



# INDUCTO

## STEEL LTD

February 12, 2018

To,  
Dept. of Corporate Services  
**BSE Limited**  
P.J. Tower, Fort,  
Mumbai- 400 001

**Sub: Outcome of the meeting of the Board of Directors of Inducto Steels Limited ("the Company") held on February 12, 2018**

**Ref: Regulation 30 (read with Schedule III- Part A), 33 and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Regulations")**

**Scrip Code & ID: 532001 & INDCTST**  
**ISIN: INE146H01018**

Dear Sir/Madam,

Kindly note that the Board of Directors of the Company has, in its meeting held today i.e. on Monday, February 12, 2018 ("said meeting") at 3.00 p.m. at the registered office of the Company situated at 156, Maker Chambers VI, 220, Jammalal Bajaj Marg, Nariman Point, Mumbai-400021, inter alia, considered and approved the Unaudited Financial Results of the Company for the Quarter and Nine months ended December 31, 2017 for the financial year 2017-18 ("Unaudited Financial Results").

The said meeting concluded at 3.30 p.m.

Further, in reference to the above intimation and pursuant to the applicable provisions of SEBI Regulations, please find enclosed herewith:

- a. The Unaudited Financial Results;
- b. Limited Review Report dated February 12, 2018, issued by the Statutory Auditors of the Company w.r.t. the Unaudited Financial Results and taken on record by the Board of Directors of the Company.

The above is for your information and record.  
Please acknowledge receipt of the same.

Thanking you.

Yours faithfully,  
For **Inducto Steels Limited**

**Sd/-**  
Arpita Doshi  
**Company Secretary**  
Encl:a/a

**Cc:**  
**Central Depository Services (India)Ltd.**  
**16<sup>th</sup>& 17<sup>th</sup> Floor**  
**Phiroze Jeejeebhoy Towers**  
**Dalal Street, Fort,**  
**Mumbai- 400 023**

**National Securities Depository Limited**  
**Tradeworld, 4<sup>th</sup>& 5<sup>th</sup> floors,**  
**Kamala Mills Compound**  
**Lower Parel**  
**Mumbai- 400 013**

