National Steel and Agro Industries Limited

November 11, 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 November 11, 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 Friday, November 11, 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 and half year ended September 30, 2022.

Accordingly, we are enclosing:

a) Limited Review Report on Financial Results of the Company for the quarter and half year ended September 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 and half year ended September 30, 2022 in specified format signed by Shri Duhsyant C Dave – Resolution Professional while exercising the powers of the 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 and by Ms. Anusha Chandwani – Company Secretary.

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

Digitally signed by Anusha Chandwani
Date: 2022.11.11 13:46:39 +05'30'

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 and Year To Date 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 September 30th, 2022 and year to date from April 1st, 2022 to September 30th 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 thereunder 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.

FADNIS & GUPTE LLP · CHARTERED ACCOUNTANTS · FRN 006600C/C400324

FADNIS & GUPTE LLP

CHARTERED ACCOUNTANTS

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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 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 has not been provided for in the books. The accumulated losses and the borrowings are understated to that extent.

2. During the current period the Company has not provided for the interest on the debt component of the Compound Financial Instruments amounting to Rs. 250.04 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. During the current period 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 liabilities on dues payable to Madhya Pradesh Electricity Board. The accumulated losses and Finance Costs are understated to that extent.

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.

FRN 000800C/ C400324

FADNIS & GUPTE LLP

CHARTERED ACCOUNTANTS

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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 it's Promoter Director as Willful Defaulter. One lender bank has issued notice to the Company and it's 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. 1,49,991.32 Lakhs and it's current liabilities exceeded current assets by Rs. 1,90,327.74 Lakhs as on 30th September, 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.

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

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

Place of Signature: Indore
Date: 11.11.2022
UDIN: 22074814BCUOMN8981

National Steel and Agro Industries Limited

Statement of Unaudited Financial Results for the quarter and half year ended 30th September, 2022

(Rs. in Lakhs except EPS)

S. No.	Particulars	QUARTER ENDED			HALF YEAR ENDED		YEAR ENDED
		30.09.2022	30.06.2022	30.09.2021	30.09.2022	30.09.2021	31.03.2022
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	**Revenue from Operations**						
	(a) Sales / Income from operations	16,497	10,947	17,766	27,444	42,355	72,929
	(b) Other operating income	1,493	1,170	2,991	2,663	3,271	8,576
	Total income from operations	**17,990**	**12,117**	**20,757**	**30,107**	**45,626**	**81,505**
	Other income	20	71	7	91	49	234
	Total Revenue	**18,010**	**12,188**	**20,764**	**30,198**	**45,675**	**81,739**
2	**Expenses**						
	(a) Cost of materials consumed	9,503	5,775	13,655	15,278	31,059	48,190
	(b) Purchases of stock-in-trade	3,607	2,833	2,179	6,440	4,024	8,518
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	49	(1,025)	774	(976)	1,275	3,377
	(d) Employee benefits expense	951	951	955	1,902	1,865	3,692
	(e) Finance costs (refer note.no.3)	43	6	1,641	49	12,237	16,523
	(f) Depreciation and amortisation expense	1,234	1,198	1,199	2,431	2,397	4,802
	(g) Other expenses	3,826	3,975	3,290	7,801	9,161	16,991
	Total Expenses	**19,213**	**13,712**	**23,693**	**32,925**	**62,018**	**102,093**
3	**Profit / (Loss) from operations before exceptional items and Tax (1-2)**	**(1,203)**	**(1,524)**	**(2,929)**	**(2,727)**	**(16,343)**	**(20,354)**
4	Exceptional items	-	-	3,258	-	3,258	4,044
5	**Profit / (Loss) before tax (3 - 4)**	**(1,203)**	**(1,524)**	**329**	**(2,727)**	**(13,085)**	**(24,398)**
6	**Tax expenses**						
	a) Current tax	-	-	-	-	-	-
	b) Deferred tax	-	-	-	-	(3,132)	(2,908)
	Sub total of 6 (a+b)	-	-	-	-	**(3,132)**	**(2,908)**
7	**Net Profit / (Loss) for the period (5 - 6)**	**(1,203)**	**(1,524)**	**329**	**(2,727)**	**(9,953)**	**(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)	(36)	(129)	(72)	(259)	(145)
	Gain on Equity Instruments through Other Comprehensive Income	-	-	-	-	-	-
9	**Total Comprehensive Income / (Loss) (7+8)**	**(1,239)**	**(1,560)**	**200**	**(2,799)**	**(10,212)**	**(21,635)**
10	**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
11	**Earnings per equity share**						
	(of Rs. 10/- each) (not annualised):						
	(a) Basic	(2.70)	(3.43)	0.74	(6.13)	(22.37)	(48.29)
	(b) Diluted	(2.70)	(3.43)	0.74	(6.13)	(22.37)	(48.29)

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National Steel and Agro Industries Limited

NOTES :

1 At the instance of the petition filed by BOI, with an interlocutory application filed by M/s JM Financial ARC Limited, 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) was 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 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 and the Resolution Professional Mr. Dushyant Dave ((IBBI Regn. Number: IBBI/IPA-003/IP-N00061/2017-2018/10502) in their meeting held on 11th November, 2022 in terms of Regulation 33 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

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 As on 30th September, 2022, company's net worth has been fully eroded and stand at Rs. 1,49,991.32 Lakhs and its' current liability exceeds its' current assets by Rs. 1,90,327.74 Lakhs. Also company has incurred net loss of Rs.2,799.32 Lakhs for the period April, 2022 to September, 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.

