

SAL 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
Phone : 02764 - 661100 | E-mail : info@shahalloys.com

31.05.2019

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: Corrigendum – Inadvertent typing error in Consolidated Financials for the quarter and year ended on 31.03.2019

Dear Sir,

With respect to the captioned subject, we would like to inform you that in the consolidated financials of the Company for the quarter and year ended on 31.03.2019, the following information for quarter ended 31.03.2019:

XV	Other Comprehensive income that will be reclassified in P & L	(6.78)
----	---	--------

be read as follows:

XV	Other Comprehensive income that will be reclassified in P & L	(5.03)
----	---	--------

Rest everything remains same/unchanged.

A complete set of all the documents with corrections as above is enclosed herewith for good records of the stakeholders.

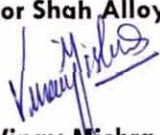
Our sincere apologies for the inconvenience caused to the stakeholders.

Kindly take the above on your record.

Thanking you,

Yours faithfully,

for Shah Alloys Limited


Vinay Mishra

Company Secretary & Compliance Officer



Encl: a/a

CIN - L27100GJ1990PLC014698

STATEMENT OF STANDALONE AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH, 2019

		Amount (Rs In Crores)				
	Particulars	QUARTER ENDED			YEAR ENDED	
		31/03/2019	31/12/2018	31/03/2018	31/03/2019	31/03/2018
		(Audited)	(Un Audited)	(Audited)	(Audited)	(Audited)
I	Revenue from Operations	184.11	125.69	116.14	570.02	479.79
II	Other Operating Income	3.57	2.48	0.22	6.64	0.74
	Other Non Operating Income	0.00	0.00	0.00	0.00	0.00
III	Total Revenue (I + II)	187.68	128.17	116.36	576.66	480.53
IV	Expenses					
	(a) Cost of materials consumed	118.42	121.16	95.19	430.89	312.23
	(b) Changes in inventories of finished goods, work-in-progress	22.10	(32.93)	(19.69)	(29.88)	33.49
	(c) Employee benefits expense	5.58	5.09	5.13	20.08	18.04
	(d) Finance costs	0.09	0.00	0.06	0.10	0.13
	(e) Depreciation and amortisation expense	3.25	3.26	3.41	13.01	13.64
	(f) Consumption of Stores & Spares	17.87	15.43	16.72	59.90	46.97
	(g) Power cost	14.73	22.03	14.48	74.51	64.16
	(h) Other Expenditure	4.21	3.25	2.11	13.77	5.62
	Total Expenses (a) to (h)	186.25	137.29	117.41	582.38	494.28
V	Profit / (Loss) Before exceptional and extraordinary items and tax (III - IV)	1.43	(9.12)	(1.05)	(5.72)	(13.75)
VI	Exceptional Item	0.00	0.00	99.10	0.00	134.40
VII	Profit / (Loss) after exceptional and before extraordinary items and tax (V+VI)	1.43	(9.12)	98.05	(5.72)	120.65
VIII	Deferred Tax	8.87	(3.19)	46.27	(13.24)	85.04
IX	Net Profit / (Loss) for the period from continuing operations (VII -VIII)	(7.44)	(5.93)	51.78	7.52	35.61
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 - X)	(7.44)	(5.93)	51.78	7.52	35.61
XIV	Items not reclassified to Profit and loss					
	Remesurement gain / loss on defined benefit plan	(0.09)	0.05	0.20	0.06	0.20
	Release of Deferred Tax	(0.07)	0.02	0.07	(0.02)	0.07
	Other comprehensive income Net of Tax	(0.16)	0.07	0.27	0.04	0.27
XV	Other Comprehensive income that will be reclassified in P & L	(5.03)	2.49	1.79	(6.78)	6.47
	Total comprehensive income Net of Tax	(5.19)	2.56	2.06	(6.74)	6.74
XVI	Total Income after Comprehensive income	(12.63)	(3.37)	53.84	0.78	42.35
	Earnings per equity share:					
XVII	Paid-up equity share capital (Equity shares having face value of Rs. 10/- each)	19.80	19.80	19.80	19.80	19.80
XVII I	Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year					(171.35)
XIX	Earnings per share (of Rs. 10/- each) (not annualised)					
	(1) Basic	(3.76)	(3.00)	26.15	3.80	17.99
	(2) Diluted	(3.76)	(3.00)	26.15	3.80	17.99



