

OCL IRON AND STEEL LIMITED

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CIN: L27102OR2006PLC008594, website- www.oclsteel.com

Ref.No.: OISL/BSE/NSE/2022-23

Date: February 1, 2023

To,

BSE Limited Phiroze Jeejeebhoy, Towers Limited Dalal Street, Mumbai - 4000 01 Scrip Code: 533008	National Stock Exchange of India Limited, Exchange Plaza, Bandra Kurla Complex, Bandra (E) Mumbai - 400 051 Symbol: OISL
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Dear Sir/Madam,

Subject: Outcome of the Meeting of Directors which is held today i.e., February 1, 2023 pertaining to the declaration of the Financial Results and other matters thereof

Ref.: Un-Audited (consolidated) Financial Results for the quarter ended June 30, 2021, quarter and half-year ended September 30, 2021 and quarter and nine-months ended December 31, 2021 of OCL Iron and Steel Limited which is currently undergoing Corporate Insolvency Resolution Process ("CIRP")

As you are aware, OCL Iron and Steel Limited ("the Company") is currently undergoing Corporate Insolvency Resolution Process ("CIRP") vide Hon'ble National Company Law Tribunal, Cuttack Bench order dated September 20, 2021 ("Order"), in terms of the provisions of Insolvency and Bankruptcy Code, 2016 ('IBC') and the regulations framed thereunder. Pursuant to the said order and the provisions of IBC, the powers of the Board of Directors have been suspended and such powers along with the responsibility for managing the affairs of the Company are vested with Mr. Vijaykumar V. Iyer, in the capacity of Resolution Professional ('RP').

Pursuant to the provisions of Regulation 30 & 33 read with Schedule III of SEBI (Listing Obligations and Disclosures Requirement) Regulations, 2015, we wish to inform you that the Directors and the Resolution Professional of the Company in their meeting held today i.e., **Wednesday, February 1, 2023** has *inter-alia* considered, noted and approved the following matters:

- 1. Un-audited Consolidated Financial Results** of the Company for the quarter ended **June 30, 2021**, quarter and half-year ended **September 30, 2021** and quarter and nine-months ended **December 31, 2021**, duly approved by the Directors and taken on record by the Resolution Professional of the Company.
- 2. Limited Review Report(s)** dated **February 1, 2023** issued by Statutory Auditors (i.e., M/s Mukeshkumar Jain & Co., Chartered Accountants) of the Company, on the aforesaid financial results of the Company.

The Meeting was commenced on **3:00 p.m.** and concluded at **3:55 p.m.**

You are requested to take the same on your record and oblige.

Thanking You,
Yours faithfully,

For OCL Iron and Steel Limited
(Company under Corporate Insolvency Resolution Process)


Khushboo Gupta
Company Secretary & Compliance Officer

Statement of Un-Audited Consolidated Financial results for the quarter ended 30th June, 2021

(Rupees In Lakhs)

Part - I

S.No.	Particulars	Consolidated			
		Quarter Ended		Year ended	
		31.03.2021	30.06.2020	31.03.2021	31.03.2021
		Un-Audited	Audited	Un-Audited	Audited
1	Revenue				
	Revenue from operations	138.80	565.62	34.33	1,434.50
	Other Income	-	25.23	6.20	31.43
	Total Revenue	138.80	590.85	40.53	1,465.93
2	Expenses				
	Cost of Material consumed	1.65	436.46	-	910.67
	Changes in inventories of finished goods, work in progress and stock in trade	-	-	-	62.15
	Employee Benefits Expense	276.49	306.52	290.83	1,140.53
	Finance Costs	6,833.52	5,908.29	5,765.58	20,595.22
	Depreciation & Amortization Expense	2,223.57	2,233.88	2,231.59	8,929.36
	Other Expenses	84.81	259.34	44.78	507.44
	Total Expenses	9,420.05	9,144.49	8,332.78	32,145.37
3	Loss before exceptional item and tax (1-2)	(9,281.24)	(8,553.64)	(8,292.25)	(30,679.44)
4	Exceptional items	-	(340.03)	2,447.04	2,107.01
5	Loss before tax (3-4)	(9,281.24)	(8,213.62)	(10,739.28)	(32,786.45)
6	Tax expenses	-	-	-	-
7	Profit/(loss) for the period (3-4)	(9,281.24)	(8,213.62)	(10,739.28)	(32,786.45)
8	Other Comprehensive Income (net of tax)	-	-	-	-
9	Total comprehensive Income (5+6)	(9,281.24)	(8,213.62)	(10,739.28)	(32,786.45)
10	Paid-up equity share capital (Face Value of Rs.1 each)	1,453.10	1,453.10	1,453.10	1,453.10
11	Reserves excluding Revaluation Reserves as per balance sheet of previous accounting year	-	-	-	(1,59,088.79)
12	Earning Per Share (not annualised)				
	(a) Basic	(6.39)	(5.65)	(7.39)	(22.56)
	(b) Diluted	(6.39)	(5.65)	(5.14)	(22.56)

