



INDEPENDENT AUDITORS' REPORT

To the Members of **Narayani Steels Limited**

Report on the Audit of the Consolidated Financial Statements

Qualified Opinion

We have audited the accompanying Consolidated Ind AS financial statements of **Narayani Steels Limited ("the Company")**, and its Associate ("the group") which comprises the consolidated balance sheet as at 31st March 2022, and the consolidated statement of profit and loss (including Other Comprehensive Income), the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of report of other auditors on separate financial statements of the associate as was audited by the other auditors **and except for the effects of the matters described in the 'Basis for Qualified Opinion' section of our report**, the aforesaid Consolidated Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Group as at March 31st, 2022, its consolidated profit, other comprehensive income, consolidated changes in equity and consolidated cash flows for the year that ended.

Basis for Qualified Opinion:

- The Company has, based on the internal evaluation, valued inventories at Rs. 150.86 Lakhs, wherein there is no movement since past one year. In the absence of valuation report, we are unable to ascertain the realisability of the inventories and to that extent, total profit is overstated.
- Internal Audit Report is not available since the management has not appointed Internal Auditor as required under section 138 of Companies Act, 2013.
- Balances under sundry debtors and loans and advances given by the company are subject to confirmations and adjustments, if any. In absence of such confirmations and reconciliations, consequential impact of the same on financial statements of the company could not be ascertained.
- Provision for gratuity and leave encashment is not being made on actuarial basis, which is non-compliance with the requirements of IND AS – 19 'Employee Benefits'. In absence of an actuarial valuation being made, we are unable to quantify the effect, if any, on the profit/loss of the Company for the year ended 31st March, 2022.
- Physical verification / valuation report for Property, Plant & Equipment including assets held for sale of Rs.84.16 Lakhs is not available and in absence of verification / valuation report, we are unable to ascertain the fair / realizable values of such items and its impact on the financials of the company for the year under report.

We conducted our audit of the Consolidated Financial Statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Financial Statements' section of our report. We are independent of the Group in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the

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ethical requirements that are relevant to our audit of the Consolidated Ind AS financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with the 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 audit opinion on the Consolidated Financial Statements.

Emphasis of Matter

(As reported by the auditor of Hari Equipments Private Limited, the associate company)

1. The Company has sent letters to customers in respect of trade receivables for confirming balances outstanding as at March 31st, 2022, but in most of the cases the customers have not sent written confirmation confirming the balance outstanding as at March 31st, 2022. In the absence of confirmation, any provision to be made for adverse variation in the carrying amounts of trade receivable is not quantified.
2. Pending confirmations/reconciliation of balances of unsecured loans & borrowings, financial/ non-financial assets and liabilities, the auditors are unable to comment upon any provision to be made for adverse variation in the carrying amounts of such balances.
3. The fair value of the Investment property as stated in the financials is based on the valuation report as on 31/03/2020. The management of the associate is of the view that there has not been any significant change in the fair value of the Investment property since that report, therefore they have not obtained a valuation report from the independent valuers for 31/03/2022.
4. The Auditors have drawn attention to the Associate Company's dependency upon raising additional finance in order to continue operations indicating the existence of a material uncertainty that may cast significant doubt about the Associate Company's ability to continue as a going concern.

Our opinion is not modified in respect of the above matters.

Key Audit Matters

Key Audit Matters are those matters that, in our professional judgement, were of most significance in our audit of the Ind AS Consolidated Financial Statements of the current period. These matters were addressed in the context of our audit of the Ind AS Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters:

(i) Accounting treatment for the effects of the Resolution Plan: Refer Note 31 – Note 33 to the Consolidated Financial Statements for the details regarding the resolution plan implemented in the Company pursuant to a corporate insolvency resolution process concluded during the year ended 31st March 2022 under Insolvency and Bankruptcy Code, 2016.

Owing to the size of the over-due credit facilities, multiplicity of contractual arrangements and large number of operational and financial creditors, determination of the carrying amount of related liabilities on the date of approval of Resolution Plan was a complex exercise.

In respect of de-recognition of operational and financial creditors, difference amounting to 19,969.96 Lakhs between the carrying amount of financial liabilities extinguished and consideration



paid, is recognised in statement of profit and loss in accordance with "Ind AS - 109" "Financial Instruments" prescribed under section 133 of the Companies Act, 2013 and disclosed as an "Exceptional item".