Kotamur

CIN: L27100GJ1990PLC014698

| Phone: 02764-661100 | Website: www.shahalloys.com | E-mail: sal.investor@shahalloys.com

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

Standalone Statement of Assets and Liabilities

(Rs. In Crore)

PARTICULAR			As at	As at
			31/03/2019	31/03/2018
			(Audited)	(Audited)
ASSETS				
1) Non-current assets				
a) Property, Plant and Equipment			119.18	130.56
b) Capital work-in-progress			9.01	9.01
c) Financial Assets				
(i) Investments			15.04	21.81
(ii) Trade receivables			0.00	0.00
(iii) Loans			0.00	0.00
d) Deferred tax assets (net)			225.03	211.81
e) Other non current assets			4.64	6.55
2) Current assets				
a) Inventories			125.11	84.43
b) Financial Assets				
(i) Trade receivables			28.56	3.65
(ii) Cash and cash equivalents			0.35	1.02
(iii) Loans			0.08	0.77
c) Other current assets			8.34	9.27
TOTAL ASSETS			535.34	478.88
EQUITY & LIABILITIES :				
EQUITY:				
a) Equity Share capital			19.80	19.80
b) Other Equity			(170.56)	(171.35)
LIABILITIES :				
1) Non-Current Liabilities				
a) Financial Liabilities				
(i) Borrowings			156.92	238.21
(ii) Trade payables			17.26	17.09
b) Provisions			1.38	1.21
c) Other non-current liabilities			0.00	0.78
2) Current liabilities				
a) Financial Liabilities				
(i) Borrowings			0.00	0.00
(ii) Trade payables			115.89	50.27
(iii) Other Financial liabilities			381.25	309.78
b) Other current liabilities			6.13	6.47
c) Provisions			7.27	6.62
Total Equity and Liabilities			535.34	478.88

Notes:

- The above Audited results were reviewed by the Audit Committee and approved by Board of Directors in the meeting held on 30th May, 2019
- 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
- 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.

K. S. M.



4	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 year ended March 31, 2019 and hence, the Management has not given effect of the same in the financial results .
5	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 31st March, 2019 and hence, the Management has not given effect of the same in the financial results .
6	Previous period figures have been regrouped and / or rearranged wherever necessary to make their classification comparable with the current period.

PLACE : SANTEJ
DATE : 30-05-2019



FOR SHAH ALLOYS LIMITED

K. S. Kamath
K. S. KAMATH . .
JT. MANAGING DIRECTOR
DIN : 00261544

**Independent Auditor's Report On Financial Results of SHAH ALLOYS LIMITED
pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure
Requirements) Regulations, 2015**

To

**Board of Directors of
SHAH ALLOYS LIMITED,
Ahmedabad.**

We have audited the accompanying Standalone statement of financial results of **SHAH ALLOYS LIMITED** (the Company) for the quarter and year ended 31st March, 2019, 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 quarter ended on 31st March 2019, has been compiled from the related interim condensed standalone financial statements prepared in accordance with Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34") and as it relates to the year ended March 31, 2019, has been compiled from the related annual financial statements prepared in accordance with Indian Accounting Standards, 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 audits of such interim condensed standalone financial statements and annual standalone 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 for Qualified Opinion

1. *The Company has not provided for foreign exchange loss in the financial results on the Principal amount of 1,00,00,000 USD and on the Premium amount of 48,25,500 USD of the Foreign Currency Convertible Bonds (FCCB) which had become due for payment on September 22, 2011 and remain unpaid as at March 31, 2019, which constitutes a departure from the Indian Accounting Standard- 21. "The Effects of Changes in Foreign Exchange Rates which requires that each foreign currency monetary items should be reported using the closing rate as at the balance sheet date. Non provision of the foreign exchange loss on the aforesaid Foreign Currency Convertible Bonds (FCCB) and the Premium amount relates to the period from September 23, 2011 to March 31, 2019. Had the company followed the Accounting Standard and made the provision for foreign exchange loss on the above FCCB for the year ending on 31.03.2019, then the Profit of the company for the year ending on 31.03.2019 would have been lower by Rs. 652.17 lacs and to that extent the liability would have been higher. However, the company has not provided for foreign exchange fluctuation on the above FCCB since September 2011 and accordingly the total loss on foreign exchange works out to Rs.3057.40 lacs which has not been provided by the company. Thus, balance of Reserve and surplus and the current liabilities have been understated by Rs. 3057.40 as on 31.03.2019.*
2. *For the year ending on 31st March,2019, 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).Had the company continued the said practice of making provision of interest on loans from banks and financial institutions for the year ended on 31st March2019 the Profit of the year would have been lower by Rs 1305.64 lacs and current liabilities would have been higher to that extent.*



3. 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 March 31, 2019.
4. 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 year ended March 31, 2019

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 standalone 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 in conformity with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India of the profits , total comprehensive income and other financial information for the quarter & year ended on 31st March, 2019.

