



**National Steel & Agro Industries Ltd**

May 30, 2022

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

To,  
BSE Limited  
1<sup>st</sup> 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: Audited Financial Results of National Steel and Agro Industries Limited ('the Company') for the quarter and year ended March 31, 2022 .**

**Ref: Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements Regulations), 2015 ['SEBI (LODR) Regulations, 2015']**

Dear Sir/Madam,

Pursuant to Regulation 33 of SEBI (LODR) Regulations, 2015, this is to inform you that the suspended Board of Directors, at its meeting held on Monday, May 30, 2022 chaired by Shri Dushyant C Dave, Resolution Professional has inter alia, considered and approved the Audited Financial Results of the Company for the quarter and financial year ended March 31, 2022.

Accordingly, we are enclosing:

- a) Independent Auditor's Report on Financial Results of the Company for the quarter and financial year ended March 31, 2022 issued by M/s. Fadnis & Gupte, Chartered Accountants;
- b) A Statement on Impact of Audit Qualifications (for Audit Report with modified Opinion) as per SEBI CIR/ CFD/ CMD/ 56/ 2016 dated May 27, 2016 read with Regulation 33 of the SEBI (LODR) Regulations, 2015 in the prescribed format for the financial year ended on March 31, 2022;





## National Steel & Agro Industries Ltd

- c) A Copy of the Audited Financial Results of the Company for the quarter and financial year ended March, 31, 2022 in specified format signed by Shri Santosh Shahra - Executive Director and member of the suspended Board, Shri Manoj Khetan - Chief Financial Officer and by Shri Dushyant C Dave - Resolution Professional of the Company 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.

*Note: Mr. Dushyant Dave (IBBI Regn. Number: IBBI/PA-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 as the same pertains to the period prior to the CIRP Commencement Date. 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*  
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

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## Independent Auditor's Report on Standalone 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, as amended (the "Listing Regulations")

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

The Hon'ble National Company Law Tribunal ("NCLT"), Mumbai Bench, admitted petition for initiation of Corporate Insolvency Process ("CIRP") under the provisions of the Insolvency and Bankruptcy Code, 2016 ("the Code") and related rules and regulations issued thereunder, filed by financial creditors vide order no. CP(IB)2067/MB/2019 delivered on 11th April 2022 and appointed an Interim Resolution Professional ("IRP") to manage affairs of the Company in accordance with the provisions of Code. The Committee of Creditors of the Company appointed with the requisite voting share, in its meeting held on 11th May 2022 the IRP as Resolution Professional ("RP") for the Company. Upon initiation of the CIRP proceedings, the management of affairs of the Company and power of Board of Directors are now vested with RP. Further, as mentioned in Note 1 and in terms of Sections 14 of the Code, until the resolution plan has been approved by the Hon'ble NCLT, moratorium shall continue to be in effect.

### Qualified Opinion

We have audited the quarterly standalone financial results of M/s. National Steel and Agro Industries Limited ("The Company") for the quarter ended March 31, 2022 and the year-to-date results for the period April 1, 2021 to March 31, 2022, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us except for the possible effects of the matter described in the paragraph below "Basis for Qualified Opinion" these quarterly financial results as well as the year to date results:

- i. are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in this regard; and





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- ii. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards and other accounting principles generally accepted in India; of the net loss and other financial information for the quarter ended March 31 2022 as well as the year to date results for the period from April 1, 2021 to March 31, 2022.

## Basis for Qualified Opinion

1. As mentioned in Note 3(a) regarding non-recognition of interest on borrowing of banks and financial institutions and taken over by JM Financial Asset Reconstruction Company Limited amounting to Rs. 15,698.49 Lakhs for the year ended 31st March 2022. The same is not in compliance with requirements of Ind AS - 23 on "Borrowing Cost" read with Ind AS - 109 on "Financial Instruments".

Had provision for interest been recognised, finance cost and total loss for the year, would have been higher to that extent as mentioned above, having consequential impact on borrowings and other equity.

