



Steel Exchange India Limited

Corp. Office : Block 'A', Green City, Near Apparel Export Park, Vadlapudi (Po), Visakhapatnam - 530 046. A.P.

Phone : +91-891-2587175, 2587573 Fax : +91-891-2749215

URL : www.seil.co.in

CIN: L74100AP1999PLC031191

E-mail : info@seil.co.in

SEIL/ Un-audited Results- Q2/ 2019-20

08th November, 2019

To
The Manager,
Department of Corporate Services,
BSE Limited
P.J. Towers, Dalal Street,
Mumbai - 400001

To
The Manager,
Listing Department,
National Stock Exchange of India Limited,
Exchange Plaza, Bandra Kurla Complex,
Bandra (East), Mumbai - 400051

Scrip Code: 534748

Scrip ID: STEELXIND

Dear Sir,

Sub: Submission of Un-audited Standalone Financial Results for the quarter and Half year ended 30th September, 2019- Reg.

This is to Inform that Pursuant to Regulation 30 and 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose herewith the statement of Unaudited Standalone Financial results of the company for the quarter and Half year ended 30th September, 2019 along with Limited Review Report as approved and taken on record by the Board of Directors at its meeting held today i.e. 08th November, 2019.

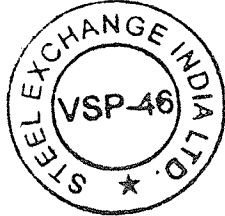
Kindly take the same on record.

The meeting of Board of Directors commenced at 11.30 a.m. and concluded at 1.30 p.m.

For Steel Exchange India Limited

Raveendra Babu M

Raveendra Babu M
Company Secretary
M.No: A34409



CC to: The Calcutta Stock Exchange Limited, 7, Lyons, Range, Kolkata - 700001

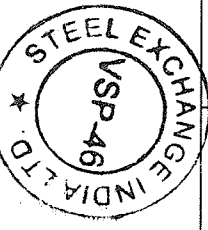
Regd. Office : 303, My Home Laxminivas Apartments, Greenlands, Ameerpet, Hyderabad - 500 016. TELANGANA

Phone : +91-40-23403725 Fax : +91-40-23413267

Factory : Sreerampuram (Village), L. Kota (Mandal), Vizianagaram (District) - 535 161, A.P.

Part I : Statement of Standalone Un-Audited Results for the Quarter and Half Year ended 30th September, 2019 (₹. In Lakhs except EPS)

Particulars	Quarter ended			Half Year ended		Year ended
	30.09.2019 (Unaudited)	30.06.2019 (Unaudited)	30.09.2018 (Unaudited)	30.09.2019 (Unaudited)	30.09.2018 (Unaudited)	
1. Revenue from operations						
Gross sales/ income from operations	17,311.09	22,417.00	23,178.58	39,728.09	48,516.28	1,02,394.13
Total revenue from operations	17,311.09	22,417.00	23,178.58	39,728.09	48,516.28	1,02,394.13
2. Other income	106.21	34.45	200.44	140.65	239.19	533.52
3. Total Income [1+2]	17,417.30	22,451.45	23,379.02	39,868.75	48,755.46	1,02,927.65
4. Expenses						
(a) Raw materials consumed	10,478.59	15,218.06	15,908.27	25,696.65	32,981.23	67,566.87
(b) Purchases of finished, semi-finished steel & other products	1,604.07	1,704.10	4,591.67	3,308.17	7,798.80	17,998.06
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	1,698.77	(818.20)	(1,741.65)	880.58	(2,355.34)	(1,507.86)
(d) Employee benefits expense	659.12	651.96	605.49	1,311.09	1,195.24	2,583.43
(e) Finance costs	0.88	18.38	7.51	19.26	41.99	996.55
(f) Depreciation and amortisation expense	688.12	695.54	738.36	1,383.67	1,474.11	2,962.16
(g) Other expenses	1,456.95	2,562.36	3,088.82	4,019.32	5,673.71	14,045.80
Total Expenses [4(a) to 4(f)]	16,586.52	20,032.21	23,198.47	36,618.73	46,809.74	1,04,645.01
5. Profit / (Loss) before exceptional items and tax (3-4)	830.78	2,419.24	180.55	3,250.02	1,945.72	(1,717.36)
6. Exceptional items	-	-	-	-	-	-
7. Profit / (Loss) before tax (5-6)	830.78	2,419.24	180.55	3,250.02	1,945.72	(1,717.36)
8. Tax expense	-	-	-	-	-	-
(a) Current Tax	-	-	-	-	-	-
(b) Deferred Tax	-	-	-	-	-	1,950.51
Total tax expense [8(a)+(b)]	-	-	-	-	-	1,950.51
9. Net Profit / (Loss) for the period (7-8)	830.78	2,419.24	180.55	3,250.02	1,945.72	(3,667.87)
10. Other comprehensive income						
A (i) Items that will not be reclassified to profit or loss	-	-	-	-	-	(16.53)
(ii) Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-	-	5.16
B (i) Items that will be reclassified to profit or loss	-	-	-	-	-	-
(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-	-
Total other comprehensive income	-	-	-	-	-	(11.37)
11. Total Comprehensive Income for the period (9+10)	830.78	2,419.24	180.55	3,250.02	1,945.72	(3,679.24)
12. Paid-up equity share capital [Face Value per share: ₹. 10/-]	7,598.48	7,598.48	7,598.48	7,598.48	7,598.48	7,598.48
13. Other Equity excluding revaluation reserves	-	-	-	-	-	(21,603.35)
14. Earnings per equity share (of ₹. 10/- each)						
(a) Basic (in ₹.)	1.09	3.18	0.24	4.28	2.56	(4.84)
(b) Diluted (in ₹.)	1.09	3.18	0.24	4.28	2.56	(4.84)