Notes to financial results:

1	The corporate insolvency resolution process ("CIRP") of OCL Iron and Steel Limited ('the Company'/'Corporate Debtor') was initiated vide order of Hon'ble National Company Law Tribunal, Cuttack Bench ("NCLT") dated September 20, 2021 ("ICD") pursuant to an Application filed by a Financial Creditor under Section 7 of the Insolvency and Bankruptcy Code 2016 ("Code") and Mr. Shiv Nandan Sharma was appointed as the Interim Resolution Professional ("IRP") of the Company. Pursuant to the decision of the Committee of Creditors ("CoC") at the first meeting of the CoC of the Company held on October 20, 2021, it was resolved to replace Mr. Shiv Nandan Sharma with Mr. Vijaykumar V. Iyer as the Resolution Professional of the Company and the CoC filed an application bearing I.A. (IB) No. 120/CB/2021 before the NCLT seeking for replacement of the IRP. The NCLT approved the replacement of the IRP and appointed Mr. Vijay Kumar V. Iyer as the Resolution Professional ("RP") of the Company vide its order dated November 25, 2021 ("Order") which was uploaded on the website of NCLT on December 07, 2021. The Committee of Creditors received various resolution plans and has approved the resolution plan submitted by M/s Indrani Patnaik ('Successful Resolution Applicant') by passing the requisite resolution with 88.98 % majority/voting share in accordance with the provisions of Section 30(4) of the Insolvency and Bankruptcy Code, 2016 ('Code') through e-voting process which was concluded on October 12, 2022. The resolution plan, as approved by the Committee of Creditors, has been filed with the Adjudicating Authority in accordance with the Section 30(6) of the Code for its approval on October 14, 2022, the approval whereof is still awaited.
2	As the powers of the Board of Directors have been suspended, the above result have not been adopted by the Board of Directors. However, the same have been signed by Mr Sanjiv Agraj, Director of the Company, confirming, accuracy & completeness of the results.
3	With respect to the financial results for the quarter and year ended June 30, 2021, the RP has signed the same solely for the purpose of ensuring compliance by the Corporate Debtor with applicable laws, and subject to the following disclaimers: (i) The RP has furnished and signed the report in good faith and accordingly, no suit, prosecution or other legal proceeding shall lie against the RP in terms of Section 233 of the Code; (ii) No statement, fact, information (whether current or historical) or opinion contained herein should be construed as a representation or warranty, express or implied, of the RP including, his authorized representatives and advisors; (iii) The RP, in review of the financial results and while signing this statement of financial results, has relied upon the assistance provided by the directors of the Corporate Debtor, and certifications, representations and statements made by the directors of the Corporate Debtor, in relation to these financial results. The statement of financial results of the Corporate Debtor for the quarter ended June 30, 2021 have been taken on record by the RP solely on the basis of and on relying the aforesaid certifications, representations and statements of the aforesaid directors and the erstwhile management of the Corporate Debtor. For all such information and data, the RP has assumed that such information and data are in the conformity with the Companies Act, 2013 and other applicable laws with respect to the preparation of the financial results and that they give true and fair view of the position of the Corporate Debtor as of the dates and period indicated therein. Accordingly, the RP is not making any representations regarding accuracy, veracity or completeness of the data or information in the financial results. (iv) In terms of the provisions of the Code, the RP is required to undertake a review of certain transactions. Such review has been completed and the RP has filed the necessary applications with the adjudicating authority.
4	Considering the current operating levels of the Company, and the ongoing CIRP it is not possible to determine: a. Impairment, if any, in the economic value of the fixed assets, capital work in progress; b. Diminution, if any, in the value of investments.



