National Steel & Agro Industries Ltd

15th September, 2020

Ref. No.: NSAIL/SEC/2020

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 15th September, 2020

Dear Sir/Madam,

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby inform that, a meeting of the Board of Directors of the Company was held on Tuesday, the 15th day of September, 2020 at 4:30 P.M. at the administrative Office of the Company situated 401, Mahakosh House, 7/5, south Tukoganj, Indore (M.P.)-452001.

The Board inter-alia considered, approved the Quarterly Unaudited Financial Results of the Company for quarter ended on 30th June, 2020.

Kindly take the same on your record.

Thanking you,
Yours faithfully,
For National Steel and Agro Industries Limited

Anurag Gangrade
Company Secretary
Membership No: FCS-9187

Encl: As above

Regd. Office : 621, Tulsiani Chambers, Nariman Point, Mumbai - 400 021. Ph: +91 22 22886267, 22882949
CIN: L27100MH1985PLC140379

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Ph: +91 731 2518167-8-9, 4017409 Fax: +91 731 2516714. Web: www.nsail.com

FADNIS & GUPTE

CHARTERED ACCOUNTANTS

B-14, Ratlam Kothi, Kanchan Bagh Main Road, Indore-452 001 (M.P.) INDIA
Phone : 0731-2514448, 2527716, Fax : 0731-2528730
E-mail : mail@fngca.com

Independent Auditor's Report on the Financial Results of National Steel and Agro Industries Limited, pursuant to the Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclose Requirements) Regulations,2015 as amended, read with SEBI Circular No. CIRJCFD/CMDI/44/2019 dated March 29, 2019.

To,
The Board of Directors
National Steel and Agro Industries Limited
Indore

We have reviewed the quarterly financial results of National Steel and Agro Industries Limited, ('the company) for the quarter ended June 30th 2020 attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Management is responsible for the preparation and fair presentation of this interim financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standards for Interim Financial Reporting (Ind AS 34), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder, as applicable and other accounting principles generally accepted in India.

Our responsibility is to issue a report on these financial results based on our review of such interim financial statements.

We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Performed by 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 from 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 become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable Indian Accounting Standards (Ind AS) prescribe under Section 133 of the Companies Act, 2013 read with relevant rules issued made there under and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

Emphasis of Matter

1. The company has accumulated secured debts (inclusive of interest & net of payment) amounting to Rs. 1341.06 Crores which was classified as Non-Performing Assets (NPA) by the banks. Company is under the process of One Time Settlement (OTS) for settlement of these loans with the Banks.

2. Four parties have filed application/ petition before the NCLT/NCLAT under Insolvency & Bankruptcy Code against which the company has adopted legal course.

Material Uncertainty Related to Going Concern

We draw attention regarding preparation of financial statements on going concern basis, which states that the Company has incurred losses, its liabilities exceeded total assets and its net worth has been fully eroded as on 30th June, 2020. As stated, these events and conditions, along with other matters, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in this regard.

For Fadnis and Gupte
Chartered Accountants
FRN 007700C

FADNIS & GUPTE ★ CHARTERED ACCOUNTANTS ★ FRN 006600C

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

Place of Signature: Indore
Date: 15.09.2020
UDIN: 20074814AAAAFK8438

National Steel & Agro Industries Ltd

Unaudited Financial Results for the quarter ended 30th June'2020

(Rs. in Lakhs except EPS)

