



National Steel & Agro Industries Ltd

14th November, 2018

Ref. No.: NSAIL/SEC/2018

To,
BSE Limited
1st Floor, New Trading Ring,
Rotunda Building, P J Towers,
Dalal Street, Fort,
Mumbai - 400 001

To,
National Stock Exchange of India Limited
'Exchange Plaza', C-1, Block G,
Bandra - Kurla Complex,
Bandra (E)
Mumbai 400 051

Sub: Unaudited Financial Results for the quarter and half year ended 30th September, 2018

Dear Sir/Madam,

Pursuant to the provisions of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed Unaudited Financial Results of the Company for the quarter and half year ended 30th September, 2018 along with Limited Review Report.

Kindly take the same on your record.

Thanking you,
Yours faithfully,

For National Steel and Agro Industries Ltd.

Anurag Gangrade

Company Secretary

Membership No: FCS-9187

Encl.: As above



Regd. Office : 621, Tulsiani Chambers, Nariman Point, Mumbai - 400 021. Ph: +91 22 22886267, 22025098
Fax: +91 22 22025084 **CIN: L27100MH1985PLC140379**

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Ph: +91 731 2518167-8-9, 4017409 Fax: +91 731 2516714. Web: www.nsail.com



National Steel & Agro Industries Ltd

Unaudited Financial Results for the quarter and half year ended 30th September, 2018

(Rs in Lacs except EPS)

S. No.	Particulars	QUARTER ENDED			HALF YEAR ENDED		YEAR ENDED
		30.09.2018	30.06.2018	30.09.2017	30.09.2018	30.09.2017	31.03.2018
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
	(Refer Notes Below)						
1	Income from operations						
	(a) Sales /Income from operations	28,828	46,355	115,006	75,183	221,540	423,092
	(b) Other operating income	180	197	27	377	65	1,098
	Total income from operations	29,008	46,552	115,033	75,560	221,605	424,190
	Other income	1,817	602	569	2,419	743	1,509
	Total Income	30,825	47,154	115,602	77,979	222,348	425,699
2	Expenses						
	(a) Cost of materials consumed	13,188	24,402	23,938	37,590	52,635	106,578
	(b) Purchases of stock-in-trade	14,858	17,171	84,199	32,029	142,590	276,124
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(901)	2,263	(2,161)	1,362	2,814	19,877
	(d) Central Excise Duty					3,378	3,143
	(e) Employee benefits expense	1,188	1,216	1,275	2,404	2,678	5,342
	(f) Finance costs	4,441	2,679	2,862	7,120	6,256	13,417
	(g) Depreciation and amortisation expense	1,214	1,240	424	2,454	845	4,952
	(h) Other expenses	3,221	2,174	4,381	5,395	9,393	18,642
	Total Expenses	37,209	51,145	114,918	88,354	220,589	448,075
3	Profit / (Loss) from operations before exceptional items, extraordinary items and Tax (1-2)	(6,384)	(3,991)	684	(10,375)	1,759	(22,376)
4	Exceptional items	-	-	-	-	-	-
5	Profit / (Loss) from ordinary activities before extraordinary items and tax (3 + 4)	(6,384)	(3,991)	684	(10,375)	1,759	(22,376)
6	Extraordinary items						
7	Profit / (Loss) from ordinary activities before tax (5 + 6)	(6,384)	(3,991)	684	(10,375)	1,759	(22,376)
8	Tax expense						
	a) Current tax (net of MAT Credit)	-	-	49	-	344	-
	b) Income tax paid for earlier years	-	-	-	-	-	92
	c) Deferred tax	-	-	307	-	265	(8,179)
	Sub total of 8 (a+b+c)	-	-	356	-	609	(8,087)
9	Net Profit / (Loss) for the period (7 -8)	(6,384)	(3,991)	328	(10,375)	1,150	(14,289)
10	Other Comprehensive Income / (Loss)	44	44	30	88	60	175
	-Items that will not be reclassified to Profit & loss						
	Re-measurement gains/(loss) on defined benefit plans						
11	Total Comprehensive Income / (Loss) (9+10)	(6,341)	(3,947)	358	(10,288)	1,210	(14,114)
12	Paid-up equity share capital (Face Value of the Share Rs. 10/- each)	4,450	4,450	4,450	4,450	4,450	4,450
13	Reserves	-	-	-	-	-	(55,889)
14	Earnings per equity share						
	(of Rs. 10 /- each) (not annualised):						
	(a) Basic	(14.35)	(8.97)	0.74	(23.32)	2.58	(32.11)
	(b) Diluted	(14.35)	(8.97)	0.74	(23.32)	2.58	(32.11)