2. We draw your attention to Note 3(b) wherein the rent amounting to Rs. 74.88 Lakhs (including GST) has been paid to the various related parties for the periods from August 2018 to April 2021. According to the information and explanation provided to us these premises has been utilized by the company without any consideration. The owners approached the company for the payment of the rent which has been quantified and approved by the Board of Directors during the year. The management is of the opinion that the liability has crystalized during the year and accordingly the payment has been made. However, the provisions of Ind AS 116- Leases have not been complied with.
3. In accordance with the Insolvency and Bankruptcy Code ("Code"), the Resolution Professional ("RP") has to receive, collate and admit the claims submitted by the creditors as a part of Corporate Insolvency Process ("CIRP"). Such claims can be submitted to the RP within 90 days from the date of commencement of CIRP. Pending final outcome of the CIRP, no accounting impact in the books of accounts has been made in respect of excess, short, or nonreceipts of claims for operational and financial creditors and disclosed under the head contingent liabilities. Hence, consequential impact, if any, is currently not ascertainable and we are unable to comment on possible financial impacts of the same.





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We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 (the Act). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Results section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial results under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our Qualified opinion.

## Emphasis of Matter

1. One of the lenders has declared Company and its Directors as Wilful Defaulter. Two lender banks have issued notices to the Company and its Directors with intent to classify them as "Wilful Defaulter". The Company and its Directors have respectively replied to the said notices.
2. As per Note 7 the company has written off Target Plus Incentive receivable amounting to Rs. 4,043.75 Lakhs to the Statement of Profit & Loss as an exceptional item as the same cannot be utilized due to expiry of validity period of the scheme.

Our opinion is not qualified on these matters.

## Material Uncertainty Related to Going Concern

We draw attention to Note 5 of the results, regarding preparation of results on going concern basis, which states that the Company has incurred losses during the year, its liabilities exceeded total assets and its net worth has been fully eroded as on 31st March 2022. 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 results are continued to be prepared on going concern basis. However there exists material uncertainty about the Company's ability to continue as going concern since the same is dependent upon the resolution plan to be approved by NCLT. The appropriateness of preparation of results on going concern basis is critically dependent upon CIRP as specified in the Code. Our opinion is not modified in respect of this matter.

## Management's and Resolution Professional's Responsibilities for the Standalone Financial Results

These quarterly financial results as well as the year to date standalone financial results have been prepared on the basis of the interim financial statements. The Company's Board of Directors and Resolution Professional are responsible for the preparation of these financial





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results that give a true and fair view of the net loss and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, 'Interim Financial Reporting' prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial results, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

## Auditor's Responsibilities for the Audit of the Standalone Financial Results

Our objectives are to obtain reasonable assurance about whether the standalone financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.





# FADNIS & GUPTA LLP

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- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial results, including the disclosures, and whether the financial results represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Place: Indore  
Dated: 30.05.2022  
UDIN: 22074814AJXWNB9255



For Fadnis & Gupta LLP  
Chartered Accountants  
FRN 006600C/C400324

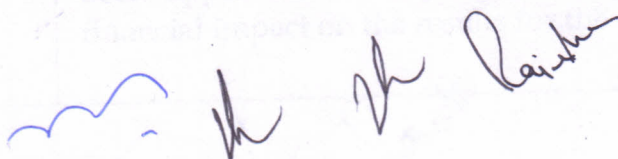
(CA. Vikram Gupta)  
Partner  
M.No. 074814

**National Steel and Agro Industries Limited**  
**(A company under Corporate Insolvency Resolution Process vide NCLT Order dated April 11, 2022)**

**ANNEXURE I**

**Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with Annual Audited Financial Results - (Standalone)**

| <b>Statement on Impact of Audit Qualifications for the Financial Year ended<br/>March 31, 2022</b><br><b>[See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]</b> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                                                        |                                                                                   |                                                                                        |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------|-----------------------------------------------------------------------------------|----------------------------------------------------------------------------------------|
| I.                                                                                                                                                                                     | Sl. No.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Particulars                                                            | Audited Figures<br>(as reported before adjusting for qualifications ('in Lakhs')) | Adjusted Figures<br>(audited figures after adjusting for qualifications, ('in Lakhs')) |
|                                                                                                                                                                                        | 1.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Turnover / Total income                                                | 81,739                                                                            | 81,739                                                                                 |
|                                                                                                                                                                                        | 2.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Total Expenditure                                                      | 1,03,228                                                                          | 1,18,926                                                                               |
|                                                                                                                                                                                        | 3.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Net Profit/ (Loss)                                                     | (21,489)                                                                          | (37,187)                                                                               |
|                                                                                                                                                                                        | 4.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Earnings Per Share                                                     | (48.29)                                                                           | (83.57)                                                                                |
|                                                                                                                                                                                        | 5.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Total Assets                                                           | 50,126                                                                            | 50,126                                                                                 |
|                                                                                                                                                                                        | 6.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Total Liabilities                                                      | 1,97,318                                                                          | 2,13,016                                                                               |
|                                                                                                                                                                                        | 7.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Net Worth                                                              | (1,47,192)                                                                        | (1,62,890)                                                                             |
|                                                                                                                                                                                        | 8.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Any other financial item(s)<br>(as felt appropriate by the management) | -                                                                                 | -                                                                                      |
| II.                                                                                                                                                                                    | <b>a. Details of Audit Qualification:</b><br><br>1. Non-recognition of interest on borrowing of banks and financial institutions taken over by JM Financial Asset Reconstruction Company Limited amounting to Rs. 15,698.49 Lakhs for the year ended 31 <sup>st</sup> March, 2022. The same is not in compliance with requirements of Ind AS - 23 on "Borrowing Cost" read with Ind AS - 109 on "Financial Instruments".<br><br>Had provision for interest been recognized, finance cost and total loss for the year, would have been higher to that extent as mentioned above, having consequential impact on borrowings and other equity. |                                                                        |                                                                                   |                                                                                        |