S. No.	Particulars	QUARTER ENDED			YEAR ENDED
		30.06.2020	31.03.2020	30.06.2019	31.03.2020
		Unaudited	Audited	Unaudited	Audited
1	**Income from operations**				
	(a) Net sales/ Income from operations	26,331	30,732	33,897	126,784
	(b) Other operating income	598	4,096	722	4,149
	Total income from operations (net)	**26,929**	**34,828**	**34,619**	**130,933**
	Other income	42	1,546	21	1,595
	Total Income	**26,971**	**36,374**	**34,640**	**132,527**
2	**Expenses**				
	(a) Cost of materials consumed	22,179	30,818	31,542	116,113
	(b) Purchases of stock-in-trade	-	-	-	
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	1,286	(183)	(2,395)	(2,505)
	(d) Employee benefits expense	721	797	731	3,163
	(e) Finance costs	4,464	5,554	4,179	18,242
	(f) Depreciation and amortisation expense	1,217	1,216	1,214	4,864
	(g) Expected Credit Loss	933	3,733	-	3,733
	(h) Other expenses	2,740	4,427	2,657	12,644
	Total Expenses	**33,540**	**46,362**	**37,928**	**156,255**
3	**Profit/ (Loss) from operations before exceptional items and Tax (1-2)**	**(6,569)**	**(9,987)**	**(3,288)**	**(23,727)**
4	Exceptional items	-	-	-	-
5	**Profit/ (Loss) from ordinary activities before tax (3 +4)**	**(6,569)**	**(9,987)**	**(3,288)**	**(23,727)**
6	Tax expense				
	a) Current tax (net of MAT Credit)	-	-	-	-
	b) Income tax paid for earlier years	-	13	-	13
	c) Deferred tax	473	5,343	-	5,343
	Sub total of 6 (a+b+c)	**473**	**5,356**	**-**	**5,356**
7	**Net Profit/ (Loss) for the period (5 -6)**	**(7,042)**	**(15,343)**	**(3,288)**	**(29,083)**
8	**Other Comprehensive Income/ (Loss)**				
	- Items that will not be reclassified to profit or loss				
	Re-measurement gains/ (loss) on defined benefit plans	(9)	(77)	13	(38)
9	**Total Comprehensive Income/ (Loss) (7+8)**	**(7,051)**	**(15,421)**	**(3,275)**	**(29,121)**
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 (before/ after extraordianary item)** (of Rs. 10/- each) (not annualised):				
	(a) Basic	(15.82)	(34.48)	(7.39)	(65.36)
	(b) Diluted	(15.82)	(34.48)	(7.39)	(65.36)

NATIONAL STEEL & AGRO INDUSTRIES LTD. NATIONAL

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Notes:

1. The above results have been reviewed by the Audit Committee and approved by the Board of Directors of the Company in their meeting held on 15th September' 2020.
2. Company has accumulated secured debts (inclusive of interest and net payment) of Rs. 1341.06 Crores as of 30th June, 2020, which has been classified as Non Performance Assets (NPA) by the lenders. During the period two Banks has issued notices to the Company & its' director with intent to classify them as "Willful Defaulter". Company has replied to the notices. Simultaneously, company has proposed settlement with the lenders, which has been sanctioned by 70% (by value) of the lender. The Company has provided for interest on accumulated secured debts on estimated basis.
3. As on 30th June, 2020, company's net worth has been fully eroded and stand at Rs. 1089.24 Crores and its' current liability exceeds its' current assets by Rs. 1492.40 Crores. Also company has incurred net loss of Rs. 70.51 Crores in the period April, 2020 to June, 2020. However, Company has taken appropriate steps to tide over the issue by improving operation/performance by ramping up the capacity utilization, rationalization of operation and proposing One Time Settlement (OTS) with the secured lenders. In view of these, result has been prepared on the basis of "going concern".
4. One of the Financial Creditor and some of Operational Creditors/ parties had filed petition before National Company Law Board NCLT)/ Supreme Court under Insolvency and Bankruptcy Code (IBC), for which, company has adopted legal recourse.
5. The company is successfully navigating through the situation arising out of COVID-19 pandemic with all resources at its disposal. The Company's operations and revenue during the current quarter were impacted due to COVID-19. The Company has taken into account the possible impact of COVID-19 in preparation of the unaudited financial results based on internal and external information up to the date of approval of these unaudited financial results and current indicators of future economic conditions. The management does not foresee any material impact on its business due to non fulfillment of obligation by any party.
6. The Securities and Exchange Board of India (SEBI) vide its Final Order No. WTM/AB/IVD/ID11/8666/2020-21 dated 12th August, 2020 has revoked all the orders passed earlier regarding barring the Company from buying, selling or dealing in any manner in the securities market.
7. The figures have been regrouped and/ or reclassified wherever considered necessary.

For and on behalf of the Board of Directors

Date: 15th September, 2020
Place: Indore

NATIONAL STEEL & AGRO INDUSTRIES LTD.

Manoj Khetan
(Whole Time Director & CFO)
(DIN – 06395265)

Best Company of the Year INDIA 2017 Consumer's & Industry Validated

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