

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



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10th February, 2014

To
The Department of Corporate Services
Bombay Stock Exchange Ltd.
25th Floor, P.J. Towers,
Dalal Street, Fort,
Mumbai - 400 001

To
The Manager [Listing]
National Stock Exchange of India Ltd
"Exchange Plaza", C-1, Block-G,
Bandra-Kurla Complex, Bandra (E),
Mumbai - 400 051

BSE Scrip Code: 513436

NSE Symbol: SHAHALLOYS

Sub: Board Meeting for considering Unaudited Financial Results for the Quarter Ended on 31.12.2013

With reference to above, kindly be informed that the Board of Directors of the company in its meeting held today have considered the Unaudited Quarterly Results along with Limited Review Report for the quarter ended on 31.12.2013. Copy of approved results along with Limited Review Report is enclosed for ready reference.

Kindly take the above on your record.

Thanking you,

Yours faithfully,

For, **Shah Alloys Ltd**

Vinod Kumar Shah
Company Secretary
Encl: a/a

**SHAH ALLOYS LIMITED**

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

UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 31ST DECEMBER, 2013**PART-I**

(Rs. In Crores)

	Particulars	QUARTER ENDED			YEAR TO DATE		YEAR ENDED
		31/12/2013	30/09/2013	31/12/2012	31/12/2013	31/12/2012	31/03/2013
		(UnAudited)	(UnAudited)	(UnAudited)	(UnAudited)	(UnAudited)	(Audited)
1	Income from Operations						
	(a) Net Sales/Income from Operations (Net of excise duty)	78.62	111.30	164.05	316.13	447.04	584.53
	(b) Other Operating Income	0.54	0.45	0.78	2.09	2.50	3.81
	Total Income from Operations (a)+(b)	79.16	111.75	164.83	318.22	449.54	588.34
2	Expenditure						
	(a) Cost of materials consumed	56.69	77.29	101.72	222.65	300.59	408.49
	(b) Purchases 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-progress and stock-in-trade	11.10	5.24	7.29	16.22	2.25	(5.18)
	(d) Employee benefits expense	5.05	5.57	5.86	16.32	18.84	25.08
	(e) Depreciation and amortisation expense	7.49	7.48	7.69	22.45	22.98	30.64
	(f) Consumption of Stores & Spares	11.21	17.02	23.51	46.33	76.60	99.40
	(g) Power cost	13.83	13.54	17.34	42.53	57.87	72.89
	(h) Other Expenditure	4.93	5.04	9.71	18.25	25.41	33.94
	Total Expenditure (a) to (h)	110.30	131.18	173.12	384.75	504.54	665.26
3	Profit / (Loss) from operations before other income, finance costs and exceptional item (1-2)	(31.14)	(19.43)	(8.29)	(66.53)	(55.00)	(76.92)
4	Other income	0.05	0.00	0.11	0.08	0.25	0.31
5	Profit / (Loss) from ordinary activities before finance costs and exceptional items (3+4)	(31.09)	(19.43)	(8.18)	(66.45)	(54.75)	(76.61)
6	Finance costs	26.37	23.24	23.44	72.51	69.88	92.36
7	Profit / (Loss) from ordinary activities after finance costs but before exceptional items (5-6)	(57.46)	(42.67)	(31.62)	(138.96)	(124.63)	(168.97)
8	Exceptional items	-	-	-	-	-	-
9	Profit / (Loss) from ordinary activities before tax (7-8)	(57.46)	(42.67)	(31.62)	(138.96)	(124.63)	(168.97)
10	Tax expense	(15.91)	(14.50)	(10.14)	(43.59)	(40.16)	(68.30)
11	Net Profit / (Loss) from ordinary activities after tax (9-10)	(41.55)	(28.17)	(21.48)	(95.37)	(84.47)	(100.67)
12	Extraordinary items	-	-	-	-	-	-
13	Net Profit / (Loss) for the period (11 - 12)	(41.55)	(28.17)	(21.48)	(95.37)	(84.47)	(100.67)
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	19.80
15	Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year	-	-	-	-	-	(484.42)
16	Earnings per share (of Rs. 10/- each) (not annualised) Basic & Diluted	(20.99)	(14.22)	(10.85)	(48.17)	(42.67)	(50.85)

PART-II

A	Particulars of Shareholding	QUARTER ENDED			YEAR TO DATE		YEAR ENDED
		31/12/2013	30/09/2013	31/12/2012	31/12/2013	31/12/2012	31/03/2013
1	Public Shareholding						
	- Number of shares	9068294	9068294	9068294	9068294	9068294	9068294
	- Percentage of shareholding	45.81%	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	10590370
	- Percentage of Total Promotor and Promoters Group Shareholding	98.71%	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%	53.49%
	b) Non - encumbered						
	- Number of shares	138876	138876	138876	138876	138876	138876
	- Percentage of Total Promotor and Promoters Group Shareholding	1.29%	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%	0.70%

B	INVESTOR COMPLAINTS	Quarter ended 31/12/2013	
	Pending at the beginning of the quarter	Nil	
	Received during the quarter	1	
	Disposed of during the quarter	1	
	Remaining unresolved at the end of the quarter	Nil	

Place : Santej.

