



National Steel and Agro Industries Limited

August 10, 2022

Ref. No.: NSAIL/SEC/2022-23

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: Outcome of Board Meeting held on August 10, 2022.

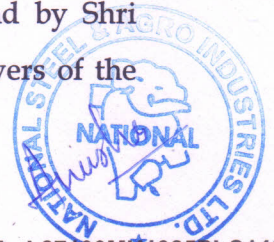
Ref: Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements Regulations), 2015 ['SEBI (LODR) Regulations, 2015']

Dear Sir/Madam,

Pursuant to Regulation 30 of SEBI (LODR) Regulations, 2015, this is to inform you that the suspended Board of Directors, at its meeting held on Wednesday, August 10, 2022 chaired by Shri Dushyant C Dave, Resolution Professional has inter alia, considered and approved the Un-Audited Financial Results of the Company for the quarter ended June 30, 2022.

Accordingly, we are enclosing:

- a) Limited Review Report on Financial Results of the Company for the quarter ended June 30, 2022 issued by M/s. Fadnis & Gupte LLP, Chartered Accountants;
- b) A Copy of the Un - Audited Financial Results of the Company for the quarter ended June 30, 2022 in specified format signed by Shri Manoj Khetan - Chief Financial Officer, Ms. Anusha Chandwani - Company Secretary and by Shri Dushyant C Dave - Resolution Professional while exercising the powers of the



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National Steel and Agro Industries Limited

Board of Directors of the Company, which has been conferred upon him in terms of the provisions of Section 17 of the Insolvency and Bankruptcy Code, 2016.

Note: Mr. Dushyant Dave (IBBI Regn. Number: IBBI/IPA-003/IP-N00061/2017-2018/10502) has approved these financial statements without prejudice and without any guarantee of the accuracy, adequacy, correctness, completeness or reliability of the financial statements. It is important to note that such approval by the Resolution Professional of these financial statements is to comply with the provisions of the Insolvency and Bankruptcy Code, 2016 and this without prejudice to the rights and contentions of the Resolution Professional under applicable laws and the Resolution Professional reserves/retains his right to file avoidance transactions under Section 43, 45, 66, and 50 of the Code at a later date and that such approval of these financial statements shall not be in conflict with such proceedings that may be initiated before relevant court / tribunal.

Kindly take the same on your record.

Thanking you,

Yours faithfully,

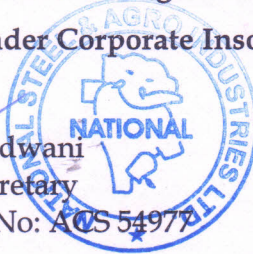
For National Steel and Agro Industries Limited

(Company under Corporate Insolvency Resolution Process)

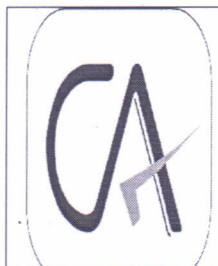
Anusha Chandwani

Company Secretary

Membership No: ACS 54977



Encl: As above



FADNIS & GUPTE LLP

CHARTERED ACCOUNTANTS

B-14, Ratlam Kothi, Kanchan Bagh Main Road, Indore- 452001
(M.P.) INDIA

Phone: 0731-2514448, 2527716, 2528730

E-mail: mail@fngca.com, Website: www.fngca.in

Independent Auditor's Review Report on the Quarterly Unaudited Financial Results of the Company Pursuant to the Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclose Requirements) Regulations, 2015 as amended.

To,

The Resolution Professional of

National Steel and Agro Industries Limited

(A Company under Corporate Insolvency Resolution Process (CIRP))

IP Registration No. : IBBI/IPA-003/IP-N00061/2017-2018/10502

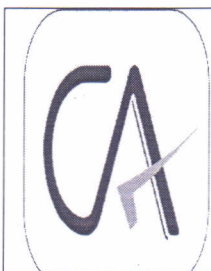
We have reviewed the accompanying statement of unaudited standalone financial results ("the Statement") of National Steel and Agro Industries Limited ("the Company") for the quarter ended June 30, 2022. The Statement has been prepared by the company's Management pursuant to requirement of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ("the listing regulations").