5 (a) The Company has accumulated secured debts (inclusive of interest and net payment) of Rs. 1,48,737.08 Lakhs as of 30th September, 2022.

(b) Union Bank of India (erstwhile Andhra Bank) has declared the Company, its Promoter Director and erstwile Executive Director as Wilful Defaulters for default of Rs. 24136 Lakhs by its letter dated March 2, 2020. 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 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.

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 CHANDRAKANT DAVE

Digitally signed by DUSHYANT CHANDRAKANT DAVE
Date: 2022.11.11 12:51:59 +05'30'

Anusha Chandwani

Digitally signed by Anusha Chandwani
Date: 2022.11.11 12:38:46 +05'30'

Dushyant Dave
Resolution Professional
IBBI Regn Number: IBBI/IPA-003/IP-N00061/2017-2018/10502

Anusha Chandwani
Company Secretary
Membership No.ACS 54977

Date: 11th November, 2022

Place: Indore

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 11th November, 2022, these financial results have been certified and approved by the suspended Board of Directors and duly signed by Ms. Anusha Chandwani, Company Secretary.

On the basis of such approvals from the Board of Directors in the meeting held on 11th November, 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.

National Steel and Agro Industries Limited

Unaudited Statement of Assets and Liabilities As on 30th September' 2022

(Rs. in Lakhs)

		As at 30th September, 2022	As at 31st March, 2022
I	**ASSETS**		
1	**Non-Current Assets**		
	(a) Property, Plant and Equipment	38,626	41,042
	(b) Other Intangible Assets	10	24
	(c) Financial Assets		
	(i) Other Financial Assets	650	594
	(d) Non-Current Tax Assets (net)	1,769	1,348
	(e) Other Non-Current Assets	102	107
	Non-Current Assets	**41,157**	**43,115**
2	**Current Assets**		
	(a) Inventories	4,395	1,278
	(b) Financial Assets		
	(i) Trade Receivables	7	1,250
	(ii) Cash and Cash Equivalents	447	267
	(iii) Bank Balance Other than (ii) above	68	171
	(iv) Others	-	140
	(c) Other Current Assets	2,485	3,905
	Current Assets	**7,402**	**7,011**
	Total Assets	**48,560**	**50,126**
II	**EQUITY AND LIABILITIES**		
1	**(a) Equity Share Capital**	4,450	4,450
	(b) Other Equity	(154,441)	(151,642)
	Total Equity	**(149,991)**	**(147,192)**
2	**LIABILITIES**		
	Non-Current Liabilities		
	(a) Provisions	821	821
	Non-Current Liabilities	**821**	**821**
	Current Liabilities		
	(a) Financial Liabilities		
	(i) Borrowings		
	(ii) Trade Payables	153,738	153,737
	(A) Total outstanding dues of Micro enterprises & Small Enterprises	540	399
	(B) Total outstanding dues of Creditors Other Than Micro enterprises & Small enterprises	23,470	23,358
	(iii) Other Financial Liabilities	12	13
	(b) Other Current Liabilities	19,570	18,730
	(c) Provisions	399	260
	Current Liabilities	**197,730**	**196,497**
	Total Equity & Liabilities	**48,560**	**50,126**

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Web : www.nsail.com, Ph. : 91-731-

National Steel and Agro Industries Limited

Half Yearly Cash Flow Statement For The Year Ended 30th September'2022

(Indirect Method set out in Ind As -7 Statement of Cash Flows)

(Rs in Lakhs)

		Half Year ended 30.09.2022 (Unaudited)	Half Year ended 30.09.2021 (Unaudited)
A.	**Cash Flow operating activities :**		
a)	**Net profit/ (loss) beforeTax & Extra ordinary item**	(2,727)	(16,343)
	Adjustment for:		
	Interest Reversal (Exceptional Items)	-	3,258
	Depreciation	2,431	2,397
	Interest Expenses	49	8,979
	Fair Value (gain)/ loss on Investment	-	(28)
	Interest & Dividend Income	(20)	(17)
	Loss/ (Profit) on Sale of Property,Plant and Equipment	-	-
		(267)	**(1,754)**
b)	**Operating Profit before Working Capital Changes**		
	Adjustment for;		
	Trade and other Receivable	1,242	(157)
	Inventories	(3,117)	2,038
	Others	139	
	Other Current Assets	1,421	1,174
	Other Bank Balances	103	35
	Other Financial Assets	-	(164)
	Other Non-Financial Assets	-	-
	Other Financial Assets	(56)	-
	Non-Current Tax Assets (net)	(421)	-
	Other Non Current Assets	5	(395)
	Trade Payable	253	5,905
	Other Current Liability	841	(197)
	Provisions	67	57
	Other Financial Liabilities	(0)	-
		478	**8,297**
c)	**Cash Generated from Operations**	211	6,543
	Income Tax	-	-
d)	**Cash flow before Extra ordinary item**	211	6,543
	Net Cash flow from Operating Activities (A)	**211**	**6,543**
B.	**Cash flow from Investing Activities :**		
	Interest & Dividend received	20	17
	Purchase of Tangible Assets	(2)	(7)
	Net Cash Flow Used in Investing Activities (B)	18	10
C.	**Cash flow from Financing Activities :**		
	Adjustment for unpaid interest	(49)	(6,642)
	Net Cash Flow Used in Financing Activities (C)	**(49)**	**(6,642)**
D.	**Net increase/ (decrease) in Cash and Cash Equivalent (A+B+C)**	**180**	**(89)**
	Cash and Cash Equivalent at begnning of the year	267	632
	Cash and Cash Equivalent at end of the year	447	543
		180	**(89)**

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