For, Shah Alloys Ltd.

Date : 10-02-2014

Ashok Sharma
Whole Time Director

**SHAH ALLOYS LIMITED**

Regd Off.: 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 TO DATE		YEAR ENDED
	31/12/2013	30/09/2013	31/12/2012	31/12/2013	31/12/2012	31/03/2013
	(Unaudited)			(Unaudited)		(Audited)
1. Segment Revenue (Net Sales/Income from Operation)						
a) Stainless Steel Plant	78.62	111.30	164.05	316.13	447.04	584.53
b) Medical Store & Laboratory	0.00	0.00	0.00	0.00	0.00	0.00
Total	78.62	111.30	164.05	316.13	447.04	584.53
Less: Inter Segment Revenue	0.00	0.00	0.00	0.00	0.00	0.00
Total Sales/Income from Operation	78.62	111.30	164.05	316.13	447.04	584.53
2. Segment Results (Profit and Loss before Tax & Interest)						
a) Stainless Steel plant	(31.09)	(19.43)	(8.18)	(66.45)	(54.75)	(76.61)
b) Medical Store & Laboratory	0.00	0.00	0.00	0.00	0.00	0.00
Total	(31.09)	(19.43)	(8.18)	(66.45)	(54.75)	(76.61)
Less: Interest & Finance Charges	26.37	23.24	23.44	72.51	69.88	92.36
Total Profit before Tax	(57.46)	(42.67)	(31.62)	(138.96)	(124.63)	(168.97)
3. Capital Employed (Segment assets - Segment liabilities)						
a) Stainless Steel Plant	(540.06)	(498.63)	(439.75)	(540.06)	(439.75)	(455.58)
b) Medical Store & Laboratory	0.00	0.38	10.80	0.00	10.80	10.54
Total	(540.06)	(498.25)	(428.95)	(540.06)	(428.95)	(445.04)

Notes:

- The above results were reviewed by the Audit Committee and approved by Board of Directors in the meeting held on 10th February, 2014
- Company has identified two segments as per Accounting Standard 17.
- Dues on account of maturity of Foreign Currency Convertible Bonds (FCCB) on Dt.22-09-2011, have been frozen on maturity and accordingly exchange rate fluctuation has not been considered thereafter. Payment of FCCB shall be considered as per the scheme that may be considered by Hon'ble BIFR.
- Financial figures of previous year have been regrouped / re-classified, wherever necessary, to make them comparable.

Place: Santej

Date: 10th February, 2014

For, Shah Alloys Ltd.

Ashok Sharma
Whole Time Director



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Chartered Accountants

LIMITED REVIEW REPORT

**The Board of Directors
Shah Alloys Limited**

We have reviewed the accompanying statement of Un-audited financial results of Shah Alloys Limited ('the company') for the period ended 31st December 2013 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. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors/ committee of Board of Directors. Our responsibility is to issue a report on these financial statements based on our review.

We conducted our review 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.

We observe that the Company has not recognized foreign exchange gain of ₹ 13,046,440/- for the current quarter on Foreign Currency Convertible Bonds(FCCB) outstanding as at 31st December 2013 (as at 31/03/2013 – ₹ 5,752,294/-) as required under AS 11 "The Effects of Changes in Foreign Exchange Rates" due to which loss for the current quarter has been overstated by ₹ 13,046,440/- and negative balance of Reserves and Surplus has been overstated to the extent of ₹ 1,93,865,651/-. Further the Company has not provided for non moving stores and spares amounting to ₹ 8,98,95,153 /- as on 31st December 2013 as required under AS 2 "Valuation of Inventories" due to which loss has been understated by ₹ 8,98,95,153 /- and negative balance of Reserves and Surplus has been understated to the extent of ₹ 8,98,95,153 /-.

Based on our review conducted as above, *except for the possible effects of our observations stated in above para*, nothing has come to our attention that causes us to believe that the accompanying statement of un-audited financial results prepared in accordance with applicable Accounting Standards notified under the Companies Act, 1956 (which continue to be applicable in respect of section 133 of Companies

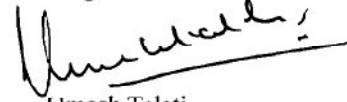


Act, 2013 in terms of the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs) and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.

Place: Ahmedabad
Date: 10th February, 2014



For Talati & Talati
Chartered Accountants
Firm Regn No. 110758W


Umesh Talati
Partner
Mem. No. 034834