	0.00	0.00
16	Net Profit (+) / Loss (-) after tax, minority interest and share of Profit/(Loss) of associates ( 13 + 14 +15 )	(637.07)	(75.26)	3.17	(712.32)	(575.36)	98.63
17	Paid-up Equity Share Capital (Face Value of Rs.10/- per share)	4,256.18	4,256.18	4,256.18	4,256.18	4,256.18	4,256.18
18	Reserves excluding Revaluation Reserves as per Balance Sheet of previous accounting year	0.00	0.00	0.00	0.00	0.00	0.00
19	<b>Earnings Per Share (EPS)</b>						
	(a) Basic & Diluted EPS before Extraordinary items for the period, for the year to date and for the previous year (not to be annualized)	(1.75)	(0.43)	(0.25)	(2.18)	(1.86)	(4.29)
	(b) Basic & Diluted EPS after Extraordinary items for the period, for the year to date and for the previous year (not to be annualized)	(1.75)	(0.43)	(0.25)	(2.18)	(1.86)	(0.79)



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Statement of Assets and Liabilities		(Rs. In Lakhs)	
Sr. No.	Particulars	as at Sept 30, 2016	as at March 31, 2016
<b>A</b>	<b>EQUITY AND LIABILITIES</b>		
1	<b>Shareholders' Funds</b>		
	(a) Share Capital	7,886.79	7,886.79
	(b) Reserves and surplus	(8,445.08)	(7,732.76)
	(c) Money received against share warrants	0.01	0.01
	<b>Sub-total - Shareholders' Funds</b>	<b>(558.28)</b>	<b>154.04</b>
2	<b>Non-current Liabilities</b>		
	(a) Long-term borrowings	2,832.48	3,067.29
	(b) Other long-term liabilities	6.19	6.19
	(c) Long-term provisions	275.77	251.41
	<b>Sub-total - Non-current Liabilities</b>	<b>3,114.45</b>	<b>3,324.89</b>
3	<b>Current Liabilities</b>		
	(a) Short-term borrowings	10,111.76	5,738.81
	(b) Trade payables	15,606.26	15,741.77
	(c) Other current liabilities	1,936.02	2,180.34
	(d) Short-term provisions	125.43	125.43
	<b>Sub-total - Current Liabilities</b>	<b>27,779.46</b>	<b>23,786.35</b>
	<b>TOTAL - EQUITY AND LIABILITIES</b>	<b>30,335.63</b>	<b>27,265.28</b>
<b>B</b>	<b>ASSETS</b>		
1	<b>Non-current assets</b>		
	(a) Fixed assets		
	Tangible assets	4,561.10	4,685.84
	Intangible assets	10.80	9.38
	Capital work-in-progress	169.75	96.22
	<b>Sub-total</b>	<b>4,741.65</b>	<b>4,791.44</b>
	(b) Non Current Investments	5.00	5.00
	(c) Deferred tax assets (net)	0.00	0.00
	(d) Long-term loans and advances	1,359.36	1,343.87
	(e) Other non-current assets	0.00	0.00
	<b>Sub-total - Non-current assets</b>	<b>6,106.01</b>	<b>6,140.31</b>
2	<b>Current assets</b>		
	(a) Inventories	8,836.99	7,464.30
	(b) Trade receivables	11,074.08	9,277.45
	(c) Cash and cash equivalents	564.55	1,293.20
	(d) Short-term loans and advances	1,699.93	971.92
	(e) Other current assets	2,054.07	2,118.10
	<b>Sub-total - Current assets</b>	<b>24,229.62</b>	<b>21,124.97</b>
	<b>TOTAL - ASSETS</b>	<b>30,335.63</b>	<b>27,265.28</b>