B. S. S.

SEGMENT REVENUE, RESULTS AND CAPITAL EMPLOYED FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER, 2019

(₹. In Lakhs)

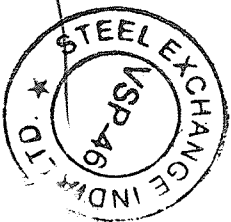
Particulars	Quarter ended			Half Year ended		Year ended
	30.09.2019 (Unaudited)	30.06.2019 (Unaudited)	30.09.2018 (Unaudited)	30.09.2019 (Unaudited)	30.09.2018 (Unaudited)	
1.Revenue by Business Segment:						
Steel	17,539.69	22,897.11	44,865.91	40,436.81	95,871.35	1,08,245.60
Power	943.26	1,023.45	4,013.02	1,966.72	8,488.65	13,651.36
Total:	18,482.96	23,920.57	48,878.94	42,403.52	1,04,360.00	1,21,896.96
Less: Inter segment revenue	1,171.86	1,503.57	25,700.36	2,675.43	55,843.72	19,502.83
Total income from operations	17,311.09	22,417.00	23,178.58	39,728.09	48,516.28	1,02,394.13
2. Segment results (Profit)/Loss (-) before finance cost , exceptional items and tax :						
Steel	1,193.22	2,520.12	(43.39)	3,713.35	1,488.53	(265.33)
Power	(361.56)	(82.51)	231.41	(444.07)	499.19	(455.47)
Segment results (Profit)/Loss (-) before finance cost , exceptional items and tax :	831.66	2,437.61	188.06	3,269.27	1,987.72	(720.80)
Less: Finance cost	0.88	18.38	7.51	19.26	41.99	996.55
Profit/(Loss) before exceptional items & tax	830.78	2,419.24	180.55	3,250.02	1,945.72	(1,717.36)
less: Exceptional items	-	-	-	-	-	-
Profit / (Loss) before tax	830.78	2,419.24	180.55	3,250.02	1,945.72	(1,717.36)
3. Segment Assets						
Steel Business	1,14,459.06	1,16,571.04	1,27,077.91	1,14,459.06	1,27,077.91	1,15,811.08
Power Business	26,411.66	26,675.87	27,417.27	26,411.66	27,417.27	26,940.34
Total:	1,40,870.72	1,43,246.92	1,54,495.18	1,40,870.72	1,54,495.18	1,42,751.42
4. Segment Liabilities						
Steel Business	93,701.11	96,903.20	1,06,600.00	93,701.11	1,06,600.00	98,191.51
Power Business	16,435.70	15,788.58	14,236.98	16,435.70	14,236.98	15,771.99
Total:	1,10,136.81	1,12,691.78	1,20,836.99	1,10,136.81	1,20,836.99	1,13,963.50