Accounting for the effects of the resolution plan is considered by us to be a matter of most significance due to its importance to intended users' understanding of the Financial Statements.

Our procedures included the following: We have performed the following procedures to determine whether the effect of Resolution Plan has been appropriately recognised in the Financial Statements:

- Reviewed management's process for review and implementation of the Resolution Plan.
- Reviewed the provisions of the Resolution Plan to understand the requirements of the said Plan and evaluated the possible impact of the same on the financial statements.
- Verified the balances of liabilities as on the date of approval of Resolution Plan from supporting documents and computations on a test check basis.
- Verified the payment of funds on test check basis as per the Resolution Plan.
- Tested the implementation of provisions of the Resolution Plan in computation of balances of liabilities owed to financial and operational creditors.
- Evaluated whether the accounting principles applied by the management fairly present the effects of the Resolution Plan in financial statements in accordance with the principles of Ind AS.
- Tested the related disclosures made in notes to the financial statements in respect of the implementation of the resolution plan.

(ii) Litigations Matters & Contingent liabilities: Refer Note 3(e) to the Consolidated Financial Statements. Prior to the approval of the Resolution Plan, the Company was a party to certain litigations. Pursuant to the approval of the Resolution Plan, it was determined that no amounts are payable in respect of those litigations as they stand extinguished.

The estimates related to exact outcome of litigations and its possible impact on the financials in respect thereof have high degree of inherent uncertainty due to insufficient judicial precedents in India in respect of disposal of litigations involving companies admitted to Corporate Insolvency Resolution Process.

Our procedures included the following: We have performed the following procedures to test the recoverability of payments made by the Company in relation to litigations instituted against it prior to the approval of the Resolution Plan:

- Verified the underlying documents related to litigations and other correspondences with the statutory authorities.
- Reviewed the provisions of the Resolution Plan to understand the requirements of the said Plan and evaluated the possible impact.
- Evaluated whether the accounting principles applied by the management fairly present the amounts recoverable from relevant authorities in financial statements in accordance with the principles of Ind AS.
- Discussed with the management on the development in these litigations during the year ended 31st March, 2022.
- Obtained representation letter from the management on the assessment of those matters as per SA 580 (revised) - written representations.

(iii) Non conduct of Internal Audit and Non availability of Internal Financial Controls: We were not provided with copy of Internal Audit Report and Risk Control Matrix including Standard Operating



Procedures of the company which we consider to be significant key matter, keeping in view the nature and size of the operations of the Company.

Our procedures included the following: During the year, the Company was under CIRP up to 11th January, 2022. The issues relating to Internal Audit Report and Internal Financial Controls have been discussed with the management, who has assured necessary compliances in the current fiscal year.

Information Other than the Consolidated Financial Statements and Auditors' Report thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report but does not include the financial statements and our auditor's report thereon. The information included in the annual report is expected to be made available to us after the date of the auditor's report.

Our opinion on the Ind AS Consolidated Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the Consolidated Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard **except for matters described in the 'Basis for Qualified Opinion' para above.**

Responsibilities of Management and Those Charged with Governance for the Consolidated Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Consolidated Ind AS financial statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 the 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 Consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Consolidated Ind AS financial statements, management is 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements



Our objectives are to obtain reasonable assurance about whether the Consolidated Ind AS financial statements 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 Standards on Auditing (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 Consolidated Ind AS financial statements.

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 Consolidated Financial Statements, 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.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's 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 Consolidated Financial Statements 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 Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Consolidated Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Consolidated Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Consolidated Financial Statements.

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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

We did not audit the financial statements of the Associate Company, namely, Hari Equipments Private Limited included in the Consolidated Financial Statements of the Company whose financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the associate, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid associate is based solely on the audit report of the other auditors. The investment in the Associate in the Consolidated Financial Statement was impaired due to share of accumulated losses incurred by the Associate company exceeding the cost of investment in the Associate. As per Equity Method, further share of Net Loss of the Associate Company is not included in the financial statements as per IND-AS 28 (Investment in Associates) and investment is reported at NIL value. Our opinion is modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "**Annexure 1**" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. (A) As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books **except for matters described in the 'Basis for Qualified Opinion' para above.**
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of changes in equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
 - (d) In our opinion, the aforesaid Consolidated Ind AS financial statements comply with the Indian Accounting Standards specified under section 133 of the Act read with rule 7 of the