**Santosh Shahra**  
Digitally signed by Santosh Shahra  
Date: 2022.05.30 21:15:54 +05'30'

**DUSHYANT CHANDRAKANT DAVE**  
Digitally signed by DUSHYANT CHANDRAKANT DAVE  
Date: 2022.05.30 22:21:38 +05'30'

2. The rent amounting to Rs. 74.88 Lakhs (including GST) has been paid to the various related parties for the periods from August 2018 to April 2021. According to the information and explanation provided to us these premises has been utilized by the company without any consideration. The owners approached the company for the payment of the rent which has been quantified and approved by the Board of Directors during the year. The management is of the opinion that the liability has crystalized during the year and accordingly the payment has been made. However, the provisions of Ind AS 116- Leases have not been complied with.
3. In accordance with the Insolvency and Bankruptcy Code ("Code"), the Resolution Professional ("RP") has to receive, collate and admit the claims submitted by the creditors as a part of Corporate Insolvency Process ("CIRP"). Such claims can be submitted to the RP within 90 days from the commencement of CIRP. Pending final outcome of the CIRP, no accounting impact in the books of accounts has been made in respect of excess, short, or non receipts of claims for operational and financial creditors and disclosed under the head contingent liabilities. Hence, consequential impact, if any, is currently not ascertainable and we are unable to comment on possible financial impacts of the same.

**1. Type of Audit Qualification : Qualified Opinion**

**2. Frequency of qualification:**

1. The qualification pertaining to non-recognition of interest on the borrowing has been reported in the Unaudited Financial Results for the quarter ended September 30, 2021, December, 2021 and Audited Financial Results for the quarter and year ended March 31, 2022.
2. In regard to the other qualifications, the same appeared for the first time in the Audited Financial Results for the quarter and year ended March 31, 2022.

**3. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:**

**Qualification No. 1:** Presently, the Company's Financial Position doesn't allow to pay interest on borrowing. In view of the management, at appropriate time, a proposal will be made to lenders for waiver/reduction in the liability. Accordingly, interest has not been provided on the borrowing in its books of accounts.

**4. For Audit Qualification(s) where the impact is not quantified by the auditor: Qualification No. 2 to 3**

**(i) Management's estimation on the impact of audit qualification:**

**Qualification 2:** Approval of lease rental has been recognized and accounted in the books of accounts. The qualification is only technical / non compliance in recognizing the liability in the past. However, since the lease rental has been approved and crystalized during the year, therefore there is no financial impact on the results for the period.

Santosh  
Shahra

Digitally signed by  
Santosh Shahra  
Date: 2022.05.30  
21:16:21 +05'30'

DUSHYANT  
CHANDRAKA  
NT DAVE

Digitally signed by  
DUSHYANT  
CHANDRAKANT DAVE  
Date: 2022.05.30  
22:23:17 +05'30'

