



SCAN STEELS LTD.

(Formerly Known as Clarus Infrastructure Realties Limited)

CIN : L27209MH1994PLC076015

Registered Office : Office No.: 104, 105, E-Square, Subhash Road,
Opp. Havmor Ice Cream, Vile Parle (East), Mumbai-400057
Ph.: +91-0222 618 5461, +91-0222 618 5462, Fax : +91-0222 618 5463
E-mail : scansteels@scansteels.com, Web.: www.scansteels.com

24th May, 2016

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

Sub: Audited Financial Results for the quarter and year ended March 31, 2016

BSE Code : 511672

Dear Sir,

We write to advise that the Board of Directors of the Company ("Board") at the meeting held today i.e. 24th May, 2016, approved the Audited Financial Results of the Company for the Quarter and Year ended 31st March, 2016.

In terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, we enclosed the following:-

1. Audited Financial Results of the Company for the Quarter and year ended 31st March, 2016;
2. Audited Statement of Assets and Liabilities as at 31st March, 2016;
3. Auditor's Report on the Financial Results; and
4. Form - A - Audit Report with unmodified opinion. ,

The Board at the said meeting also approved as follows: -

1. Mr. Rajesh Gadodia has been re-designated as Non Executive Chairman of the Company and he has resigned from the post of Managing Director of the Company w.e.f. 24th may, 2016;
2. Mr. Ankur Madaan has been appointed as Whole-Time Director of the Company w.e.f. 24th May, 2016;
3. Mr. Runvijay Singh has been appointed as the executive director of the company w.e.f. 24th May, 2016;

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

4. Mr. Punit Kedia has been appointed as an Independent Director of the Company w.e.f. 24th May, 2016;
5. Appointment of M/s GRC & Associates, Chartered Accountants as Internal Auditors of the Company for the Financial year 2016-2017;
6. Appointment of M/s. K. K. Giri & Associates, a Practicing Company Secretary as Secretarial Auditors of the Company for the Financial year 2015-16;
7. Appointment of M/s Ray Nayak and Associates, Cost Accountants as Cost Auditors of the Company for the Financial year 2016-17;
8. Appointment of Mr. Ankur Madaan, Whole Time Director of the company as factory occupier of factories of company situated at different places with effect from 24th May, 2016;

The Meeting commenced at 04.00 p.m. and concluded at 06.00 p.m.

Please take on record the same.

Thanking you,

For SCAN STEELS LIMITED



(Prabir Kumar Das)

Company Secretary & Compliance Officer



Encl : As above



Independent Auditors Report on Quarterly Financial Results and Year to Date Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Independent Auditor's Report

**To the Board of Directors of
Scan Steels Limited**

We have audited the quarterly financial results of Scan Steels Limited for the quarter ended 31st March, 2016 and the year to date results for the period 1st April, 2015 to 31st March, 2016 attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. These quarterly financial results as well as the year to date financial results have been prepared on the basis of the interim financial statements, which are the responsibility of the company's management and approved by the board of directors. Our responsibility is to express an opinion on these financial results based on our audit of such interim financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard for Interim Financial Reporting (AS 25), prescribed, under Section 133 of the Companies Act, 2013 read with relevant rules issued there under; or by the Institute of Chartered Accountants of India, as applicable and other accounting principles generally accepted in India.

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 misstatements. 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. Further, without qualifying our opinion we draw attention to the following matters:

- i. Note No.5 that described that the company has defaulted on debt payments to consortium lenders, due to unprecedented adverse developments witnessed by industry as whole during the financial year.
- ii. During the quarter the company has provided for reduction in value of inventory held for day to day operation as raw materials, finished goods, semi-finished goods and trading





SRB & Associates

CHARTERED ACCOUNTANTS

goods of the company. The reduction in value of stock arose due to sharp decline in finished goods price mainly arose on account of cheaper import of steel into India and fall in international raw material prices. During this slowdown of economy, the company has suffered a lot. The company has calculated reduction value amounting to Rs. 78,42,86,306 which has been treated as non-current assets in the audited financial statement for the year under review. The Board of Directors has decided to amortize this amount in the subsequent years by charging to Profit & Loss account on proportionate basic.

In our opinion and to the best of our information and according to the explanations given to us these quarterly financial results as well as the year to date results.

- i. Are presented in accordance with requirements of Regulation 33 of the SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015 in this regard; and
- ii. Give a true and fair view of the net loss and other financial information for the quarter ended 31st March,2016 as well as the year to date results for the period from 1st April,2015 to 31st March,2016

Further we report that the statement includes the results for the quarter ended 31st March, 2016, being the balancing figure between audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

**For SRB & Associates
Chartered Accountants
F. Regd. No.310009E**

**B. Mohanty
Partner
M.No.056264**

Rajgangpur
24th May,2016



Scan Steels Limited

(Formerly Known as Clarus Infrastructure Realties Limited)

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Vile Parle (East), Mumbai - 400057