Companies (Accounts) Rules, 2014 **except for matters described in the 'Basis for Qualified Opinion' para above.**

- (e) On the basis of the written representations received from the directors of the Associate Company as on March 31st, 2022 taken on record by the Board of Directors, none of the directors of the Associate Company is disqualified as on March 31st, 2022 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these Consolidated Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "**Annexure 2**" to this report;
- (g) The Company has not paid any managerial remuneration for the year ended March 31st, 2022 and hence no comments are required under this clause;
- (B) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditor on separate financial statements of the associate, as noted in the 'Other Matters' paragraph:
 - a. Pursuant to the approval of the Resolution Plan by the Order dated 11th January 2022 of the Hon'ble National Company Law Board (Kolkata Bench), all the pre-existing contingent liabilities have been extinguished together with the associated pending litigations and hence, as per management, there is nothing to be disclosed in its financial statements.

The Associate Company does not have any pending litigations having impact on its financial position in its financial statements.

- b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- d. (i) The management has represented that, to the best of its knowledge and belief, other than as disclosed in notes to the Consolidated Financial Statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or its associate in India to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:



- a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or its associate incorporated in India or
- b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(ii) The management has represented, that, to the best of its knowledge and belief, other than as disclosed in notes to the consolidated financial statements, no funds have been received by the Company or its associate company incorporated in India from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or its associate company incorporated in India shall:

- a) directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Parties or
- b) provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.

(iii) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (d) (i) and(d) (ii) contain any material mis-statement.

For P. D. Rungta & Co.
Chartered Accountants
Firm Registration No.: 001150C

Ritesh Shaw

CA RITESH KUMAR SHAW
Partner

Membership No.: **305929**
UDIN: **22305929AJXOQT3338**
Place of Signature: Kolkata

Date: The 30th day of May , 2022



ANNEXURE- 1 TO INDEPENDENT AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENT OF NARAYANI STEELS LIMITED FOR THE YEAR ENDED 31st MARCH 2022

In our opinion and according to the information and explanations given to us, the associate company included in the consolidated financial statements, have unfavourable remarks or adverse remarks given by their auditors in their report under the Companies (Auditor's Report) Order, 2020 (CARO) as detailed hereunder:

Clause numbers of the CARO report which are unfavourable or adverse—ii(b), iii(a), vii(a), ix(a), xvii, and xix.

For P. D. Rungta & Co.
Chartered Accountants
Firm Registration No.: 001150C


CA RITESH KUMAR SHAW
Partner
Membership No.: 305929
UDIN: 22305929AJXOQT3338
Place of Signature: Kolkata
Date: The 30th day of, May 2022



ANNEXURE- 2 TO THE INDEPENDENT AUDITOR'S REPORT

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **Narayani Steels Limited** ("the Company") as of 31st March, 2022 in conjunction with our audit of the Consolidated Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control with reference to the financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted



accounting principles. A company's internal financial control with reference to the financial statements includes those policies and procedures that

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the Consolidated Financial Statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Qualified Opinion

According to the information and explanations given to us and based on our audit, the following material weaknesses have been identified in the operating effectiveness of the Company's internal financial controls over financial reporting as at March 31, 2022:

- i. The Company has, based on the internal evaluation, valued inventories at Rs. 150.86 Lakhs, wherein there is no movement since past one year. In the absence of valuation report, we are unable to ascertain the realisability of the inventories and to that extent, total profit is overstated.
- ii. Internal Audit Report is not available since management has not appointed Internal Auditor as required under section 138 of Companies Act, 2013.
- iii. Balances under sundry debtors and loans and advances given by the company are subject to confirmations and adjustments, if any. In the absence of such confirmations and reconciliations, consequential impact of the same on financial statements of the company could not be ascertained.
- iv. Provision for gratuity and leave encashment is not being made on actuarial basis, which is non-compliance with the requirements of IND AS – 19 'Employee Benefits'. In the absence of an actuarial valuation being made, we are unable to quantify the effect, if any, on the profit/loss of the Company for the year ended 31st March, 2022.
- v. Physical verification/valuation report for Property, Plant & Equipment including assets held for sale of Rs.84.16 Lakhs is not available and in absence of verification/valuation report, we are unable to ascertain the fair / realizable values of such items and its impact on the financials of the company for the year under report.
- vi. Balances of trade receivable, Financial/ non-financial assets and liabilities of the Associate Company are subject to confirmation.