|    |                                                                                                                                    |                                                                                                                                                                                                                                                                                                                                                           |
|----|------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|    |                                                                                                                                    | <b>Qualification 3:</b> Pending completion of CIRP process, the amount can't be quantified.                                                                                                                                                                                                                                                               |
|    |                                                                                                                                    | (ii) If management is unable to estimate the impact, reasons for the same:<br>NA                                                                                                                                                                                                                                                                          |
|    | (iii) Auditors' Comments on (i) or (ii) above:                                                                                     | Ind AS 116- Leases is applicable with effect from 1 <sup>st</sup> April, 2019. Had the treatment of rent payments been made according to Ind AS 116, the rent expenses would have been recognized in the Statement of Profit & Loss over the entire lease period as amortization of Right of Use Asset and the corresponding interest on lease liability. |
| II | <b>Signatories:</b>                                                                                                                |                                                                                                                                                                                                                                                                                                                                                           |
| I. | <ul style="list-style-type: none"> <li>Executive Director<br/>-Shri Santosh Shahra</li> </ul>                                      | <b>Santosh Shahra</b><br><small>Digitally signed by Santosh Shahra<br/>Date: 2022.05.30 21:16:38 +05'30'</small>                                                                                                                                                                                                                                          |
|    | <ul style="list-style-type: none"> <li>CFO<br/>-Shri Manoj Khetan</li> </ul>                                                       |                                                                                                                                                                                                                                                                        |
|    | <ul style="list-style-type: none"> <li>Audit Committee Chairman<br/>-Shri Rajesh Nema</li> </ul>                                   |                                                                                                                                                                                                                                                                       |
|    | <ul style="list-style-type: none"> <li>Resolution Professional<br/>-Shri Dushyant C Dave</li> </ul>                                | <b>DUSHYANT CHANDRAKANT DAVE</b><br><small>Digitally signed by DUSHYANT CHANDRAKANT DAVE<br/>Date: 2022.05.30 22:23:42 +05'30'</small>                                                                                                                                                                                                                    |
|    | <ul style="list-style-type: none"> <li>Statutory Auditor<br/>-Shri Vikram Gupte,<br/>Partner of M/s. Fadnis &amp; Gupte</li> </ul> | <br>                                                                                                                                                                             |

Date: May 30, 2022

Place: Indore



## National Steel & Agro Industries Ltd

### Statement of Audited Financial Results for the Quarter and Year ended 31st March, 2022

(Rs. in Lakhs except EPS)