EMPHASIS MATTER:

- 1) Note 42 to the standalone financial statements 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, in the 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".



2) Attention is invited to Note 41 of the Standalone 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

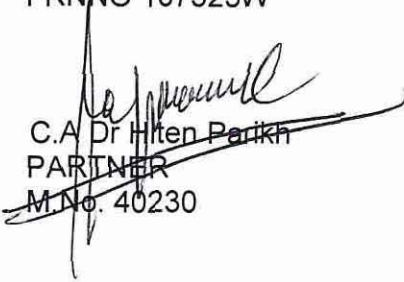
Our opinion is not modified in respect of the above matters.

Date: 30/05/2019

Place: Ahmedabad



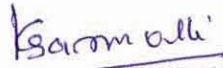
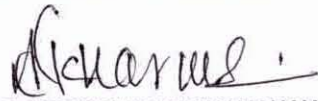
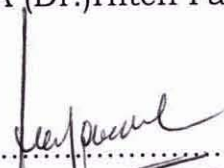
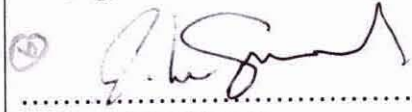
For Parikh & Majmudar
Chartered Accountants
FRNNO 107525W


C.A. Dr. Hiten Parikh
PARTNER
M.No. 40230

**Statement on Impact of Audit Qualifications (for audit report with modified opinion)
submitted along-with Annual Audited Financial Results – Shah Alloys Limited (Standalone)**

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2019 [See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]				
I.	Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications) ₹ In Cr.	Adjusted Figures (audited figures after adjusting for qualifications) ₹ In Cr.
	1.	Turnover / Total income	576.66	576.66
	2.	Total Expenditure	575.88	595.46
	3.	Net Profit/(Loss)	0.78	-18.80
	4.	Earnings Per Share before extraordinary items	-2.89	-12.78
		Earnings Per Share after extra ordinary items	0.39	-9.49
	5.	Total Assets	535.34	535.34
	6.	Total Liabilities	686.10	729.73
	7.	Net Worth	-150.76	-194.39
	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 to Para No. 1 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: 2011-12 Para 2 of Qualification : Since FY: 2017-18 Para 3 of Qualification : Since FY: 2017-18 Para 4 of Qualification : Since FY: 2017-18	
	d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:		Para no. 1 – On account of maturity of Foreign Currency Convertible Bonds (FCCB) on 22.09.2011, dues have been frozen. On 13.09.2010 the company was declared as Sick by Hon'ble BIFR under section 3(1)(o) of SICA. It was taken a conscious decision that the principal amount be frozen on the date of maturity and no further exchange gain/loss and interest to be provided on the FCCB. Thus liability was frozen on the maturity. In view of the insufficient accruals, the cash flow is not sufficient to pay to the FCCB holders.	

		Para no. 2 – On account of non-payment of principle and interest to the Banks, debts were declared NPA by the Banks. Since company wants to settle the dues amicably with the Banks, it did not provide for interest.
	e. For Audit Qualification(s) where the impact is not quantified by the auditor:	Refer Para 3 & 4 of Qualifications of Auditors' Report
	(i) Management's estimation on the impact of audit qualification:	Not quantifiable
	(ii) If management is unable to estimate the impact, reasons for the same:	Para no. 3 – 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 and hence, the Management has not given effect of the same in the consolidated financial results. Para no. 4 – 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 and hence, the Management has not given effect of the same in the consolidated financial results.
	(iii) Auditors' Comments on (i) or (ii)	Nothing further to add

Signatories	
- Joint Managing Director	Shri K S Kamath  (DIN 00261544)
- Chief Financial Officer (CFO)	Shri Ashok Sharma  (PAN ACMPS6399G)
- Auditor of the company Parikh & Majmudar, Chartered Accountants (FRN: 107525W)	Shri CA (Dr.) Hiten Parikh  (Membership No. 040230)
- Audit Committee Chairman	Shri G. M. Shaikh  (DIN 00367186)