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Segment wise Revenue, Results and Capital Employed

(Rs. In Lacs)

S. No.	Particulars	QUARTER ENDED			HALF YEAR ENDED		YEAR ENDED
		30.09.2018	30.06.2018	30.09.2017	30.09.2018	30.09.2017	31.03.2018
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Segment Revenue						
a)	Manufacturing (Including other operation income)	12,794	27,187	35,258	39,981	75,723	135,194
b)	Traded goods	16,214	19,365	79,775	35,579	145,882	288,996
	Total	29,008	46,552	115,033	75,560	221,605	424,190
	Less: Inter Segment Revenue						
	Sales/ Income From Operations	29,008	46,552	115,033	75,560	221,605	424,190
2	Segment Results						
	Profit/(Loss) before tax and interest from each segment						
a)	Manufacturing (Including other operation income)	(4,111)	(1,981)	1,604	(6,092)	4,348	(8,491)
b)	Traded goods	351	93	1,402	444	2,981	(1,864)
	Total	(3,760)	(1,888)	3,006	(5,648)	7,329	(10,355)
	Add: i) Other Income	1,817	602	569	2,419	743	1,509
	ii) Exceptional items		-				
	Total	(1,943)	(1,286)	3,575	(3,229)	8,072	(8,846)
	Less: i) Interest	4,441	2,679	2,862	7,120	6,256	13,417
	ii) Other unallocable expenditure	(0)	26	29	26	57	113
	Total Profit before tax	(6,384)	(3,991)	684	(10,375)	1,759	(22,376)
3	Capital Employed						
	Segment Assets						
a)	Manufacturing (Including other operation income)	79,310	82,339	99,713	79,310	99,713	105,858
b)	Traded goods	21,413	37,596	36,481	21,413	36,481	38,557
c)	Unallocable	262	289	242	262	242	435
	Segment Liability						
a)	Manufacturing (Including other operation income)	89,315	100,777	41,139	89,315	41,139	116,890
b)	Traded goods	58,455	60,181	29,436	58,455	29,436	64,435
c)	Unallocable	438	149	1,521	438	1,521	287
	Capital Employed (Segment Assets - Segment Liabilities)						
a)	Manufacturing (Including other operation income)	(10,005)	(18,438)	58,574	(10,005)	58,574	(11,032)
b)	Traded goods	(37,042)	(22,585)	7,045	(37,042)	7,045	(25,878)
c)	Unallocable	(176)	140	(1,279)	(176)	(1,279)	148
	Total	(47,223)	(40,883)	64,340	(47,223)	64,340	(36,762)



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National Steel & Agro Industries Ltd

Statement of Assets and Liabilities as on 30th September, 2018

(Rs.in Lacs)

	Particulars	As at 30th Sep' 2018	As at 31st March' 2018
A	ASSETS		
1	Non-current assets		
	(a) Property, plant and equipment	57,586	59,961
	(b) Intangible Assets	10	10
	(c) Capital Work-in-Progress	-	91
	(d) Financial Assets		
	(i) Other Financial Assets	278	284
	(e) Other Non-Current Assets	133	130
	(f) Income Tax Assets (Net)	134	130
	Total Non-Current Assets	58,140	60,606
2	Current assets		
	(a) Inventories	9,614	28,887
	(b) Financial Assets		
	(i) Current Investments	103	132
	(ii) Trade Receivables	24,183	36,281
	(iii) Cash and Cash Equivalents	327	285
	(iv) Bank Balance Other than Cash and Cash Equivalents	1,541	9,765
	(v) Other Financial Assets	236	274
	(c) Other Current Assets	6,973	8,620
	Total Current Assets	42,978	84,244
	TOTAL ASSETS	101,118	144,850
B	EQUITY AND LIABILITIES		
1	Equity		
	(a) Equity Share Capital	4,450	4,450
	(b) Other Equity	(66,177)	(55,889)
	Total Equity	(61,727)	(51,439)
2	Non-Current Liabilities		
	(a) Financial Liabilities		
	(i) Long Term Borrowings	5,501	5,501
	(ii) Other Financial Liabilities	695	735
	(b) Provisions	137	137
	(c) Deferred Tax Liabilities (Net)	8,304	8,304
	Total Non-Current Liabilities	14,637	14,677
3	Current Liabilities		
	(a) Financial Liabilities		
	(i) Short Term Borrowings	101,415	19,332
	(ii) Trade Payables	30,343	142,985
	(iii) Other Financial Liabilities	560	759
	(b) Provisions	438	287
	(c) Current Tax Liabilities (net)		
	(d) Other Current Liabilities	15,452	18,249
	Total Current Liabilities	148,208	181,612
	TOTAL EQUITY AND LIABILITIES	101,118	144,850