| S. No. | Particulars                                                                       | QUARTER ENDED  |                |                | YEAR ENDED      |                 |
|--------|-----------------------------------------------------------------------------------|----------------|----------------|----------------|-----------------|-----------------|
|        |                                                                                   | 31.03.2022     | 31.12.2021     | 31.03.2021     | 31.03.2022      | 31.03.2021      |
|        |                                                                                   | Audited        | Unaudited      | Audited        | Audited         | Audited         |
| 1      | <b>Revenue from Operations</b>                                                    |                |                |                |                 |                 |
|        | (a) Sales / Income from operations                                                | 12,298         | 18,276         | 23,585         | 72,929          | 152,740         |
|        | (b) Other operating income                                                        | 3,566          | 1,739          | 1,406          | 8,576           | 5,108           |
|        | <b>Total income from operations</b>                                               | <b>15,864</b>  | <b>20,015</b>  | <b>24,991</b>  | <b>81,505</b>   | <b>157,848</b>  |
|        | Other income                                                                      | 181            | 4              | 71             | 234             | 827             |
|        | <b>Total Revenue</b>                                                              | <b>16,045</b>  | <b>20,019</b>  | <b>25,062</b>  | <b>81,739</b>   | <b>158,675</b>  |
| 2      | <b>Expenses</b>                                                                   |                |                |                |                 |                 |
|        | (a) Cost of materials consumed                                                    | 4,939          | 12,192         | 17,159         | 48,190          | 135,787         |
|        | (b) Purchases of stock-in-trade                                                   | 2,515          | 1,979          | -              | 8,518           | -               |
|        | (c) Changes in inventories of finished goods, work-in-progress and stock-in-trade | 1,525          | 577            | 1,830          | 3,377           | 904             |
|        | (d) Employee benefits expense                                                     | 918            | 909            | 965            | 3,692           | 3,293           |
|        | (e) Finance costs (refer note.no.3)                                               | 5,402          | 2,142          | 4,877          | 16,523          | 19,758          |
|        | (f) Depreciation and amortisation expense                                         | 1,208          | 1,197          | 1,226          | 4,802           | 4,870           |
|        | (g) Other expenses                                                                | 3,963          | 3,867          | 6,063          | 16,991          | 19,335          |
|        | <b>Total Expenses</b>                                                             | <b>20,470</b>  | <b>22,863</b>  | <b>32,120</b>  | <b>102,093</b>  | <b>183,947</b>  |
| 3      | <b>Profit / (Loss) from operations before exceptional items and Tax (1-2)</b>     | <b>(4,425)</b> | <b>(2,844)</b> | <b>(7,058)</b> | <b>(20,354)</b> | <b>(25,272)</b> |
| 4      | Exceptional items (refer note.no.7)                                               | 4,044          | -              | -              | 4,044           | -               |
| 5      | <b>Profit / (Loss) before tax (3 - 4)</b>                                         | <b>(8,469)</b> | <b>(2,844)</b> | <b>(7,058)</b> | <b>(24,398)</b> | <b>(25,272)</b> |
| 6      | <b>Tax expenses</b>                                                               |                |                |                |                 |                 |
|        | a) Current tax                                                                    | -              | -              | -              | -               | -               |
|        | b) Deferred tax                                                                   | 223            | -              | (1,892)        | (2,908)         | (2,532)         |
|        | <b>Sub total of 6 (a+b)</b>                                                       | <b>223</b>     | <b>-</b>       | <b>(1,892)</b> | <b>(2,908)</b>  | <b>(2,532)</b>  |
| 7      | <b>Net Profit / (Loss) for the period (5 - 6)</b>                                 | <b>(8,692)</b> | <b>(2,844)</b> | <b>(5,166)</b> | <b>(21,490)</b> | <b>(22,740)</b> |
| 8      | <b>Other Comprehensive Income / (Loss)</b>                                        |                |                |                |                 |                 |
|        | -Items that will not be reclassified to Profit & Loss                             |                |                |                |                 |                 |
|        | Re-measurement gains/ (loss) on defined benefit plans                             | 244            | (130)          | (491)          | (145)           | (519)           |
|        | Gain on Equity Instruments through Other Comprehensive Income                     |                |                |                |                 |                 |
| 9      | <b>Total Comprehensive Income / (Loss) (7+8)</b>                                  | <b>(8,448)</b> | <b>(2,974)</b> | <b>(5,657)</b> | <b>(21,635)</b> | <b>(23,259)</b> |
| 10     | <b>Paid-up equity share capital (Face Value of the Share Rs. 10/- each)</b>       | <b>4,450</b>   | <b>4,450</b>   | <b>4,450</b>   | <b>4,450</b>    | <b>4,450</b>    |
| 11     | <b>Earnings per equity share</b>                                                  |                |                |                |                 |                 |
|        | (of Rs. 10 /- each) (not annualised):                                             |                |                |                |                 |                 |
|        | (a) Basic                                                                         | (19.53)        | (6.39)         | (11.61)        | (48.29)         | (51.10)         |
|        | (b) Diluted                                                                       | (19.53)        | (6.39)         | (11.61)        | (48.29)         | (51.10)         |

**Santosh  
Shahra**

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**DUSHYANT  
CHANDRAKANT DAVE**

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## National Steel & Agro Industries Ltd

### Statement of Assets and Liabilities As at 31st March' 2022

(Rs. in Lakhs)

