



# SCAN STEELS LTD.

(Formerly Known as Clarus Infrastructure Realties Limited)

CIN : L27209MH1994PLC076015

Registered Office : Office No.: 104, 105, E-Square, Subhash Road,  
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14<sup>th</sup> February, 2017

To  
The General Manager  
Department of Corporate Services  
Bombay Stock Exchange Limited  
Floor 25, P.J. Towers, Dalal Street,  
Mumbai-400 001

**Sub: Unaudited Financial Results for the quarter and nine months ended December 31, 2016**

**BSE Code : 511672**

Dear Sir,

Pursuant to Regulation 30 & 33 of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 (Listing Regulations), we write to inform you that the Board of Directors of the Company at the meeting held today, i.e. 14<sup>th</sup> February, 2017 -

(1) Approved the Unaudited Financial Results for the quarter and nine months ended December 31, 2016 as set out in compliance with Indian Accounting Standards (Ind-AS). We herewith enclosed the above said financial results for the quarter and nine months ended December 31, 2016 together with Limited Review Reports for your kind record and reference.

(2) Alteration of the Object Clause of the Memorandum of Association

Recommended for the approval of the members, for alteration of object clause of the memorandum of Association of the company to include the activities relating power plant, such approval to be taken by means of Postal Ballot and e-voting.

The Board meeting was commenced at 4.00 p.m. and concluded at 6.00 p.m.

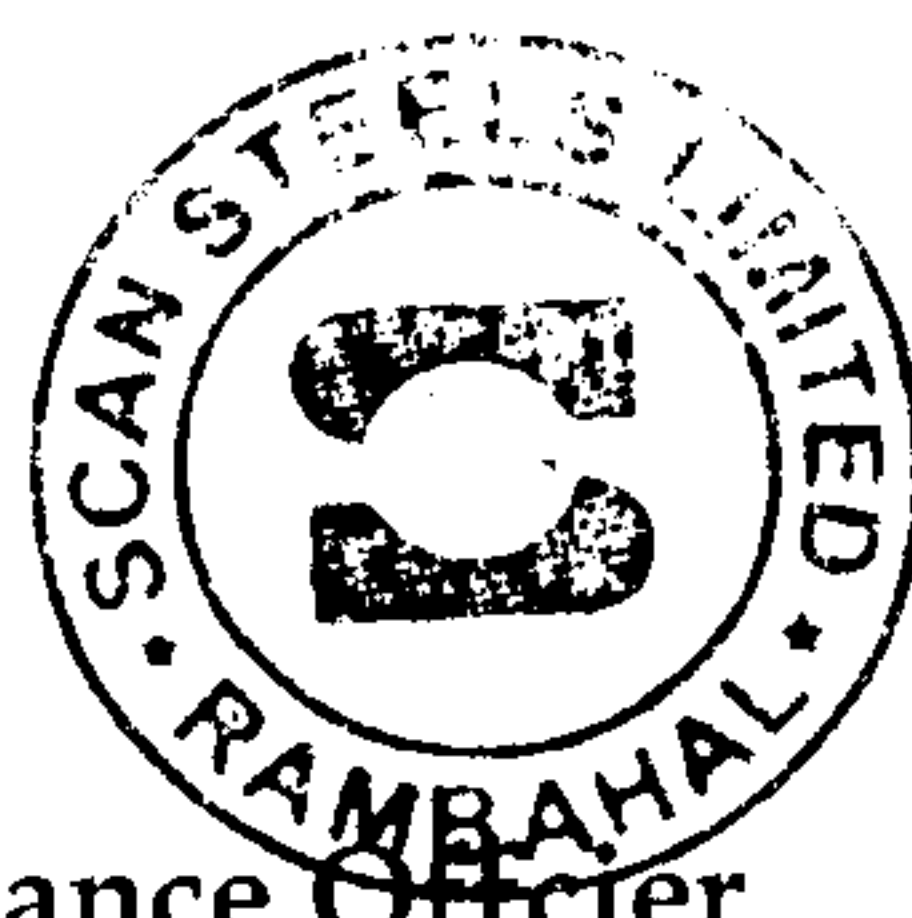
Please take on record the same.