This Statement, which is the responsibility of the company's Management and approved by the Company's Board of Directors and Resolution Professional has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued there under and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the statements 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", 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 of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would





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become aware of all significant matters that might be identified in an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

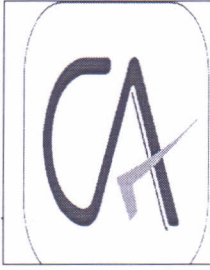
We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for qualified conclusion.

Basis for Qualified Conclusion

1. Interest on debts payable to JM Financial Asset Reconstruction Company Limited amounting to Rs 5,337.19 Lakhs has not been provided for the period ended on 30th June, 2022. The accumulated losses and the borrowings are understated to that extent.
2. During the current quarter the Company has not provided for the interest on the debt component of the Compound Financial Instruments amounting to Rs. 125.02 Lakhs. The same is not in compliance with the requirements of Ind AS 32:- Financial Instruments (Presentation) and Ind AS 109:- Financial Instruments. The accumulated losses and the borrowings are understated to that extent.
3. The Company has not provided for the interest on dues payable to MSME suppliers, interest chargeable on non-reversal of Input tax credit due to payment not made to suppliers within the statutory time period and interest liability on dues payable to Madhya Pradesh Electricity Board during the quarter under review. Since the amount has not been quantified, the impact on accumulated losses and Finance Costs cannot be ascertained.

Based on our review conducted except for the matters described in the Basis for qualified conclusion, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard 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, including the manner in which it is to be disclosed, or that it contains any material misstatement.





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Emphasis of Matter

1. The Company has accumulated secured debts (inclusive of interest & net of payment) amounting to Rs. 1,48,737.08 Lakhs.
2. Two of the erstwhile lenders have declared Company and its Promoter Director as Willful Defaulter. One lender bank has issued notice to the Company and its Directors with intent to classify them as "Willful Defaulter".

Material Uncertainty Related to Going Concern

We draw attention to Note 5 regarding preparation of financial statements on going concern basis, which states that the Company's net worth has been fully eroded and stands at Rs.1,48,751.78 Lakhs and its current liabilities exceeded current assets by Rs.1,90,073.12 Lakhs as on 30th June, 2022.

Further the Corporate Insolvency Resolution Process (CIRP) against the Company is in process. Since the CIRP is currently in progress, as per the Code, it is required that the Company be managed as a going concern during the CIRP. The going concern of the company is dependent upon the resolution plan to be approved by NCLT. The appropriateness of preparation of standalone financial results on going concern basis is critically dependent upon CIRP as specified in the Code.

Our conclusion is not modified in this regard.