Note:

- The above results were reviewed by the audit committee and approved by the Board of Directors in their respective meetings held on 08.11.2019 and a limited review of the same was carried out by the Statutory Auditors of the Company.
- Considering the requirements under Indian Accounting Standard (Ind AS) 108 on "Operating Segments", the Company has identified sale of Steel and Power as primary business segments and accordingly the disclosures have been made. As per this standard the Company has reported segment information as described below:(a) The steel segment includes production and marketing operations of Rebars (TM) & Billets. (b) The power segment includes generation and marketing operations of Thermal and Gas based power.
- Other income includes interest, lease rentals received and miscellaneous income.
- The majority of the lenders have stopped charging interest on debts since the Company has been categorized as Non-performing Asset. The Company is in active discussion /negotiation with the Lenders for a suitable debt resolution. Pending finalization of debt resolution with the Lenders, the Company has stopped providing for accrued interest and unpaid effective from 1st January 2018, in its books of accounts.
- The amount of such accrued and unpaid interest (including penal interest and other charges) not provided for is estimated at Rs.4,973.34 lakhs for the quarter ended 30th September, 2019 and the same has also not been considered for compilation of results of the current quarter. The accumulated interest not provided upto 30th September, 2019 is estimated at Rs.31,550.70 lakhs. The Statutory Auditors have qualified their Review Report in respect of this matter.
- The Company continues to be in liquidity stress with the current liabilities exceeding the current assets as on 30th September, 2019. It is expected that the overall financial health of the Company would improve considerably after debt resolution. Accordingly, the Company has prepared the financial results on the basis of going concern assumption. The statutory auditors have also drawn attention to the above matter without qualifying their observation in their Review Report.
- The wholly owned subsidiary "SEIL (HONG KONG) Limited" continues to be in dormant state with no investment and no activity since inception and hence the Consolidated Financial Statements are not furnished.
- Income tax and deferred tax will be provided at the end of the financial year.
- Previous period/ quarter figures have been re arranged/regrouped where ever considered necessary.

For and on behalf of the Board

B. Suresh Kumar
Joint Managing Director

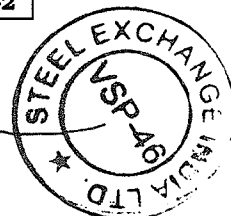


(₹. In Lakhs)

Standalone Statement of Assets and Liabilities		
Particulars	As at 30th September 2019	As at 31st March 2019
ASSETS:		
Non-Current Assets:		
a) Property, Plant and Equipment	67,848.61	69,070.53
b) Capital work-in-progress	446.07	450.20
c) Other non-current assets	3,359.72	3,322.33
Sub total - Non-current Assets	71,654.39	72,843.05
Current Assets:		
a) Inventories	58,075.28	59,278.60
b) Financial assets		
i) Other investments	-	30.93
ii) Trade receivables	4,619.50	3,902.32
iii) Cash and cash equivalents	140.79	90.20
iv) Other bank balances	346.51	343.11
v) Other financial assets	3,980.15	4,149.10
c) Other current assets	2,054.10	2,114.09
Sub total - Current Assets	69,216.33	69,908.36
Total Assets	1,40,870.72	1,42,751.42
EQUITY AND LIABILITIES:		
Equity:		
a) Equity share capital	7,598.48	7,598.48
b) Other equity	4,785.13	1,535.12
Sub total - Equity	12,383.62	9,133.60
Liabilities:		
Non-Current Liabilities:		
a) Financial Liabilities		
i) Borrowings	10,977.02	12,281.04
ii) Other financial liabilities	1,860.88	1,860.88
b) Deferred tax liabilities (net)	5,391.61	5,391.61
c) Provisions	120.79	120.79
Sub total - Non-current Liabilities	18,350.30	19,654.32
Current Liabilities:		
a) Financial Liabilities		
i) Borrowings	73,975.36	74,478.65
ii) Trade payables	10,783.68	13,582.82
iii) Other financial liabilities	20,277.44	20,573.60
b) Other current liabilities	5,094.97	5,323.08
c) Provisions	5.36	5.36
Sub total - Current Liabilities	1,10,136.81	1,13,963.50
Total Equity and Liabilities	1,40,870.72	1,42,751.42