Thanking you,

For SCAN STEELS LIMITED

(Prabir Kumar Das)

Company Secretary & Compliance Officer



Encl : As above

Works : Vill- Rambahal, Po- Keshramal, Near Rajgangpur, Dist- Sundargarh-770017, Odisha  
Ph.: 06624 - 280 327 / 328, Fax : 06624 - 280 326

MANUFACTURERS OF : SPONGE IRON, M.S. BILLETS, TMT RODS, INGOTS & POWER



**SRB & Associates**  
CHARTERED ACCOUNTANTS

5TH FLOOR, IDCO TOWER, JANAPATH,  
BHUBANESWAR - 751 022, ODISHA  
TEL : 0674 - 2541043, 2545880  
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## INDEPENDENT AUDITORS' REVIEW REPORT

TO,

**The Board of Directors  
Scan Steels Limited  
(Formerly Clarus Infrastructure Realities Limited)**

1. We have reviewed the accompanying statement of unaudited financial results of **M/s Scan Steels Limited** ("the Company") for the quarter and nine months ended 31<sup>st</sup> December, 2016("the statement") being submitted by the company pursuant to the requirements of Regulation 33 of the SEBI(Listing Obligations and Disclosure Requirements), Regulations, 2015,as modified by Circular No CIR/CFD/FAC/62/2016 dated 5<sup>th</sup> July,2016.

This Statement is the responsibility of the company's management and has been approved by the Board of Directors, at its meeting held on 14<sup>th</sup> February, 2017, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standards 34 ("Ind AS 34"), prescribed under sec 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.

2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410 "Review of Interim Financial Information performed by Independent Auditors of the entity's" 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.
3. Based on our review conducted as above and read with **Note-5** of the accompanying financial results nothing has come to our attention that causes us to believe that the accompanying statements of unaudited financial results prepared in accordance with applicable accounting standards and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of SEBI (Listing Obligations and





**SRB & Associates**

CHARTERED ACCOUNTANTS

Disclosure Requirements') Regulations 2015, as modified by Circular No CIR/CFD/FAC/62/2016 dated 5<sup>th</sup> July,2016 including the manner in which it is to be disclosed, or that it contains any material misstatement.

14<sup>th</sup> February, 2017  
Rambahal

For SRB & Associates.  
Chartered Accountants  
Firm Regn No-310009E

B.Mohanty  
Partner  
M.No.056264





**UNAUDITED FINANCIAL RESULTS FOR THE QUARTER & NINE MONTHS ENDED 31ST DECEMBER, 2016**  
**( Amount Rs. In Lacs, except earning per share data )**