5	Trade receivables, Trade Payables, loans & advances at 30th June 2021 (which are subject to confirmation & reconciliation), includes balances from the group entities, which are subject to confirmation/reconciliation and the recoverability assessment thereof is under process.
6	The company had issued 4,35,00,000 (2% Non-cumulative, Redeemable) Preference Shares of Rs. 10/- each at a premium of Rs. 90/- each amounting to Rs. 43,50,00,000 on 30th July, 2010 and 95,05,000 (2% Non-cumulative, Redeemable) Preference Shares of Rs. 10/- each at a premium of Rs. 90/- each amounting to Rs. 9,50,50,000 on 17th August, 2010. The Preference shares will be redeemed not before 10 (Ten) years and not later than 12 (Twelve) years from the date of allotment. However, the term of redemption was inadvertently mentioned 18 (Eighteen) years instead of 12 (Twelve) years in the previous Financial Statements, which is now being rectified as 12 years (original term period of redemption of preference shares). At the time of First time adoption of Ind AS, the company has erroneously determined financial liability in case of Preference Share Capital based on 18 Years. Being Material error, the Equity and Liability component of Preference shares along with interest on Liability component has been re-measured and therefore given effect in the restated standalone results relating to previous quarters
7	The consolidated financials of the company include restated standalone financials and financials pertaining to its two subsidiary companies. One subsidiary and one associate company has been deconsolidated for being struck off under section 248(1) of companies act 2013. It may be noted that the RP of the Company has no control/ access over/ to the entities, which have been consolidated. The accounts of the two subsidiary companies which are consolidated are unaudited and have been considered on the basis of certification by the management of the entities being consolidated.
8	The company provides depreciation on straight line method. During the year, company found material errors in calculation of depreciation based on straight line method, which is recalculated and given effect in the restated standalone financial statements.
9	Previous period figures have been regrouped/ reclassified, wherever considered necessary to conform to the current period presentation.

Date: 1 February 2023
Place: New Delhi

For OCL IRON AND STEEL LIMITED



Part-II

SEGMENT REPORTING

Segmentwise Revenue, Results, Assets and Liabilities

(Rupees In Lakhs)

Particulars	Consolidated			
	Quarter Ended		Year Ended	
	30.06.2021	31.03.2021	30.06.2020	31.03.2021
	Un-Audited	Audited	Un-Audited	Audited
Segment Revenue				
a) Steel	0.00	0.00	0.00	0.00
b) Power	0.00	0.00	0.00	0.00
c) Auto	138.80	565.62	34.33	1,434.50
Total	138.80	565.62	34.33	1,434.50
Less : Inter segment	0.00	0.00	0.00	0.00
Total	138.80	565.62	34.33	1,434.50
Segment Results [Profit/(Loss) before Tax and Interest]				
a) Steel	(1,172.44)	(1,067.83)	(3,154.31)	(6,693.42)
b) Power	(295.53)	(405.50)	(259.65)	(1,184.41)
c) Auto	(977.61)	(1,679.28)	(1,048.00)	(4,647.49)
d) Unallocated	(2.15)	847.29	(511.73)	334.09
Total	(2,447.73)	(2,305.31)	(4,973.69)	(12,191.23)
Less : Interest	6,833.52	5,908.29	5,765.58	20,595.22
Profit before Tax	(9,281.25)	(8,213.62)	(10,739.28)	(32,786.45)
Segment Assets				
a) Steel	58,791.65	57,595.09	56,644.67	57,595.09
b) Power	30,797.74	34,813.50	35,244.07	34,813.50
c) Auto	46,693.59	48,155.44	51,811.67	48,155.44
d) Unallocated	37,246.21	35,477.63	35,527.57	35,477.63
Total	1,73,529.19	1,76,041.66	1,79,227.98	1,76,041.66
Segment Liabilities				
a) Steel	1,95,341.25	1,91,424.52	1,72,085.89	1,91,424.52
b) Power	13,951.95	13,627.08	5,808.08	13,627.08
c) Auto	1,09,090.19	1,07,586.06	98,105.80	1,07,586.06
d) Unallocated	21,060.97	21,039.68	20,935.15	21,039.68
Total	3,40,444.35	3,33,677.34	2,96,934.93	3,33,677.34