For and on Behalf of Board


B. SURSH KUMAR
Joint Managing Director



Place: Visakhapatnam
Date : 08.11.2019

Standalone Cash Flow Statement for the six months ended 30th September,2019

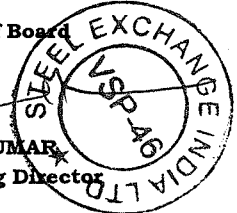
(₹. In Lakhs)

Particulars	Six months ended 30.09.2019	Six months ended 30.09.2018	Year ended 31.03.2019
A CASH FLOW FROM OPERATING ACTIVITIES:			
Profit/(Loss) before income tax for the year	3,250.02	1,945.72	(1,717.36)
Adjustment for non cash/ non operational expenses:			
a) Depreciation	1,383.67	1,474.11	2,962.16
b) Bad debts written off and other write offs	2.87	-	4,982.09
c) Finance costs recognised in profit or loss	19.26	41.99	996.55
d) Loss/ (gain) on disposal of property,plant and equipment	6.76	-	2.97
e) Un realised gain on financial assets	-	-	(0.99)
Operating profit before working capital changes	4,662.57	3,461.83	7,225.42
Adjustments for working capital changes:			
a) Decrease/(Increase) in Trade Receivables	(720.05)	1,465.01	905.67
b) Decrease/(Increase) in Inventories	1,203.32	(3,847.13)	(1,345.24)
c)(Increase)/Decrease in Other non Current Assets	(40.79)	240.64	877.30
d)(Increase)/Decrease in Other Financial Assets	168.95	635.07	2,464.79
e)(Increase)/Decrease in Other Current Assets	59.99	(734.17)	(35.94)
f) Increase/ (Decrease) in Trade Payables	(2,799.14)	1,443.63	3,921.69
g) Increase/ (Decrease) in Other financial liabilities	(1,553.69)	278.31	(2,991.67)
h) Increase/ (Decrease) in Other current liabilities	(228.10)	(231.40)	(5,068.26)
i) Increase/ (Decrease) in Other non current liabilities	-	-	32.74
Cash generated from operations	753.06	2,711.79	5,986.50
Less: Income taxes paid	-	-	-
Net Cash Flow from operating activities	753.06	2,711.79	5,986.50
B CASH FLOW FROM INVESTING ACTIVITIES:			
a) Payments for property, plant and equipment	(179.14)	(333.30)	(315.93)
b) Proceeds from disposal of property, plant and equipment	10.64	-	5.02
c) Realisation of mutual funds	30.93	-	-
c) (Increase)/Decrease in Capital Work in Progress	4.13	2.24	36.96
Net Cash Flow from investing activities	(133.44)	(331.06)	(273.94)
C CASH FLOW FROM FINANCING ACTIVITIES:			
a) Repayment of borrowings	(540.06)	(2,262.38)	(4,739.23)
b) Increase/(Decrease) in Unsecured Loans	(9.72)	(19.67)	(32.62)
c) Payment of Finance costs	(19.26)	(41.99)	(996.55)
Net Cash Flow from financing activities	(569.04)	(2,324.04)	(5,768.40)
Net Increase/(Decrease) in Cash and Cash equivalents (A+B+C)	50.59	56.69	(55.85)
Cash and cash equivalents at the beginning of the year	90.20	146.05	146.05
Cash and cash equivalents at the end of the year	140.79	202.74	90.20

Place: Visakhapatnam
Date : 08.11.2019

For and on Behalf of Board


B. SURSH KUMAR
 Joint Managing Director





Steel Exchange India Limited

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To
The Manager,
Department of Corporate Services,
BSE Limited
P.J. Towers, Dalal Street,
Port, Mumbai - 400001

To
The Manager,
Listing Department,
National Stock Exchange of India Limited,
Exchange Plaza, Bandra Kurla Complex,
Bandra (East), Mumbai - 400051

Dear Sirs,

Sub: Declaration pursuant to Regulation 33(3)(d) of SEBI Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended

DECLARATION FOR MODIFIED OPINION


I, B. Suresh Kumar, Joint Managing Director of Steel Exchange India Limited, on behalf of the Company, hereby declare that the Company is submitting the Un Audited Financial Results for the Quarter and Half year ended on September 30, 2019 along with Limited Review Report with modified Opinion.