**Notes :-**

- The Company has only one manufacturing unit at Palej, to produce steel products i.e. cold rolled and galvanised steel and hence there is only a single segment in terms of Accounting Standard on "Segment Reporting" (AS-17) issued by ICAI.
- The above financial results were reviewed by the Audit Committee and have been taken on record by the Board of Directors at their respective meetings held on 11th November, 2016.
- The figures of previous year / quarter have been regrouped and reclassified wherever necessary.
- Basic & Diluted EPS has been arrived at after considering dividend payable on Preference share Capital.
- The 'Limited Review' by the statutory Auditors for the quarter as required under provisions of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 has been completed & the report is being forwarded to the Stock Exchange.
- The Company has changed the method of valuation for raw materials from quarterly moving average to monthly moving average, w.e.f. 1st April, 2016, with a view to have better projections of fluctuating raw material price and consequently, the loss for the quarter is lower by Rs. 22.35 lakhs and value of inventory is higher by Rs.22.35 lakhs.
- During the quarter ended 30th September, 2016, the Company has not provided the bank interest for State Bank of India for full quarter and for State Bank of Mysore for September, 2016 month, as the account of the Company has been classified as Non-Performing Assets by the said banks, as a result of which loss during the quarter is understated to that extent and its amount is not determinable.
- Notwithstanding the fact that the net worth of the Company is negative, the financial statements have been prepared on a going concern basis, in view of the management's efforts of recovery and revival.

PLACE : Mumbai  
DATE : 11th November, 2016



FOR STEELCO GUJARAT LIMITED

*Mitesh H Shah*  
MITESH H SHAH  
MANAGING DIRECTOR

## LIMITED REVIEW REPORT

We have reviewed the accompanying statement of unaudited financial results of **STEELCO GUJARAT LIMITED** for the quarter ended 30<sup>th</sup> September, 2016 attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. These quarterly financial results have been prepared on the basis of the interim financial statements, which are the responsibility of the company's management. Our responsibility is to issue limited review report on these financial results based on our review and audit of such interim financial statements.

We conducted our review in accordance with the Standards 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 conclusion

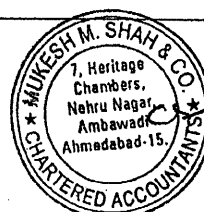
*Attention is invited to note 7 to the statement relating to no provision has been made against interest on bank facilities from State Bank of India for all quarter and for State Bank of Mysore for September, 2016 month as the account of the Company has been classified as Non-performing Assets by the said banks, as a result of which loss during the quarter is lower by Rs. 116.01 lacs and finance cost and respective liabilities are lower by Rs. 116.01 lacs (excluding penal interest which is not determinable).*

### Qualified Conclusion

*Except for the effect arising out of the matters mentioned in our basis for qualified conclusion mentioned hereinabove, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with accounting standards notified pursuant to the Companies (Accounting Standards) Rules, 2006, which continue to apply under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.*

### Emphasis of Matter

*Attention is invited regarding the financial statements of the Company having been prepared on a going concern basis, in view of the management's efforts of recovery and revival, notwithstanding the fact that its net worth is eroded and lead banker of the company has classified as non-performing assets, which may have its impact on financial position and cash flows of the Company. The appropriateness of the said basis is interalia dependent upon the company's ability to raise requisite long term finance and/or generate sufficient cash flows in future to meet its commitment of future revival plans and for continuing operations.*



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**MUKESH M. SHAH & CO.**

**CHARTERED ACCOUNTANTS**

**AHMEDABAD • MUMBAI • BANGALORE**

*Attention is also invited regarding change in method of valuation for raw materials from quarterly moving average to monthly moving average, consequently, the loss for the quarter is lower by Rs. 22.35 lacs and value of inventory is higher by Rs. 22.35 lacs.*

Place: Ahmedabad  
Date: 11-11-2016

For Mukesh M. Shah & Co.  
Chartered Accountants  
Firm Regn. No. 106625W



*C.S. Shah*  
[Chandresh S. Shah]  
Partner  
Membership No.42132

**CERTIFIED TRUE COPY**

**For STEELCO GUJARAT LIMITED**

*Achal Thakkar*  
**ACHAL THAKKAR**  
Company Secretary