| Inducto Steel Ltd.   |               |                 |               |                   |                 |
|--|---------------|-----------------|---------------|-------------------|-----------------|
| CIN No. - L27100MH1988PLC194523  |               |                 |               |                   |                 |
| Registered office - 156, Maker Chambers VI, 220 Jammalal Bajaj Marg, Nariman Point, Mumbai - 400 021 |               |                 |               |                   |                 |
| Website - www.hariyanagroup.com Email - contact.hariyanagroup.com                                    |               |                 |               |                   |                 |
| Telephone - +022 - 22043211  |               |                 |               |                   |                 |
| STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER, 2017   |               |                 |               |                   |                 |
| (Rupees in Lakhs)  |               |                 |               |                   |                 |
| Particulars  | Quarter Ended |                 |               | Nine Months Ended |                 |
|  | 31st Dec 2017 | 30th Sept 2017  | 31st Dec 2016 | 31st Dec 2017     | 31st Dec 2016   |
| Revenue from operations  | -             | 995.76          | 733.91        | 2,202.82          | 733.91          |
| Other income   | 59.14         | 135.33          | (7.27)        | 202.67            | 418.41          |
| <b>Total Income</b>  | <b>59.14</b>  | <b>1,131.09</b> | <b>726.64</b> | <b>2,405.48</b>   | <b>1,152.31</b> |
| <b>Expenses</b>  |               |                 |               |                   |                 |
| Cost of materials consumed   | -             | 911.49          | 686.76        | 2,019.46          | 686.76          |
| Purchases of Stock-in-Trade  | -             | -               | -             | -                 | -               |
| Changes in inventories of finished goods, Stock-in-Trade and work-in-progress                        | -             | -               | -             | -                 | -               |
| Employee benefits expense  | 5.86          | 24.65           | 18.67         | 62.85             | 25.08           |
| Excise Duty  | -             | -               | 67.96         | 126.55            | 67.96           |
| Finance costs  | 5.81          | 11.20           | (103.16)      | 25.08             | 151.67          |
| Depreciation and amortization expense  | 3.72          | 3.72            | 3.63          | 11.12             | 10.84           |
| Other expenses   | 11.02         | 28.02           | 14.10         | 78.45             | 41.22           |
| <b>Total expenses</b>  | <b>26.41</b>  | <b>979.07</b>   | <b>687.97</b> | <b>2,323.51</b>   | <b>983.53</b>   |
| <b>Profit/(loss) before exceptional items and tax</b>  | <b>32.73</b>  | <b>152.02</b>   | <b>38.67</b>  | <b>81.97</b>      | <b>168.78</b>   |
| Exceptional Items  | -             | -               | -             | -                 | -               |
| <b>Profit/(loss) before tax</b>  | <b>32.73</b>  | <b>152.02</b>   | <b>38.67</b>  | <b>81.97</b>      | <b>168.78</b>   |
| <b>Tax expense:</b>  |               |                 |               |                   |                 |
| Current tax  | 11.59         | 15.37           | 13.17         | 26.96             | 52.95           |
| Deferred tax   | (0.43)        | (0.44)          | (0.35)        | (0.63)            | 2.65            |
| <b>Profit (Loss) for the period from continuing operations</b>                                       | <b>21.58</b>  | <b>137.09</b>   | <b>25.84</b>  | <b>55.64</b>      | <b>113.17</b>   |
| Profit/(loss) from discontinued operations   | -             | -               | -             | -                 | -               |
| Tax expense of discontinued operations   | -             | -               | -             | -                 | -               |
| Profit/(loss) from Discontinued operations (after tax)   | -             | -               | -             | -                 | -               |
| <b>Profit/(loss) for the period</b>  | <b>21.58</b>  | <b>137.09</b>   | <b>25.84</b>  | <b>55.64</b>      | <b>113.17</b>   |
| <b>Other Comprehensive Income</b>  |               |                 |               |                   |                 |
| Items that will not be reclassified to profit or loss  | -             | -               | -             | -                 | -               |
| Income tax relating to items that will not be reclassified to profit and loss account                | -             | -               | -             | -                 | -               |
| <b>Total Comprehensive Income for the period</b>   | <b>21.58</b>  | <b>137.09</b>   | <b>25.84</b>  | <b>55.64</b>      | <b>113.17</b>   |
| Paid-up equity share capital (Face Value of the Share Rs. 10/- each)                                 | 401.73        | 401.73          | 401.73        | 401.73            | 401.73          |
| <b>Earnings per equity share (for continuing operation):</b>   |               |                 |               |                   |                 |
| Basic  | 0.54          | 3.41            | 0.64          | 1.39              | 2.82            |
| Diluted  | 0.54          | 3.41            | 0.64          | 1.39              | 2.82            |
| <b>Earnings per equity share (for discontinued operation):</b>                                       |               |                 |               |                   |                 |
| Basic  | -             | -               | -             | -                 | -               |
| Diluted  | -             | -               | -             | -                 | -               |
| <b>Earnings per equity share (for continuing &amp; discontinued operation):</b>                      |               |                 |               |                   |                 |
| Basic  | 0.54          | 3.41            | 0.64          | 1.39              | 2.82            |
| Diluted  | 0.54          | 3.41            | 0.64          | 1.39              | 2.82            |

**Notes :**

- 1 The financial results of the quarter ended December 31, 2017 were reviewed by the Audit Committee, and were approved by the Board of Directors as its meeting held on February 12, 2018.
- 2 The Company has adopted Ind AS with effect from 1st April, 2017. Therefore, Ind AS transition date is w.e.f. 1st April 2016 and for that purpose comparative figures for the corresponding quarters and Nine months ended are restated. Accordingly, the impact of transition has been provided and figures for that period has been restated accordingly. The Ind-AS compliant financial results, pertaining to the relevant periods of the previous year 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.
- 3 The financial results of the company have been prepared in accordance with Indian Accounting Standards prescribed under section 133 of the companies Act, 2013 read with relevant rule thereunder and in terms with regulation 33 of SEBI (LODR) regulations 2015 and SEBI circular dated 5th July 2016. The company had prepared the reconciliation of net profit for the quarter ended December 2016 and Nine Months ended December 2016.

**4 Reconciliation of results between previous Indian GAAP and Ind AS**

| Particulars  | (Rs. in Lakhs)              |                                 |
|--|-----------------------------|---------------------------------|
|  | Quarter ended 31st Dec 2016 | Nine months ended 31st Dec 2016 |
| <b>Profit after tax as per Indian GAAP</b>                           | <b>25.91</b>                | <b>105.13</b>                   |
| <b>Add / Less Adjustments</b>  |                             |                                 |
| Fair Value of Financial Instrument (Investment in Mutual Fund)       | 0.01                        | 0.03                            |
| Allowance for doubtful debts as per Expected Credit Loss Model (ECL) | (0.12)                      | 11.59                           |
| Deferred Tax on Ind AS Adjustments                                   | 0.04                        | (3.58)                          |
| <b>Net profit before OCI as per Ind AS</b>                           | <b>25.84</b>                | <b>113.17</b>                   |
|  | -0                          | -0                              |