For OCL IRON AND STEEL LIMITED

Sanjeev Kumar

Director

DIN : 08882503

Date: 1 February 2023

Place: New Delhi



INDEPENDENT AUDITORS' REVIEW REPORT

Independent Auditor's Review Report on Unaudited Consolidated Quarterly Financial Results of OCL Iron and Steel Limited for the quarter ended 30th June, 2021 and for the period from 1st April, 2021 to 30th June, 2021 pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

Review Report to
The Resolution Professional
OCL Iron and Steel Limited

Dear Sir,

RE: Limited Review Report of the Unaudited Financial Results for the quarter ended 30th June, 2021 and for the period from 1st April, 2021 to 30th June, 2021.

- We have reviewed the accompanying consolidated unaudited financial results ("Statement") of OCL Iron and Steel Limited ("the holding Company") and its subsidiaries ("the holding Company and its subsidiaries together referred to as "the Group") for the quarter ended 30th June, 2021 and for the period from 1st April, 2021 to 30th June, 2021 being submitted by the company pursuant to the requirements of Regulation 33 of SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015 ("the Regulations"), as amended from time to time and read with relevant circulars issued by the SEBI ("the Listing Regulations").
- In our opinion and to the best of our information and according to the explanations given to us, And based on the consideration of separate financial statements and other financial information of the subsidiaries, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the aforesaid consolidated financial statements give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Companies Act 2013 ("the Act") read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company and its loss (including other comprehensive loss) and other financial information for the period ended June 30, 2021.
- Includes the results of the following entities:
 1. Aron Auto Limited
 2. OISL Auto Limited





Corporate Insolvency Proceedings as per the Insolvency and Bankruptcy Code, 2016 (IBC)

The corporate insolvency resolution process of OCL Iron and Steel Limited was initiated vide order of Hon'ble National Company Law Tribunal, Cuttack Bench dated 20th September, 2021 pursuant to an application filed by a Financial Creditor under Section 7 of the Insolvency and Bankruptcy Code 2016 ("Code") and Mr. Shiv Nandan Sharma was appointed as the Interim Resolution Professional ("IRP") of the Company. Pursuant to the decision of the Committee of Creditors ("CoC") at the first meeting of the CoC of the Company held on 20th October, 2021, it was resolved to replace Mr. Shiv Nandan Sharma with Mr. Vijaykumar V. Iyer as the Resolution Professional of the Company and the CoC filed an application bearing I.A. (IB) No. 120/CB/2021 before the NCLT seeking for replacement of the IRP. The NCLT approved the replacement of the IRP and appointed Mr. Vijaykumar V. Iyer as the Resolution Professional ("RP") of the Company vide its order dated 25th November, 2021 ("Order") which was uploaded on the website of NCLT on 07th December, 2021.

The Committee of Creditors received various resolution plans and has approved the resolution plan submitted by M/s Indrani Patnaik ('Successful Resolution Applicant') by passing the requisite resolution with 88.98 % majority/voting share in accordance with the provisions of Section 30(4) of the Insolvency and Bankruptcy Code, 2016 ('Code') through e-voting process which was concluded on October 12, 2022. The resolution plan, as approved by the Committee of Creditors, has been filed with the Adjudicating Authority in accordance with Section 30(6) of the Code for its approval on October 14, 2022, the approval whereof is still awaited.

The Company is presently undergoing CIRP and the resolution process is underway in line with the provisions of the IBC Code.

- As per Regulation 33 of the SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015, the standalone financial results of the Company submitted to the stock exchange shall be signed by the Chairperson or Managing Director or Whole Time Director or in the absence of all of them, it shall be signed by any Director of the Company who is duly authorized by the Board of Directors to sign the consolidated financial results. As the powers of the Board of Directors have been suspended, the above result has not been adopted by the Board of Directors. However, the same have been signed by Mr. Sanjeev Agraj, Director of the Company, confirming the accuracy & completeness of the results and have been taken on record by Mr. Vijaykumar V. Iyer (Resolution Professional).
- This Statement which is the responsibility of the Company's Management and has been approved by the Directors of the Company and taken on record by the RP in their meeting held on 01st February, 2023 has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" (Ind AS 34), 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. Our responsibility is to issue a Report on the Statement based on our review.