The declaration is given along with Un Audited Financial Results, pursuant to Reg. 33 (3) (d) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.

Kindly take this declaration on your record.

Thanking you

Yours faithfully,
For **STEEL EXCHANGE INDIA LIMITED**


B. Suresh Kumar
Joint Managing Director



Place: Visakhapatnam
Date: 08.11.2019

CC to: The Calcutta Stock Exchange Limited, 7, Lyons, Range, Kolkata - 700001

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Phone : +91-40-23403725 Fax : +91-40-23413267

Factory : Sreerampuram (Village), L. Kota (Mandal), Vizianagaram (District) - 535 161, A.P.



Limited Review Report on Unaudited Quarterly Standalone Financial Results of Steel Exchange India Limited for the Quarter ended 30th September, 2019 pursuant to regulation 33 of SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015.

**To
The Board of Directors,
Steel Exchange India Limited**

We have reviewed the accompanying Statement of unaudited financial results ("the Statement") of STEEL EXCHANGE INDIA LIMITED ("the Company") for the quarter ended 30th September, 2019 and year to date from 01st April, 2019 to 30th September, 2019 together with the notes thereon ("the statements") attached herewith. The statement is being submitted by the Company pursuant to the requirements of Regulation 33 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by the Circular no. CIR/CFD/FAC/44/2019 dated March 29, 2019 and Circular No CIR/CFD/CMD1/ 80 /2019 dated July 19th, 2019.

This Statement, which is the responsibility of the Company's management and approved by the Board of Directors in their meeting held on 08.11.2019 has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 'Interim Financial Reporting' ("Ind AS 34"), 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 issue a report on the Statement based on our review.

We conducted our review of the statement in accordance with the Standard on Review Engagements(SRE) 2410, " Review of Interim Financial Information performed by the Independent Auditor of the Entity" specified under Section 143 (10) of the Companies Act, 2013. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of the Company personnel and an analytical procedure applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Bases of qualified conclusion:

We draw attention to Note 5 of accompanying statement with regard to non-recognition of interest expense on the borrowings of the company. The accumulated interest not provided as on sep 30, 2019 is Rs.31530.70lakhs (including Rs.3,682.14 lakhs for F.Y. 2017-18, Rs.18,099.18 lakhs for F.Y.2018-19 and Rs.9769.38 lakhs for the half year ended 30th sep 2019) which is not in accordance with the requirement of Ind AS 109 'Borrowing Cost' read with Ind AS 109: 'Financial Instruments'.





Had the aforesaid interest expense been recognized, financial result for the quarter ended Sep 30, 2019 would have been loss of Rs.4142.56 lakhs instead of the reported amount of profit of Rs.830.78 lakhs. Total expenses for the quarter ended Sep 30, 2019 would have been Rs. 21559.86 Lakhs instead of the reported amount of Rs 16586.52. Net Loss after tax for the quarter ended Sep 30, 2019 would have been Rs. 4142.56 lakhs instead of the reported profit amount of Rs. 830.78 lakhs. Profit/ (Loss) per share for the quarter ended Sep 30, 2019 would have been Rs. (5.45) instead of the reported amount of Rs 1.09

Qualified Conclusion:

Based on our review conducted as above, except for the matter described in the Basis of Qualified Conclusion paragraph above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited standalone financial results prepared in accordance with the applicable Indian Accounting Standards as prescribed under Section 133 of the Companies Act, 2013, 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 Regulation, as amended, read with circular including the manner in which it is to be disclosed or that it contains any material misstatement.

We draw your attention to the following matters:

- (a) Note 6 to the statement regarding the preparation of the statement on going concern basis. The Company has reported profit for the quarter ended September 30, 2019 subject to our qualified conclusion stated above. As on date, the Company's current liabilities exceeded its current assets. 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.

Our conclusion is not qualified in respect of these matters.

For Bhavani & CO
Chartered Accountants
Firm Regn. No. 0121398

(CA KAVITHA PADMINI SIRIGINA)
PARTNER
M.NO 229966



Place: Visakhapatnam
Date: 08.11.2019

UDIN: 19229966AAAABH4711