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NOTES:

- 1 As on 30th September, 2018, the company's net worth is fully eroded and stands at Rs. (617.27) Crores and its current liability exceeded its Current Assets by Rs. 1050.96 Crores. Also, the company has incurred a net loss of Rs. 102.88 Crores for the period from April 2018 to September, 2018. However, the company is taking appropriate steps to tide-over these issues/problems by improving the operational performance of the steel business by ramping up the capacity utilization, tied-up with different marketing agencies, implementing the operational restructuring exercise, negotiating with banks/lenders to restructure its debts etc. Further with the improved market condition both indigenously and internationally, management is confident to regain its market position. Also, Promoters are planning to infuse the fund in the business In view of these, the results have been prepared on "Going Concern" basis.
- 2 Letter of Credits (LC) worth Rs. 826.57 Crores (net of payment and inclusive of interest charged by the banks) were established by the banks in favour of suppliers of the goods to the company have been devolved upto 30th Sept., 2018. Further since 1st October, 2018 till date, additional LCs worth Rs. 77.04 Crores have been devolved making the total devolved LC amounting to Rs. 903.61 Crores. Further Bank Guarantees (BG) worth Rs. 6.25 Crores have been invoked by the beneficiaries during the period April 2018 to September, 2018.
- 3 The company has accumulated secured debts amounting to Rs. 1014.15 Crores, out of which, Rs. 804.11 Crores has been classified as Non Performance Assets (NPA) by the banks as of 30th September, 2018. Some of the banks – Secured lenders has issued demand notice under Section 13(2) of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 ("SARFAESI Act") for recovery of their dues on various dates. Company has replied / is in the process of replying these notices and contemplating to restructures the loan with the lenders.
- 4 The above results have been reviewed by the Audit Committee and approved by the Board of Directors of the Company in their meeting held on 14th November, 2018.
- 5 Previous year/period figures have been regrouped/rearranged wherever considered necessary.
- 6 Limited review of unaudited financial results have been carried out by the Statutory Auditors of the Company.

For and on behalf of the Board of Directors

Date: 14th November, 2018
Place: Indore

Santosh Shihra
Executive Chairman
DIN: 00305846

Nagalingam Goli
Managing Director
DIN:- 03317130

Manoj Khetan
Chief Financial Officer



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Tel.: 022 2844 3299

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Gupta Saharia & Co.

Chartered Accountants

INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM FINANCIAL RESULTS

To,
The Board of Directors
National Steel and Agro Industries Limited

We have reviewed the accompanying statement of unaudited financial results of **National Steel and Agro Industries Limited** ("the Company") for the quarter ended September 30, 2018 ("the Statement") and year to date from April 1, 2018 to September 30, 2018 (the "Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016 ("the Circular").

This statement which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), 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 issue a report on the Statement based on our review. We conducted our review of the Statement in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information performed by 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 Statement is free of material misstatements. 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.

Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with aforesaid Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016 including the manner in which it is to be disclosed, or that it contains any material misstatement.



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Branches : Borivali • Kolkata • Surat



Emphasis of Matter

(a) Material Uncertainty regarding Going Concern

We refer to Note 1 of the financial statements wherein it is mentioned that the financial statements are prepared on going concern basis for the reasons mentioned in the said note.

Our report is not modified for the above as we are unable to comment on the ultimate outcome of the above.

(b) As mentioned in Note 2 to the financial statements, letter of Credits have devolved on the Company, during the half year ending 30th September 2018 and subsequent to the half year. The Company is however confident of meeting the liabilities. We are unable to comment on the said matter.

(c) As mentioned in Note 3 to the financial statements, the company has accumulated secured debts amounting to Rs. 1014.15 crores, out of which, Rs. 804.11 Crores has been classified as Non Performance Assets (NPA) by the banks as of 30th September, 2018. Some of the banks – Secured lenders has issued demand notice under Section 13(2) of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 ("SARFAESI Act") for recovery of their dues on various dates. The company has replied / is in the process of replying these notices and contemplating to restructures the loan with the lenders. We are unable to comment on the said matter.

For Gupta Saharia & Co.
Chartered Accountants
ICAI Firm Registration Number: 103446W

CA Suresh Saharia
Partner
Membership No.: 040180



Place: Indore
Date: 14th November 2018