SI No.	Particulars	Quarter ended 31.12.2016	Quarter ended 30.09.2016	Quarter ended 31.12.2015	Nine months ended 31.12.2016	Nine months ended 31.12.2015	Financial year ended 31.03.2016
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
1	<b>Income from Operations</b>						
	(a) Net sales/ income from operations (Net of Excise duty)	9,435.94	8,055.89	7,873.37	28,405.09	24,250.87	35,309.19
	(b) Other Operating Income	-	-	-	-	-	-
	<b>Total income from operations (Net) (a+b)</b>	<b>9,435.94</b>	<b>8,055.89</b>	<b>7,873.37</b>	<b>28,405.09</b>	<b>24,250.87</b>	<b>35,309.19</b>
2	<b>Expenses</b>						
	a. Cost of material consumed	6,244.16	5,800.12	6,797.92	17,780.61	19,331.74	24,963.81
	b. Purchase of Stock in trade	227.06	371.34	589.94	1,773.27	3,953.16	5,324.89
	c. changes in inventories of finished goods, work in progress and stock in trade.	312.94	167.42	(245.15)	2,154.60	(3,440.37)	(2,651.01)
	d. Employees benefit expenses	289.26	300.42	256.18	878.47	807.79	1,113.02
	e. Depreciation & amortisation expenses *	529.31	299.57	298.74	1,325.15	892.78	1,245.60
	f. Other expenditure	1,720.92	1,773.71	1,034.46	5,079.28	4,151.15	5,816.63
	<b>Total Expenses</b>	<b>9,323.66</b>	<b>8,712.57</b>	<b>8,732.09</b>	<b>28,991.39</b>	<b>25,696.25</b>	<b>35,812.94</b>
	(Any item exceeding 10% of the total expenditure to be shown separately)						
3	Profit / (Loss) from Operations before Other Income, Finance Cost and Exceptional Items (1-2)	<b>112.28</b>	<b>(656.68)</b>	<b>(858.72)</b>	<b>(586.30)</b>	<b>(1,445.38)</b>	<b>(503.75)</b>
4	Other Income	22.83	43.58	29.36	108.34	96.14	133.64
5	Profit / (Loss) from ordinary activities before Finance costs and Exceptional Items (3+4)	<b>135.11</b>	<b>(613.10)</b>	<b>(829.36)</b>	<b>(477.96)</b>	<b>(1,349.24)</b>	<b>(370.11)</b>
6	Finance Cost	278.73	279.10	781.77	901.77	2,323.52	2,891.14
7	Profit / (Loss) from ordinary activities after finance cost but before Exceptional Items (5-6)	<b>(143.62)</b>	<b>(892.20)</b>	<b>(1,611.13)</b>	<b>(1,379.73)</b>	<b>(3,672.76)</b>	<b>(3,261.25)</b>
8	Exceptional items	-	-	6.83	-	9.78	9.78
9	Profit (+) / Loss (-) from Ordinary Activities before tax (7-8)	<b>(143.62)</b>	<b>(892.20)</b>	<b>(1,617.96)</b>	<b>(1,379.73)</b>	<b>(3,682.54)</b>	<b>(3,271.03)</b>
10	Tax expenses	(44.50)	3.63	35.92	303.83	117.22	(3,696.99)
11	Net Profit (+) / Loss (-) from Ordinary Activities after tax (9-10)	<b>(99.12)</b>	<b>(895.83)</b>	<b>(1,653.88)</b>	<b>(1,683.56)</b>	<b>(3,799.76)</b>	<b>425.96</b>
12	Extra ordinary items (Net of Tax Expense Rs....)	-	-	-	-	-	-
13	Net Profit (+) / Loss (-) for the period (11-12)	<b>(99.12)</b>	<b>(895.83)</b>	<b>(1,653.88)</b>	<b>(1,683.56)</b>	<b>(3,799.76)</b>	<b>425.96</b>
14	Share of Profit / (Loss) of Associates/Joint Ventures*	-	-	-	-	-	-
15	Minority Interest (profit)/Loss*	-	-	-	-	-	-
16	Net Profit (+) / Loss (-) after taxes, Minority Interest and share of profit / (Loss) of associates (13+14+15)*	<b>(99.12)</b>	<b>(895.83)</b>	<b>(1,653.88)</b>	<b>(1,683.56)</b>	<b>(3,799.76)</b>	<b>425.96</b>
17	Other Comprehensive Income (including relating to associates/ joint ventures (JV)(after tax)	3.78	25.12	-	70.41	57.90	57.90
18	Total comprehensive Income after tax (16+17)	<b>(95.34)</b>	<b>(870.71)</b>	<b>(1,653.88)</b>	<b>(1,613.15)</b>	<b>(3,741.86)</b>	<b>483.86</b>
19	Paid-up equity share capital (Face Value of Rs. 10 each)	5,053.90	4,880.56	4,685.90	5,053.90	4,685.90	4,880.56
20	Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year	-	-	-	-	-	20,973.36
21	<b>Earning Per Share (EPS)(Before &amp; after Extraordinary Items)</b>						
	a) Basic EPS (Before & after Extraordinary Items) for the period, for the year to date and for the previous year (not to be annualized)	(0.19)	(1.78)	(3.53)	(3.19)	(7.99)	0.99
	b) Diluted EPS (Before & after Extraordinary Items) for the period, for the year to date and for the previous year (not to be annualized)	(0.18)	(1.78)	(3.53)	(3.06)	(7.99)	1.07

\* It includes an amount of Rs. 423.33 lakhs towards amortisation of expenses during the nine months ended 31st December, 2016.