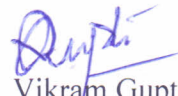
Place of Signature: Indore

Date: August 10th, 2022

UDIN: 22074814AOSRHI9979



For Fadnis and Gupte LLP
Chartered Accountants
FRN 006600C/C400324


(CA. Vikram Gupte)
Partner
M. No. 074814



National Steel and Agro Industries Limited

Statement of Unaudited Financial Results for the Quarter ended 30th June, 2022

(Rs. in Lakhs except EPS)					
S. No.	Particulars	QUARTER ENDED			YEAR ENDED
		30.06.2022	31.03.2022	30.06.2021	31.03.2022
		Unaudited	Audited	Unaudited	Audited
1	Revenue from Operations				
	(a) Sales / Income from operations	10,947	12,298	24,589	72,929
	(b) Other operating income	1,170	3,566	280	8,576
	Total income from operations	12,117	15,864	24,869	81,505
	Other income	71	181	42	234
	Total Revenue	12,188	16,045	24,911	81,739
2	Expense^e				
	(a) Cost of materials consumed	5,775	4,939	17,404	48,190
	(b) Purchases of stock-in-trade	2,833	2,515	1,845	8,518
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(1,025)	1,525	501	3,377
	(d) Employee benefits expense	951	918	910	3,692
	(e) Finance costs (refer note.no.3)	6	5,402	10,596	16,523
	(f) Depreciation and amortisation expense	1,198	1,208	1,198	4,802
	(g) Other expenses	3,975	3,963	5,871	16,991
	Total Expenses	13,712	20,470	38,325	102,093
3	Profit / (Loss) from operations before exceptional items and Tax (1-2)	(1,524)	(4,425)	(13,414)	(20,354)
4	Exceptional items	-	4,044	-	4,044
5	Profit / (Loss) before tax (3 - 4)	(1,524)	(8,469)	(13,414)	(24,398)
6	Tax expenses				
	a) Current tax	-	-	-	-
	b) Deferred tax	-	223	(3,132)	(2,908)
	Sub total of 6 (a+b)	-	223	(3,132)	(2,908)
7	Net Profit / (Loss) for the period (5 - 6)	(1,524)	(8,692)	(10,282)	(21,490)
8	Other Comprehensive Income / (Loss)				
	-Items that will not be reclassified to Profit & loss				
	Re-measurement gains/ (loss) on defined benefit plans	(36)	244	(130)	(145)
	Gain on Equity Instruments through Other Comprehensive Income				
9	Total Comprehensive Income / (Loss) (7+8)	(1,560)	(8,448)	(10,412)	(21,635)
10	Paid-up equity share capital (Face Value of the Share Rs. 10/- each)	4,450	4,450	4,450	4,450
11	Earnings per equity share				
	(of Rs. 10 /- each) (not annualised):				
	(a) Basic	(3.43)	(19.53)	(23.11)	(48.29)
	(b) Diluted	(3.43)	(19.53)	(23.11)	(48.29)



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NOTES :

- 1 At the instance of the petition filed by BOI, with an interlocutory application filed by JMFARC, the Hon'ble National Company Law Tribunal, Mumbai Bench vide its Order dated April 11, 2022 has initiated the Corporate Insolvency Resolution Process against the Company under Insolvency and Bankruptcy Code, 2016 ("Code") and Shri Dushyant C Dave (IP Registration No. IBBI/IPA-003/IP-N00061/2017-18/10502) is appointed as Interim Resolution Professional (IRP) with respect to the Company. Accordingly as per Section 17 of the Code, the powers of the Board have been suspended w.e.f. April 11, 2022. Committee of Creditors in its meeting held on 11th May 2022 has appointed Mr. Dushyant Dave (IP Registration No. IBBI/IPA-003/IP-N00061/2017-18/10502) as Resolution Professional.
- 2 The above results have been reviewed by the Audit Committee and approved by the Board of Directors, the Resolution Professional Mr. Dushyant Dave (IBBI Regn. Number: IBBI/IPA-003/IP-N00061/2017-2018/10502) in their meeting held on 10th August, 2022. The Statutory Auditors of the Company have reviewed these financial results pursuant to Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, as amended.
- 3 The above financial results have been prepared in accordance with the recognition and measurement principles of Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules issued there under and other accounting principles generally accepted in India, except interest on outstandings payable prior to commencement of Corporate Insolvency Resolution Process has not been provided for.
- 4 (a) The Company has accumulated secured debts (inclusive of interest and net payment) of Rs. 1,48,737.08 lakhs as of 30th June, 2022.
(b) Union Bank of India (erstwhile Andhra Bank) has declared the Company, its Promoter Director and erstwhile Executive director as Wilful Defaulters for an amount of default of Rs. 24136 lakhs by its letter dated March 2, 2020 without following the due procedure as prescribed under the RBI guidelines. The Company has represented to the lenders to remove its name from Wilful Defaulter list.
(c) Punjab National Bank has declared the Company and its Promoter Director as Wilful Defaulter by letter dated November 20, 2021 for an amount of default of Rs. 19,990 lakhs. The Company has made representation before the Review Committee of lender to remove its names from Wilful Defaulter list.
- 5 As on 30th June, 2022, company's net worth has been fully eroded and stand at Rs. 1,48,751.78 Lakhs and its' current liability exceeds its' current assets by Rs. 1,90,073.12 Lakhs. Also company has incurred net loss of Rs. 1,559.78 Lakhs for the period April, 2022 to June, 2022. As the Company is under CIRP it is expected that a viable resolution plan will be approved, accordingly results have been prepared on "going concern" basis.
- 6 The Company operates in one Operating Segment as per Ind AS 108- Operating Segments i.e. Manufacturing, Job Work and Trading of Steel Coils and Sheets as per Ind AS 108- Operating Segments.