Telephone: +91-022-26185461 ; Email: scansteels@scansteels.com

CIN: L27209MH1994PLC076015

AUDITED FINANCIAL RESULTS FOR THE QUARTER/ YEAR ENDED 31st MARCH 2016

(Amount Rs. In Lacs)

SI No.	Particulars	Quarter Ended			Year Ended	
		3 months ended 31st Mar, 2016	Preceding 3 months ended 31st Dec, 2015	Corresponding 3 months ended 31st Mar, 2015 in the previous year	31st Mar, 2016	31st Mar, 2015
		(Audited) (Note 2)	(Unaudited)	(Audited) (Note 2)	(Audited)	(Audited)
1	Income from Operations					
	(a) Net sales/ income from operations (Net of Excise duty)	11,058.32	7,873.37	10,644.92	35,309.19	44,755.22
	(b) Other Operating Income		-	-		
	Total income from operations (Net)	11,058.32	7,873.37	10,644.92	35,309.19	44,755.22
2	Expenses					
	a. cost of material consumed	5,632.07	6,797.92	8,473.74	24,963.81	26,873.61
	b. Purchase of Stock in trade	1,371.74	589.94	-	5,324.89	4,213.88
	c. changes in inventories of finished goods, work in progress and stock in trade.	789.36	(245.15)	(1,016.23)	(2,651.01)	741.81
	d. Employees benefit expenses	305.24	256.18	341.83	1,113.02	994.42
	e. Depreciation & amortisation expenses	352.82	298.74	(112.55)	1,245.60	1,213.64
	f. Other expenditure	1,665.48	1,034.46	1,858.63	5,816.63	6,847.33
	Total Expenses	10,116.70	8,732.09	9,545.42	35,812.95	40,884.69
	(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)	941.62	(858.71)	1,099.50	(503.76)	3,870.53
4	Other Income	37.50	29.36	49.52	133.64	210.82
5	Profit / (Loss) from ordinary activities before Finance costs and Exceptional Items (3+4)	979.11	(829.35)	1,149.02	(370.12)	4,081.35
6	Finance Cost	550.53	764.68	920.15	2,822.79	3,527.80
7	Profit / (Loss) from ordinary activities after finance cost but before Exceptional Items (5-6)	428.59	(1,594.03)	228.87	(3,192.90)	553.55
8	Exceptional items	-	6.83	16.87	9.78	16.87
9	Profit (+) / Loss (-) from Ordinary Activities before tax (7-8)	428.59	(1,600.86)	212.00	(3,202.68)	536.68
10	Tax expenses	56.75	35.92	207.91	173.98	268.34
11	Net Profit (+) / Loss (-) from Ordinary Activities after tax (9-10)	371.84	(1,636.78)	4.09	(3,376.66)	268.34
12	Extraordinary Item (net of tax expense Rs. _____)	-	-	-	-	-
13	Net Profit(+) / Loss (-) for the period (11-12)	371.84	(1,636.78)	4.09	(3,376.66)	268.34
14	Share of Profit / (Loss) of Associates*	-	-	-	-	-
15	Minority Interest *	-	-	-	-	-
16	Net Profit (+) / Loss (-) after taxes, Minority Interest and share of profit / (Loss) of associates (13- 14-15)*	371.84	(1,636.78)	4.09	(3,376.66)	268.34
17	Paid-up equity share capital (Face Value of Rs. 10 each)	4,880.56	4,685.90	3,780.03	4,880.56	3,780.03
17	Paid-up Preference share capital NCRPS) (Face Value of Rs. 10 each)	1,284.96	-	-	1,284.96	-
18	Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year				17,132.01	12,154.96
19	Earning Per Share (EPS)					
	a) Basic EPS after Extraordinary items for the period, for the year to date and for the previous year (not to be annualized)	(6.92)	(3.49)	0.01	(6.92)	0.71
	b) Diluted EPS after Extraordinary items for the period, for the year to date and for the previous year (not to be annualized)	(5.02)	(3.49)	0.01	(5.02)	0.71



Scan Steels Limited
(Formerly Known as Clarus Infrastructure Realities Limited)

Audited Statement of Assets & Liabilities as at 31st March, 2016

(Amount in Rupees)