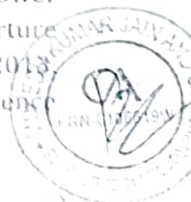


Scope of Review

- 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. 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 the Standards on Auditing specified under Section 143(10) of the Act, 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.

Basis of Qualified Conclusion

- We draw attention to Note no. 1 of the consolidated financial statements regarding admission of the Company into Corporate Insolvency Resolution Process ("CIRP").
- As a result of the company's ongoing losses, its reported net worth is negative as its total liabilities exceed its total assets. This situation indicates that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. The accounts, however, have been prepared by the management on a going concern basis for the reason stated in the aforesaid note. We are unable to obtain sufficient and appropriate audit evidence regarding the management's use of the going concern basis of accounting in the preparation of the financial results, in view of ongoing CIRP and matters pending before regulatory authorities, the outcome of which cannot be presently ascertained.
- We draw attention to Note no. 4 of the consolidated financial statements regarding impairment of asset, as per "Indian Accounting Standard 36" which talks about impairment of asset if the carrying amount of the asset is more than the recoverable amount, then the assets need to be impaired and as per "Indian Accounting Standard 109" on financial instruments which also contains provisions of impairment of financial assets through expected credit loss method basis these provisions we were required to seek for any impairment obligations from management but since the Company is still under CIRP process and the Resolution Professional and the Committee of Creditors are in the process of finalization of the process, the management has not determined value in use, thus impairment of Fixed Assets including Capital Work In Progress, advances given to related parties, accordingly, we are unable to ascertain the effect of the same on the Financial statements.
- For the same reasons as stated above, the Management has not stated the inventories at the lower of cost and net realizable value but has stated them solely at cost, which constitutes a departure from the Indian Accounting Standards prescribed under section 133 of the Companies Act, 2013. However, we could not ascertain the confirmation about the existence and technical obsolescence of inventory.





MUKESH KUMAR JAIN & CO.

CHARTERED ACCOUNTANTS

- The certainty about the realization of unused tax losses and MAT credit available cannot be determined at this time due to the continuing Corporate Insolvency Resolution Process. As a result, the applicable MAT credit and adjustment to deferred tax (net) have not been taken into account.

Emphasis of Matter:

- We draw attention to Note no. 5 of the consolidated financial statements, trade receivables, loans & advances and other recoverables as at 30th June, 2021, which also includes balances from group entities pertaining to prior years, subject to confirmation/reconciliation and currently recoverability is not ascertainable.
- The accompanying statement includes the unaudited financial results and other financial information, in respect of 2 subsidiaries whose financial statements have not been audited by an independent auditor, the management certified financial statements have been furnished to us.

Previous Year Comparatives

- ✓ The previous year's financial statements have been audited by a firm other than Mukeshkumar Jain & Co.
- ✓ The term of redemption of preference shares (2% non-cumulative, redeemable) was inadvertently mentioned 18 (Eighteen) years instead of 12 (Twelve) years in the previous Financial Statements, which is now being rectified as 12 years (original term period of redemption of preference shares). At the time of First adoption of Ind AS, (i.e., financial year ended 2015) the company had erroneously determined the financial liability in case of Preference Share Capital based on an 18 Year redemption period. Being a Material error, the Equity and Liability component of Preference shares along with interest on Liability component has been re-measured and therefore given effect in the restated annual accounts for the financial year ended March 31, 2021.
- ✓ The company uses the straight-line depreciation approach. The company identified significant flaws in the straight-line method's depreciation computation in the past years, which has been corrected and reflected in the restated financial accounts.



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MUKESH KUMAR JAIN & CO.

CHARTERED ACCOUNTANTS

Qualified Conclusion

Based on our review conducted as above, no matter other as stated in the Basis for Qualified Conclusion, has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable accounting standards i.e. Ind AS prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules issued 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 Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including the manner in which it is to be disclosed, or that it contains any material misstatement.

For Mukeshkumar Jain & Co.
Chartered Accountants

Rachak Gupta



CA. Rochak Gupta
Partner

M.No. 449691

UDIN: 23449691B4W1HE4698

Date: 01st February, 2023

Place: New Delhi