DUSHYANT
CHANDRAK
ANT DAVE

Dushyant Dave

Resolution Professional

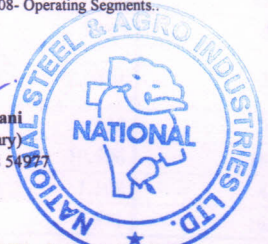
IBBI Regn Number: IBBI/IPA-003/IP-
N00061/2017-2018/10502

Date: 10th August, 2022

Place: Indore

Manoj Khetan
(Chief Financial Officer)

Anusha Chandwani
(Company Secretary)
Membership No. ACS 54927



Note: Pursuant to an order dated 11th April 2022 ("CIRP Commencement Date") of the Hon'ble National Company Law Tribunal, Mumbai Bench ("NCLT"), Corporate Insolvency Resolution Process ("CIRP") has been initiated in case of the Company under the provisions of the Insolvency and Bankruptcy Code, 2016 (the "Code") and related rules and regulations issued thereunder. By the said order, Mr. Dushyant Dave has been appointed as the Interim Resolution Professional ("IRP"). Thereafter, the Committee of Creditors of the Company resolved with the requisite voting share, to appoint the IRP as the resolution professional ("Resolution Professional") of the Company. The powers of the Board of Directors of the Company stand suspended effective from the CIRP Commencement Date and such powers along with the management of affairs of the Company are vested with the IRP/RP in accordance with the provisions of Section 17 and 23 of the Code. Upon initiation of CIRP, the Hon'ble NCLT has declared moratorium under Section 14 of the Code and the order for moratorium shall have effect from the date of the said order till the completion of the CIRP.

Since the powers of Board of Directors has been suspended and vested with Resolution Professional all the Board and Committee meetings are held after obtaining authority from Resolution Professional. Decisions at the Board Meetings and committee meetings were taken unanimously.

These financial results have been reviewed by the Audit Committee in their meeting held on 10th August, 2022, these financial results have been certified and approved by the Board of Directors and duly signed by Mr. Manoj Khetan, Chief Financial Officer and Ms. Anusha Chandwani, Company Secretary.

On the basis of such approvals from the Board of Directors in the meeting held on 10th August, 2022, the Resolution Professional Mr. Dushyant Dave (IBBI Regn. Number: IBBI/IPA-003/IP-N00061/2017-2018/10502) has approved these financial results without prejudice and without any guarantee on the accuracy, adequacy, correctness, completeness or reliability of the financial results

It is important to note that such approval by the Resolution Professional of these financial results is to comply with the provisions of the "Insolvency and Bankruptcy Code, 2016 (I&B Code)" and this without prejudice to the rights and contentions of the Resolution Professional under applicable laws and the Resolution Professional reserves/retains his right to file avoidance transactions under Section 43, 45, 66, and 50 of the Code at a later date and that such approval of these financial results shall not be in conflict with such proceedings that may be initiated before relevant court / tribunal.

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