STATEMENT OF CONSOLIDATED AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH, 2019

		Amount (Rs In Crores)				
	Particulars	QUARTER ENDED			YEAR ENDED	
		31/03/2019	31/12/2018	31/03/2018	31/03/2019	31/03/2018
		(Audited)	(Un Audited)	(Audited)	(Audited)	(Audited)
I	Revenue from Operations	184.11	125.69	116.14	570.02	479.79
II	Other Operating Income	3.57	2.48	0.22	6.64	0.74
	Other Non Operating Income	0.00	0.00	0.00	0.00	0.00
III	Total Revenue (I + II)	187.68	128.17	116.36	576.66	480.53
IV	Expenses					
	(a) Cost of materials consumed	118.42	121.16	95.19	430.89	312.23
	(b) Changes in inventories of finished goods, work-in-progress	22.10	(32.93)	(19.69)	(29.88)	33.49
	(c) Employee benefits expense	5.58	5.09	5.13	20.08	18.04
	(d) Excise Duty on Sales	0.00	0.00	0.00	0.00	0.00
	(e) Finance costs	0.09	0.00	0.06	0.10	0.13
	(f) Depreciation and amortisation expense	3.25	3.26	3.41	13.01	13.64
	(g) Consumption of Stores & Spares	17.87	15.43	16.72	59.90	46.97
	(h) Power cost	14.73	22.03	14.48	74.51	64.16
	(i) Other Expenditure	4.21	3.25	2.11	13.77	5.62
	Total Expenses (a) to (i)	186.25	137.29	117.41	582.38	494.28
V	Profit / (Loss) Before exceptional and extraordinary items and tax (III - IV)	1.43	(9.12)	(1.05)	(5.72)	(13.75)
VI	Exceptional Item	0.00	0.00	99.10	0.00	134.40
VII	Profit / (Loss) after exceptional and before extraordinary items and tax (V+VI)	1.43	(9.12)	98.05	(5.72)	120.65
VIII	Deferred Tax	8.87	(3.19)	46.27	(13.24)	85.04
IX	Net Profit / (Loss) for the period from continuing operations (VII -VIII)	(7.44)	(5.93)	51.78	7.52	35.61
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 - X)	(7.44)	(5.93)	51.78	7.52	35.61
	Share of Profit /(Loss) of Associate Concern	(5.03)	2.49	1.79	(6.78)	6.47
XIV	Items not reclassified to Profit and loss					
	Remesurement gain / loss on defined benefit plan	(0.09)	0.05	0.20	0.06	0.20
	Release of Deferred Tax	(0.07)	0.02	0.07	(0.02)	0.07
	Other comprehensive income Net of Tax	(0.16)	0.07	0.27	0.04	0.27
XV	Other Comprehensive income that will be reclassified in P & L	(5.03)	2.49	1.79	(6.78)	6.47
	Total comprehensive income Net of Tax	(5.19)	2.56	2.06	(6.74)	6.74
XVI	Total Income after Comprehensive income	(7.60)	(5.86)	52.05	7.57	35.88
	Earnings per equity share:					
XVII	Paid-up equity share capital (Equity shares having face value of Rs. 10/- each)	19.80	19.80	19.80	19.80	19.80
XVII I	Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year					(193.16)
XIX	Earnings per share (of Rs. 10/- each) (not annualised)					
	(1) Basic	(3.76)	(3.00)	26.15	3.80	17.99
	(2) Diluted	(3.76)	(3.00)	26.15	3.80	17.99



Karmali

Consolidated Statement of Assets and Liabilities

(Rs. In Crore)

PARTICULAR	As at	
	31/03/2018	31/03/2018
	(Audited)	(Audited)
ASSETS		
1) Non-current assets		
a) Property, Plant and Equipment	119.18	130.56
b) Capital work-in-progress	9.01	9.01
c) Financial Assets		
(i) Investments	0.00	0.00
(ii) Trade receivables	0.00	0.00
(iii) Loans	0.00	0.00
d) Deferred tax assets (net)	225.03	211.81
e) Other non current assets	4.64	6.55
2) Current assets		
a) Inventories	125.11	84.43
b) Financial Assets		
(i) Investments	0.00	0.00
(ii) Trade receivables	28.56	3.65
(iii) Cash and cash equivalents	0.35	1.02
(iv) Loans	0.08	0.77
c) Other current assets	8.34	9.27
TOTAL ASSETS	520.30	457.07
EQUITY & LIABILITIES :		
EQUITY:		
a) Equity Share capital	19.80	19.80
b) Other Equity	(185.60)	(193.16)
LIABILITIES :		
1) Non-Current Liabilities		
a) Financial Liabilities		
(i) Borrowings	156.92	238.21
(ii) Trade payables	17.26	17.09
b) Provisions	1.38	1.21
c) Other non-current liabilities	0.00	0.78
2) Current liabilities		
a) Financial Liabilities		
(i) Borrowings	0.00	0.00
(ii) Trade payables	115.89	50.27
(iii) Other Financial liabilities	381.25	309.78
b) Other current liabilities	6.13	6.47
c) Provisions	7.27	6.62
Total Equity and Liabilities	520.30	457.07