Particulars	As At 31.03.2016	As At 31.03.2015
	Audited	Audited
Equity & Liabilities		
Shareholders Fund		
a. Share Capital	616,552,350	378003000
b. Reserves and Surplus	1,713,200,611	1215495576
c. Money Received Against Share Warrants	44,333,500	-
Sub Total - Shareholder's Fund	2,374,086,461	1593498576
Share Application money pending allotment		327600000
Non Current Liabilities		
(a) Long Term Borrowings	226,520,298	722121658
(b) Deferred Tax Liability (Net)	223,090,742	205693193
(c) Other Long Term Liabilities	-	-
(d) Long Term Provisions	-	-
Sub Total - Non Current Liabilities	449,611,040	1255414851
Current Liabilities		
(a) Short Term Borrowings	1,686,458,430	1609072207
(b) Trade Payables	571,329,064	986817841
(c) Other Current Liabilities	676,275,046	465796281
(d) Short Term Provisions	52,231,385	54929688
Sub Total - Current Liabilities	2,986,293,924	3116616018
Total (Equity & Liabilities)	5,809,991,426	5965529445
Assets		
Non Current Assets		
(a) Fixed Assets	2,948,116,621	2929947379
(b) Non Current Investments	13,309,801	-
(c) Deferred Tax assets (net)	-	-
(d) Long Term Loans & Advances	204,968,926	167392362
(e) Other Non Current Assets*	784,286,306	-
Sub Total - Non Current Assets	3,950,681,654	3097339741
Current Assets		
(a) Current Investments	-	-
(b) Inventories	951,339,433	1515515327
(c) Trade Receivables	528,609,972	864570294
(d) Cash and Cash equivalents	105,991,711	111112471
(e) Short Term Loan & Advances	256,920,719	362936481
(f) Other Current Assets	16,447,937	14055129
Sub Total - Current Assets	1,859,309,772	2868189704
Total Assets	5,809,991,426	5965529445

*** Other Non-Current Assets :**

Other non-current assets includes the diminution in value of inventory held for day to day operation as raw materials, finished goods, semi-finished goods and trading goods of the company. The reduction in value of stock arose due to sharp decline in finished goods price mainly arose on account of cheaper import of steel into India and fall in international raw material prices. During this slowdown of economy, the company has suffered a lot. The company has calculated reduction value amounting to Rs. 78,42,86,306 which has been treated as **non-current assets** in the audited financial statement for the year under review. The board of directors has decided to amortize this amount in the subsequent years by charging to profit & loss account on proportionate basic.



Notes:

1 The above financial results were reviewed by the audit committee and approved by the Board of Directors at their respective meetings held on May 24, 2016 and the same have been audited by Statutory Auditors.

2 The figures for the last quarter for the current and previous year are the balancing figures between the audited figures in respect of the full financial year up to March 31, 2016 and the unaudited published year-to-date figures up to December 31, 2015 being the date of the end of the third quarter of the financial year, which were subject to limited review.

3 The Company operates in Major business segment of Steel Manufacturing and hence reporting under AS - 17 is not required.


4 The Company has Allotted On Preferential Basis 80,00,000 Nos Share Warrants having an option/Entitlement to apply for end be allotted Equivalent number of Equity shares of Face Value of Rupees 10 Each of the Company at an Exercise Price of Rs.50(Rupees Fifty Only) (including a premium of Rs 40) per equity shares, in its Board Meeting held on 14th October 2015 the allottees had exercised such power to convert 19,46,665 Number of Warrants into equity shares in the Board meeting held on 08.02.2016 and 26.02.2016 respectively.

5 The banker State Bank of India, being leader of Consortium has treated its lending facilities to the company as non-performing on 28th November, 2015. The insufficient cash flow due to drastic reduction in prices of steel products, cheaper imports into India & slowdown of global economy, being the reasons for non honoring commitments to the bank. As a result interest component on such loan of Rs. 80,00,00,000 has not been provided in the financial statement for the period from 20th December 2015 to 31st March,2016 which has impact on the profitability for the year under reporting, the said figure not being determinable as of now. Further, in relation to this one more banker has classified the lending facilities of Rs 5,84,00,000 as non-performing as per their communication letter subsequent to balance sheet date and before signing of the financial report.

6 Figures have been re-grouped / re-arranged wherever considered necessary.

Date: 24.05.2016
Place : Raigangpur

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


Rajesh Gadodia
Managing Director
DIN : 00574465





SCAN STEELS LTD.

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E-mail : scansteels@scansteels.com, Web.: www.scansteels.com

Date: May 24, 2016

FORM A

(For Audit Report with unmodified opinion)

[Pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

1.	Name of the Company	Scan Steels Limited (Formerly Clarus Infrastructure Realities Limited) (CIN: L27209MH1994PLC076015)
2.	Annual Financial Statements for the year ended	March 31, 2016
3.	Type of the Audit Observation	Un-modified
4.	Frequency of Observation	Not Applicable

For Scan Steels Limited


Vinay Goyal
Chairman of Audit Committee

For Scan Steels Limited


Rajesh Gadodia
Managing Director

For Scan Steels Limited

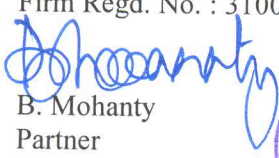

Prabir Kumar Das
Company Secretary & Compliance Officer

For Scan Steels Limited


Gobinda Chandra Nayak
Chief Financial Officer

For SRB & Associates

Chartered Accountants
Firm Regd. No. : 310009E


B. Mohanty
Partner
M. No. 056264



Corporate Office : Trishna Nirmalya Bhawan, Plot No. : 516/1723/3991, 2nd Floor, Magnetism Square, Patia, Bhubaneswar-751 024, Odisha
Ph. : 0674 - 2726237/38, E-Mail : scansteels@scansteels.com, Website : www.scansteels.com

Head Office : Main Road, Rajgangpur, Dist. - Sundargarh - 770 017, Odisha.

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