- 5 Revenue from operations for periods upto 30th June, 2017 included excise duty, which is discontinued from 1st July, 2017 on implementation of Goods and Service Tax (GST) in India. In accordance with Ind AS 18, GST is not included in Revenue from Operations. In view of the aforesaid restructuring of indirect taxes, revenue from operations for the quarter/ nine months ended on 31st December, 2017 is not comparable with previous periods.
- 6 The company has entered into an agreement i.e. Addendum to High Seas Sales Contract on 10th July, 2017 that any foreign exchange gain/ loss which will actually realized and/ or occurred by the seller of ship M V Fern shall be passed on to/ or borne by the company. Consequently, the company has occurred Foreign Exchange Gain amounting Rs. 50.85 Lakhs during the quarter under review.
- 7 Ind AS 108 establishes standards for the way that public business enterprises report information about operating segments and related disclosures about geographic areas. The company's operations predominantly relate to enhance business performance. Based on the "Management Approach" as defined in Ind AS 108, the Chief Operating Decision Maker (CODM) evaluates the company's performance and allocates resources based on an analysis of various performance indicators by geographic segments. Accordingly, information has been presented on geographic segments. The accounting principles used in the preparation of the financial statements are consistently applied to record revenue and expenditure in individual segments.  
Business segments of the company are primarily categorized as: Trading & Investment (Mumbai) and Ship Breaking (Bhavnagar).
- 8 Figures of previous reporting periods have been regrouped/reclassified wherever necessary to correspond with the figures of the current reporting period.

| Unaudited Segment Information                               |               |                |               |               |               |
|---|---------------|----------------|---------------|---------------|---------------|
| (Amount in Lakhs)   |               |                |               |               |               |
| Particulars   | Quarter Ended |                |               | Nine months   |               |
|   | 31st Dec 2017 | 30th Sept 2017 | 31st Dec 2016 | 31st Dec 2017 | 31st Dec 2016 |
| 1. Segment Revenue  |               |                |               |               |               |
| (a) Trading & Investment (Mumbai)                           | -             | -              | -             | -             | -             |
| (b) Ship Breaking (Bhavnagar)                               | -             | 995.76         | 733.91        | 2,202.82      | 733.91        |
| (c) Unallocated   | -             | -              | -             | -             | -             |
| Total   |               |                |               |               |               |
| Less: Inter Segment Revenue                                 |               |                |               |               |               |
| Net Sales/Income from operations                            | -             | 995.76         | 733.91        | 2,202.82      | 733.91        |
| 2. Segment Results (Profit/(loss) before interest and tax ) |               |                |               |               |               |
| (a) Trading & Investment (Mumbai)                           | 3.21          | 2.46           | (12.09)       | 6.24          | 402.15        |
| (b) Ship Breaking (Bhavnagar)                               | 35.33         | 160.76         | (52.40)       | 100.81        | (81.71)       |
| (c) Unallocated   | -             | -              | -             | -             | -             |
| Total   | 38.54         | 163.22         | (64.49)       | 107.06        | 320.45        |
| Less:   |               |                |               |               |               |
| (i) Interest  | 5.81          | 11.20          | (103.16)      | 25.08         | 151.67        |
| (ii) Other Unallocable Expense                              | -             | -              | -             | -             | -             |
| (iii) Unallocable Income                                    | -             | -              | -             | -             | -             |
| Total Profit before taxes                                   | 32.73         | 152.02         | 38.67         | 81.97         | 168.78        |
| Income Tax Expenses   |               |                |               |               |               |
| (i) Current Tax   | 11.59         | 15.37          | 13.17         | 26.96         | 52.95         |
| (ii) Deferred Tax   | (0.43)        | (0.44)         | (0.35)        | (0.63)        | 2.65          |
| Profit after Tax  | 21.58         | 137.09         | 25.84         | 55.64         | 113.17        |
| 3. Capital Employed (Segment Assets-Segment Liabilities)    |               |                |               |               |               |
| Segment Assets  |               |                |               |               |               |
| (a) Trading & Investment (Mumbai)                           | 4,194.03      | 4,186.56       | 4,226.52      | 4,194.03      | 4,226.52      |
| (b) Ship Breaking (Bhavnagar)                               | 234.43        | 382.65         | 4,102.20      | 234.43        | 4,102.20      |
| (c) Unallocated   | -             | -              | -             | -             | -             |
| Segment Liabilities   |               |                |               |               |               |
| (a) Trading & Investment (Mumbai)                           | 292.42        | 441.03         | 450.39        | 292.42        | 450.39        |
| (b) Ship Breaking (Bhavnagar)                               | 7.34          | 21.06          | 3,751.38      | 7.34          | 3,751.38      |
| (c) Unallocated   | -             | -              | -             | -             | -             |

For and on behalf of the Board

Rajeev Reniwal  
Managing Director

Place: Mumbai  
Date: 12.02.2018