Notes:

- The above Audited consolidated results were reviewed by the Audit Committee and approved by Board of Directors in the meeting held on 30th May, 2019
- Consolidated Results for the quarter ended March 31, 2019 have been prepared in accordance with The Companies (Indian Accounting Standards) Rules, 2015 (IND AS) notified by the Ministry of Corporate Affairs. The consolidated results for the quarter ended March 31, 2019 have been restated as per IND AS and are comparable on like to like basis



3	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
4	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.
5	The Ind-AS compliant consolidated 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.
6	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 year ended March 31, 2019 and hence, the Management has not given effect of the same in the consolidated financial results .
7	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 31st March 2018 and hence, the Management has not given effect of the same in the consolidated financial results .
8	With reference to above, we submit that regarding 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.
9	Previous period figures have been regrouped and / or rearranged wherever necessary to make their classification comparable with the current period.

PLACE : SANTEJ
DATE : 30-05-2019



FOR SHAH ALLOYS LIMITED

K. S. Kamath

K. S. KAMATH
JT. MANAGING DIRECTOR
DIN : 00261544



**Independent Auditor's Report On Financial Results of SHAH ALLOYS
LIMITED pursuant to the Regulation 33 of the SEBI (Listing Obligations and
Disclosure Requirements) Regulations, 2015**

To

Board of Directors of

SHAH ALLOYS LIMITED,

Ahmedabad.

We have audited the accompanying Consolidated statement of financial results of **SHAH ALLOYS LIMITED** (the Company) for the quarter and year ended 31st March, 2019, 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 quarter ended on 31st March 2019, has been compiled from the related interim condensed standalone financial statements prepared in accordance with Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34") and as it relates to the year ended March 31, 2019, has been compiled from the related annual financial statements prepared in accordance with Indian Accounting Standards, 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 audits of such interim condensed consolidated financial statements and annual consolidated 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 for Qualified Opinion

1. *The holding Company has not provided for foreign exchange loss in the financial results on the Principal amount of 1,00,00,000 USD and on the Premium amount of 48,25,500 USD of the Foreign Currency Convertible Bonds (FCCB) which had become due for payment on September 22, 2011 and remain unpaid as at March 31, 2019, which constitutes a departure from the Indian Accounting Standard- 21. "The Effects of Changes in Foreign Exchange Rates which requires that each foreign currency monetary items should be reported using the closing rate as at the balance sheet date. Non provision of the foreign exchange loss on the aforesaid Foreign Currency Convertible Bonds (FCCB) and the Premium amount relates to the period from September 23, 2011 to March 31, 2019. Had the holding company followed the Accounting Standard and made the provision for foreign exchange loss on the above FCCB for the year ending on 31.03.2019, then the Profit of the Holding company for the year ending on 31.03.2019 would have been lower by Rs.652.17 lacs and to that extent the liability would have been higher. However, the holding company has not provided for foreign exchange fluctuation on the above FCCB since September 2011 and accordingly the total loss on foreign exchange works out to Rs.3057.40 lacs which has not been provided by the holding company. Thus, balance of Reserve and surplus and the current liabilities have been understated by Rs.3057.40 lacs as on 31.03.2019.*
2. *For the year ending on 31st March,2019, 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).Had the company continued the said practice of making provision of interest on loans from banks and financial institutions for the year ended on 31st March2019 the profit of the year would have been lower by Rs 1305.64 lacs and current liabilities would have been higher to that extent.*



3. 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 year ended March 31, 2019.
4. 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 year ended March 31, 2019

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 consolidated Financial Results;

- (i) is 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 in conformity with the Indian Accounting standards and other accounting principles generally accepted in India of the Consolidated net profit and total comprehensive income for the period and other financial information of the Group for the quarter & year ended on 31st March, 2019.