|   |                                                                                          | As at<br>31st March,2022 | As at<br>31st March,2021 |
|---|------------------------------------------------------------------------------------------|--------------------------|--------------------------|
| 1 | <b>ASSETS</b>                                                                            |                          |                          |
|   | <b>Non-Current Assets</b>                                                                |                          |                          |
|   | (a) Property, Plant and Equipment                                                        | 41,042                   | 45,620                   |
|   | (b) Other Intangible Assets                                                              | 24                       | 52                       |
|   | <b>(c) Financial Assets</b>                                                              |                          |                          |
|   | (i) Investments                                                                          | -                        | 96                       |
|   | (ii) Other Financial Assets                                                              | 594                      | 369                      |
|   | (d) Non-Current Tax Assets (net)                                                         | 1,348                    | 435                      |
|   | (e) Other Non-Current Assets                                                             | 107                      | 162                      |
|   | <b>Non-Current Assets</b>                                                                | <b>43,115</b>            | <b>46,734</b>            |
| 2 | <b>Current Assets</b>                                                                    |                          |                          |
|   | (a) Inventories                                                                          | 1,278                    | 6,968                    |
|   | <b>(b) Financial Assets</b>                                                              |                          |                          |
|   | (i) Trade Receivables                                                                    | 1,250                    | 263                      |
|   | (ii) Cash and Cash Equivalents                                                           | 267                      | 632                      |
|   | (iii) Bank Balance Other than (ii) above                                                 | 171                      | 274                      |
|   | (iii) Others                                                                             | 140                      | -                        |
|   | (c) Other Current Assets                                                                 | 3,905                    | 5,733                    |
|   | <b>Current Assets</b>                                                                    | <b>7,011</b>             | <b>13,870</b>            |
|   | <b>Total Assets</b>                                                                      | <b>50,126</b>            | <b>60,604</b>            |
| 1 | <b>EQUITY AND LIABILITIES</b>                                                            |                          |                          |
|   | <b>(a) Equity Share Capital</b>                                                          | 4,450                    | 4,450                    |
|   | <b>(b) Other Equity</b>                                                                  | (151,642)                | (130,008)                |
|   | <b>Total Equity</b>                                                                      | <b>(147,192)</b>         | <b>(125,558)</b>         |
| 2 | <b>LIABILITIES</b>                                                                       |                          |                          |
|   | <b>Non-Current Liabilities</b>                                                           |                          |                          |
|   | <b>(a) Financial Liabilities</b>                                                         |                          |                          |
|   | (i) Borrowings                                                                           | -                        | 4,546                    |
|   | <b>(b) Provisions</b>                                                                    | 821                      | 613                      |
|   | <b>(c) Deferred Tax Liabilities (Net)</b>                                                | -                        | 2,908                    |
|   | <b>Non-Current Liabilities</b>                                                           | <b>821</b>               | <b>8,067</b>             |
|   | <b>Current Liabilities</b>                                                               |                          |                          |
|   | <b>(a) Financial Liabilities</b>                                                         |                          |                          |
|   | (i) Borrowings                                                                           | 153,737                  | 145,642                  |
|   | <b>(ii) Trade Payables</b>                                                               |                          |                          |
|   | (A) Total outstanding dues of Micro enterprises & Small Enterprises                      | 399                      | 410                      |
|   | (B) Total outstanding dues of Creditors Other Than Micro enterprises & Small enterprises | 23,358                   | 18,062                   |
|   | (iii) Other Financial Liabilities                                                        | 13                       | 13                       |
|   | <b>(b) Other Current Liabilities</b>                                                     | 18,730                   | 13,736                   |
|   | <b>(c) Provisions</b>                                                                    | 260                      | 232                      |
|   | <b>Current Liabilities</b>                                                               | <b>196,497</b>           | <b>178,095</b>           |
|   | <b>Total Equity &amp; Liabilities</b>                                                    | <b>50,126</b>            | <b>60,604</b>            |

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## National Steel & Agro Industries Ltd