**Notes:**

- 1 The financial results of the company have been prepared in accordance with Indian Accounting Standard (Ind AS) notified under (a) the companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) (Amendment) Rules, 2016. the company has adopted Ind AS from 1st April, 2016, and accordingly, these financial results (including for all the periods presented in accordance with Ind AS 101- First time adoption of Indian Accounting Standards) have been prepared in accordance with the recognition and measurement principles in Ind AS 34- Interim Financial Reporting, prescribed under Section 133 of the Companies Act, 2013 read with therelevant rules issued thereunder and the other accounting principles generally accepted in India.
- (b) Reconciliation of Profit and Equity between IND AS and previous Indian GAAP for earlier periods.

( Rs. In Lacs)

Particulars	Note Reference	Profit Reconciliation		
		Quarter ended 31.12.2015	Nine Months ended 31.12.2015	Year Ended 31.03.2016
<b>Net Profit under Previous GAAP</b>		(1,636.79)	(3,748.50)	(3,202.68)
Reserves for investments at Fair value through OCI		-	-	-
Finance cost on redeemable preference shares	i	(17.09)	(51.26)	(68.35)
Deferred Taxes Expenses	ii	-	-	3,696.99
<b>Net Profit for ther period under IND AS</b>		<b>(1,653.88)</b>	<b>(3,799.76)</b>	<b>425.96</b>
Other Comprehensive for the year (net of tax)		-	57.90	57.90
<b>Total comprehensive income under IND AS</b>		<b>(1,653.88)</b>	<b>(3,741.86)</b>	<b>483.86</b>

- (i) The Company has valued financial assets and liabilities at fair value .The impact of fair value as on the date of transition is recognised in Opening Reserves(net of deferred taxes) and changes there after are recognised in Statement of Profit and Loss account.
- ii The impact of transition adjustments together with IND AS mandate of using balance sheet approach (against profit and loss approach in the previous GAAP ) for computation of deferred taxes has resulted in charge to reserves on the date of transition with consequential impact to the Statement of Profit and Loss for the subsequent periods.

**2 Plant,Property and Equipment**

The Company has decided to continue with the carrying value of all its tangible and intangible assets as of 1st April,2015 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition Date.

- 3 The above financial results have been reviewed by the audit committee and approved by the Board of Directors at their respective meetings held on February 14, 2017.
- 4 The company has adopted Indian Accounting Standards(Ind AS) from 01st April,2016 . The figures for the quarter ended 31st December,2015 , quarter and Nine months ended 31st December'2015 and previous year ended 31st March,2016 have been restated to comply with IND AS to make them comperable.They have not been subjected to limited review or audit. However , the management has exercise necessary diligence to ensure that the financial results provide a true and fair view of the companies affairs.
- 5 The banker State Bank of India, being leader of Consortium has treated its lending facilities to the company as non-performing on 28<sup>th</sup> November, 2015. Insufficient cash flow due to drastic reduction in prices of steel products, cheaper imports into India and slowdown of global economy, being the reasons for non honoring commitments to the bank. As a result interest component on such loan of Rs. 8000 Lacs has not been provided in the financial statements for the quarter ended 31st December,2016 which has impact on the profitability for the period under reporting, the said figure not being determinable as of now. Subsequently, other consortium members i.e Central Bank of India during April 2016 and Punjab National Bank during May 2016, have declared loan disbursed by them amounting to Rs. 584 lacs and Rs. 2800 lacs respectively as non-performing. As a result interest component on such loan has not been provided in the financial statements for the quarter under review. The said figure not being determinable as of now excepting for Rs. 33.01 Lacs treated as interest expenses for the month of April 2016 in respect of loan of Punjab National Bank, the above has an impact on the profitability of the quarter under reporting.
- 6 The Company is engaged in only one segment viz. Steel Manufacturing and as such there no separate reportable segments as per IND AS -108 "Operating Segment" .
- 7 The above results are available on the Company's website at [www.scansteels.com](http://www.scansteels.com) and BSE website.
- 8 Figures have been re-grouped / re-arranged wherever considered necessary.

14th February, 2017  
Ramabahal



For and on behalf of the Board of  
For Scan Steels Limited

*Ankur Madaan*  
Ankur Madaan  
Whole Time Director  
DIN : 07002199