EMPHASIS MATTER

- 1) Note 41 to the Consolidated financial statements which 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 the 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 therefore the financial results of the holding Company have been prepared on a "going concern basis".

- 2) Attention is invited to Note 42 of the Consolidated 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.
- 3) Note 44 to the Consolidated financial statements which states that the Associate 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 Associate Company's ability to continue as a going concern. However, in the view of the management, the associate 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 associate Company have been prepared on a "going concern basis".
- 4) Note 45 to 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.
- 5) Attention is invited to Note No 46 of the Consolidated financial statements which states that during the year the associate company had written off an amount of Rs.9,12,32,064/- paid as advances for capital projects shown under the heading of "Long term loans and advances" up to the Financial year 2017-18.



6) During the year under ended on 31st March 2019, the associate company has carried out a techno economic assessment for the valuations of its Capital Projects, to identify the impairment loss and provision thereof if any. Based on the said techno economic assessment of the capital projects, the associate company has provided Rs 20,01,00,200 as per note no 47 to the consolidated financial statements. The same is in accordance with Indian Accounting Standard — 36 'IMPAIRMENT OF ASSETS', which states that impairment loss is recognized when the carrying amount of an assets exceeds its recoverable amount.

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

Date: 30-05-19

Place: Ahmedabad



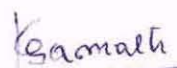
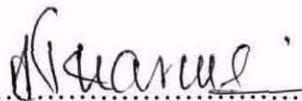
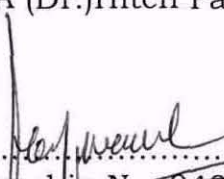
For Parikh & Majmudar
Chartered Accountants
FRNNO 107525W


C.A. Dr. Hiten Parikh
PARTNER
M.No. 40230

Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with Annual Audited Financial Results – Shah Alloys Limited (Consolidated)

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2019 [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 Crores	Adjusted Figures (audited figures after adjusting for qualifications) Rs. In Crores
	1.	Turnover / Total income	576.66	576.66
	2.	Total Expenditure	569.09	588.67
	3.	Net Profit/(Loss)	7.57	-12.01
	4.	Earnings Per Share before extra ordinary items	-2.89	-12.78
		Earnings Per Share after extra ordinary items	3.82	-6.06
	5.	Total Assets	520.30	520.30
	6.	Total Liabilities	686.10	729.73
	7.	Net Worth	-165.80	-209.43
	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 to Para No. 1 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 : FY: 2011-12 Para 2 of Qualification : FY : 2017-18 Para 3 of Qualification : FY : 2017-18 Para 4 of Qualification : FY : 2017-18	
	d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:		<u>Para no. 1 –</u> On account of maturity of Foreign Currency Convertible Bonds (FCCB) on 22.09.2011, dues have been frozen. On 13.09.2010 the company was declared as Sick by Hon'ble BIFR under section 3(1)(o) of SICA. It was taken a conscious decision that the principal amount be frozen on the date of maturity and no further exchange gain/loss and interest to be provided on the FCCB. Thus liability was frozen on the maturity. In view of the insufficient accruals, the cash flow is not sufficient to pay to the FCCB holders. <u>Para no. 2 –</u> On account of non-payment of principle and	

		interest to the Banks, debts were declared NPA by the Banks. Since company wants to settle the dues amicably with the Banks, it did not provide for interest.
	e. For Audit Qualification(s) where the impact is not quantified by the auditor:	Refer Para 3 & 4 of Qualifications of Auditors' Report
	(i) Management's estimation on the impact of audit qualification:	Not quantifiable
	(ii) If management is unable to estimate the impact, reasons for the same:	<u>Para – 3</u> 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 and hence, the Management has not given effect of the same in the consolidated financial results. <u>Para – 4</u> 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 and hence, the Management has not given effect of the same in the consolidated financial results
	(iii) Auditors' Comments on (i) or (ii) above:	Nothing further to add

Signatories	
- Joint Managing Director	Shri K S Kamath  (DIN 00261544)
- Chief Financial Officer (CFO)	Shri Ashok Sharma  (PAN ACMP56399G)
- Auditor of the company Parikh & Majmudar, Chartered Accountants (FRN: 107525W)	Shri CA (Dr.) Hiten Parikh  (Membership No. 040230)
- Audit Committee Chairman	Shri G. M. Shaikh  (DIN 00367186)