| National Steel and Agro Industries Limited                     |                                                              |                       |          |                       |         |
|----------------------------------------------------------------|--------------------------------------------------------------|-----------------------|----------|-----------------------|---------|
| Cash Flow Statement For The Year Ended 31st March'2022         |                                                              |                       |          |                       |         |
| (Indirect Method set out in Ind As -7 Statement of Cash Flows) |                                                              |                       |          |                       |         |
| (Rs.in Lakhs)                                                  |                                                              |                       |          |                       |         |
|                                                                |                                                              | Year ended 31.03.2022 |          | Year ended 31.03.2021 |         |
| A.                                                             | Cash Flow from operating activities :                        |                       |          |                       |         |
| a)                                                             | Net profit/ (loss) beforeTax & Extra ordinary item           | (24,398)              |          | (25,272)              |         |
|                                                                | Adjustment for:                                              |                       |          |                       |         |
|                                                                | Depreciation                                                 | 4,802                 |          | 4,870                 |         |
|                                                                | Interest Expenses                                            | 16,523                |          | 19,758                |         |
|                                                                | Fair Value (gain) / loss on Investment                       | -                     |          | (50)                  |         |
|                                                                | Gain on Sale of Investment                                   | (43)                  |          | -                     |         |
|                                                                | Interest & Dividend Income                                   | (31)                  |          | (14)                  |         |
|                                                                | Loss/ (Profit) on Sale of Property, Plant and Equipment      | 0                     |          | (1)                   |         |
|                                                                |                                                              |                       | (3,147)  |                       | (709)   |
| b)                                                             | Operating Profit before Working Capital Changes              |                       |          |                       |         |
|                                                                | Adjustment for;                                              |                       |          |                       |         |
|                                                                | Trade Receivable                                             | (986)                 |          | 4,962                 |         |
|                                                                | Inventories                                                  | 5,690                 |          | 1,348                 |         |
|                                                                | Others                                                       | (139)                 |          | -                     |         |
|                                                                | Other Current Assets                                         | 1,828                 |          | (485)                 |         |
|                                                                | Other Bank Balances                                          | 102                   |          | (187)                 |         |
|                                                                | Other Financial Assets                                       | (225)                 |          | 77                    |         |
|                                                                | Non-Current Tax Assets (net)                                 | (913)                 |          | (202)                 |         |
|                                                                | Other Non Current Assets                                     | 55                    |          | 25                    |         |
|                                                                | Trade Payable                                                | 5,285                 |          | (1,872)               |         |
|                                                                | Other Current Liability                                      | 4,994                 |          | 563                   |         |
|                                                                | Provisions                                                   | 91                    |          | 101                   |         |
|                                                                | Other Financial Liabilities                                  | (0)                   |          | (0)                   |         |
|                                                                |                                                              |                       | 15,782   |                       | 4,330   |
| c)                                                             | Cash Generated from Operations                               |                       | 12,635   |                       | 3,621   |
|                                                                | Income Tax                                                   |                       | -        |                       | -       |
|                                                                | Net Cash flow from Operating Activities (A)                  |                       | 12,635   |                       | 3,621   |
| B.                                                             | Cash flow from Investing Activities :                        |                       |          |                       |         |
|                                                                | Interest received                                            | 31                    |          | 14                    |         |
|                                                                | Purchase of Tangible Assets                                  | (204)                 |          | (182)                 |         |
|                                                                | Purchase of Intangible Assets                                | (0)                   |          | (26)                  |         |
|                                                                | Sale of Tangible Assets                                      | 8                     |          | 9                     |         |
|                                                                | Sale of Investment                                           | 96                    |          | -                     |         |
|                                                                | Gain on Sale of Investment                                   | 43                    |          | -                     |         |
|                                                                | Net Cash Flow Used in Investing Activities (B)               |                       | (26)     |                       | (184)   |
| C.                                                             | Cash flow from Financing Activities :                        |                       |          |                       |         |
|                                                                | Interest on Debt Component of CFI                            | 455                   |          | 413                   |         |
|                                                                | Repayment of long term Borrowings                            | -                     |          | -                     |         |
|                                                                | Net proceeds from other Borrowings                           | -                     |          | -                     |         |
|                                                                | Borrowings                                                   | 3,094                 |          | 15,894                |         |
|                                                                | Adjustment for unpaid interest                               | (16,523)              |          | (19,758)              |         |
|                                                                | Net Cash Flow Used in Financing Activities (C)               |                       | (12,974) |                       | (3,450) |
| D.                                                             | Net increase/ (decrease) in Cash and Cash Equivalent (A+B+C) |                       | (365)    |                       | (13)    |
|                                                                | Cash and Cash Equivalent at begining of the year             | 632                   |          | 646                   |         |
|                                                                | Cash and Cash Equivalent at end of the year                  | 267                   | (365)    | 632                   | (13)    |

Date: 30th May, 2022

Place: Indore

**Santosh  
Shahra**

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Date: 2022.05.30  
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**Santosh Shahra**  
(Executive Director)  
(Member of the  
suspended Board)

**Manoj Khetan**  
(Chief Financial Officer)

**DUSHYANT  
CHANDRAK  
ANT DAVE**  
Resolution Professional  
IBBI Regn Number:  
IBBI/PA-003/IP-  
N00061/2017-

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## National Steel & Agro Industries Ltd

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 statements have been reviewed by the Audit Committee in their meeting held on 30th May 2022, these financial statements have been certified and approved by the Board of Directors namely Mr. Santosh Shahra, Executive Director, Mr. Manoj Khetan, Chief Financial Officer, Ms. Anusha Chandwani, Company Secretary.

On the basis of such approvals from the Board of Directors in the meeting held on 30th May 2022, the Resolution Professional Mr. Dushyant Dave (IBBI Regn. Number: IBBI/PA-003/IP-N00061/2017-2018/10502) has approved these financial statements without prejudice and without any guarantee on the accuracy, adequacy, correctness, completeness or reliability of the financial statements as the same pertains to period prior to the CIRP Commencement Date.

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 (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 statements shall not be in conflict with such proceedings that may be initiated before relevant court / tribunal.

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## National Steel & Agro Industries Ltd

### 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/PA-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/PA-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/PA-003/IP-N00061/2017-18/10502) in their meeting held on 30th May, 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:-
  - a) Interest amounting to Rs. 15698.49 lakhs (Rs. 10621.99 lakhs up to December 2021) for the year ended on 31st March, 2022 has not been provided on debt payable to JM Financial Asset Reconstruction Company Limited (JMFARC). Had the company provided interest on dues to JMFARC, the loss for the quarter would have been increased by Rs. 5076.50 lakhs and for Rs. 15698.49 lakhs for the year ended on 31st March 2022.
  - b) During the year Company has paid rent amounting to Rs. 74.88 lakhs (including GST) to related parties for the period from August 2018 to April 2021 which has been quantified and approved by Board of Directors in their meeting held on 20th January 2022, accordingly the rent has been paid and recognised as expense during the year which is not in accordance with Ind AS 116 Leases.
- 4 (a) The lender banks of the Company through a Joint Assignment Agreement has assigned the entire debt extended to the Company to JM Financial Asset Reconstruction Company Limited as per following
 

|                                                |            |
|------------------------------------------------|------------|
| i. IDBI Bank Limited                           | 31.03.2021 |
| ii. State Bank of India                        | 31.03.2021 |
| iii. Union Bank of India (earlier Andhra Bank) | 31.03.2021 |
| iv. Central Bank of India                      | 31.03.2021 |
| v. Bank of Maharashtra                         | 31.03.2021 |
| vi. Bank of India                              | 29.09.2021 |
| vii. Punjab National Bank                      | 31.12.2021 |
- (b) The Company has accumulated secured debts (inclusive of interest and net payment) of Rs. 1,48,737.08 lakhs as of 31st March 2022.
- (c) Union Bank of India (erstwhile Andhra Bank) has declared the Company as Wilful Defaulter 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.
- (d) Punjab National Bank has declared the Company as Wilful Defaulter by letter dated November 20, 2021 for an amount of default of Rs. 19990 lakhs. The Company has made representation before the Review Committee of lender to remove its names from Wilful Defaulter list.
- 5 As on 31st March, 2022, company's net worth has been fully eroded and stand at Rs. (-)1,47,191.99 lakhs and its' current liability exceeds its' current assets by Rs. 1,89,486.03 lakhs. Also company has incurred net loss of Rs. 21,633.79 lakhs for the period April, 2021 to March, 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.
- 7 The Company had availed incentive amounting to Rs 4043.75 lakhs under Target Plus scheme on exports. The benefit was available to the Company for waiver of import duty on subsequent imports. The same was accounted for as gain and was shown as other current assets in the financial statement. The incentive was valid till 01.03.2022. However, due to other operational difficulties the Company could not availed the benefit, the same has been provided for in the Statement of Profit & Loss as an exceptional item.
- 8 The company is successfully navigating through the situation arising out of COVID-19 pandemic with all resources at its disposal. The Company is managing its all activities in accordance with the guidelines issued by various Governments agencies/disaster management committee/local bodies with 100% sanitization, social distancing norms and utmost precautions at its various location. The Company has taken into account possible impact of COVID-19 in preparation of the financial results based on internal and external information upto the date of approval of these 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.
- 9 The figures for quarter ended 31st March, 2022 are balancing figure between the period ended 31st March, 2022 and unaudited figures for nine months ended on 31st December, 2021.

**Santosh Shahra**  
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Date: 2022.05.30  
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Santosh Shahra  
(Executive Director)  
(Member of the suspended Board)

**Manoj Khetan**  
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Manoj Khetan  
Date: 2022.05.30  
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Manoj Khetan  
(Chief Financial Officer)

**DUSHYANT CHANDRAKANT DAVE**  
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DUSHYANT CHANDRAKANT DAVE  
Date: 2022.05.30  
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Dushyant Dave  
Resolution Professional  
IBBI Regn Number: IBBI/PA-003/IP-N00061/2017-18/10502

Date: 30th May, 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 statements have been reviewed by the Audit Committee in their meeting held on 30th May 2022, these financial statements have been certified and approved by the Board of Directors namely Mr. Santosh Shahra, Executive Director, Mr. Manoj Khetan, Chief Financial Officer, Ms. Anusha Chandwani, Company Secretary. On the basis of such approvals from the Board of Directors in the meeting held on 30th May 2022, the Resolution Professional Mr. Dushyant Dave (IBBI Regn. Number: IBBI/PA-003/IP-N00061/2017-18/10502) has approved these financial statements without prejudice and without any guarantee on the accuracy, adequacy, correctness, completeness or reliability of the financial statements as the same pertains to period prior to the CIRP Commencement Date. 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 (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 statements shall not be in conflict with such proceedings that may be initiated before relevant court / tribunal.