In our opinion, because of the possible effects of the material weakness as described above on the achievement of the objectives of internal control criteria, the Company has not maintained adequate internal financial control over financial reporting and such internal financial controls over



financial reporting were not operating effectively with respect to obtaining balance confirmations as on March 31, 2022, and

We have considered the material weakness identified and reported above in determining the nature, timing and extent of audit tests applied in our audit of financial statements of the Company for the year ended March 31st, 2022 and these material weaknesses don't affect our opinion on the financial statements of the company.

For P. D. Rungta & Co.
Chartered Accountants
Firm Registration No.: 001150C

Riteshshaw,
CA RITESH KUMAR SHAW
Partner
Membership No.: **305929**
UDIN: **22305929AJXOQT3338**
Place of Signature: Kolkata
Date: The 30th day of May , 2022



NARAYANI STEELS LIMITED
(CIN: L27109WB1996PLC082021)
CONSOLIDATED BALANCE SHEET AS AT 31st March 2022

(Rs. In Lakhs)

Particulars	Note	As at 31st March 2022	As at 31st March 2021
ASSETS			
(1) Non-current assets			
(a) Property, plant and equipment			
(b) Right-of-use assets	4A	932.07	1,398.29
(c) Intangible Assets	5A	-	107.85
(d) Financial assets	5B	-	1.45
(i) Investments	6	0.39	0.34
(ii) Other assets	10	76.74	90.02
(e) Deferred Tax Assets (net)	20	698.62	4,266.92
(f) Other non-current assets	12	-	11.45
Total Non-current assets		1,707.82	5,876.33
(2) Current assets			
(a) Inventories	7	150.86	150.86
(b) Trade receivables	8	3,023.31	11,035.46
(c) Cash and cash equivalents	9	43.66	5.03
(d) Other assets	10	0.06	10.14
(e) Current tax assets (net)	11	36.91	73.60
(f) Other current assets	12	260.07	1,451.02
(g) Assets Classified as held for sale	12.1	84.16	-
Total Current assets		3,599.04	12,726.12
TOTAL ASSETS		5,306.86	18,602.45
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	13	54.55	1,090.90
(b) Other equity	14	4,906.28	(5,310.37)
Total Equity		4,960.82	(4,219.47)
Liabilities			
(1) Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	15	271.58	115.29
(ii) Lease liabilities	16	-	82.77
(iii) Other liabilities	17	-	3.08
(b) Other non-current liabilities	19	-	2.61
(c) Provisions	21	-	4.54
Total Non-current liabilities		271.58	208.30
(2) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	15	-	20,136.28
(ii) Lease liabilities	16	-	7.57
(iii) Trade payables	18	-	-
total outstanding dues of micro enterprises and small enterprises		-	-
total outstanding dues of creditors other than micro enterprises and small enterprises		36.69	198.24
(iv) Other liabilities	17	-	2,240.18
(b) Other current liabilities	19	37.76	27.43
(c) Provisions	21	-	3.92
Total Current liabilities		74.46	22,613.62
TOTAL EQUITY AND LIABILITIES		5,306.86	18,602.45

Significant accounting policies

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The accompanying notes form an integral part of these financial statements

As per our report of even date attached
For P D RUNGTA & CO.,
Chartered Accountants
Firm Registration Number: 001150C



Sumit Kumar Agarwal
Director,
DIN: 02184000

Asit Baran Bhattacharjee
Director
DIN: 02559634

RITESH KUMAR SHAW
Partner

Membership No: 305929 UDIN-22305929AJX0GT3338
Place of Signature: Kolkata
Dated: The 30th day of May, 2022



Arun Kumar Meher
Company Secretary
M.NO.: ACS48598

NARAYANI STEELS LIMITED
(CIN: L27109WB1996PLC082021)
CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST March, 2022

Rs in Crores

Sl. No. Particulars	Note	Year ended 31 March 2022	Year ended 31 March 2021
I Revenue from operations	22	1,162.28	7,793.26
II Other income	23	24.93	491.04
III Total income (I + II)		1,187.21	8,284.29
IV Expenses			
Cost of Materials Consumed	24	-	3,807.30
Purchase of Traded Goods	25	-	2,304.81
Changes in Inventories of Finished & Traded Goods	26	-	1,001.66
Employee benefit expenses	27	308.14	531.11
Finance costs	28	1.76	2,690.21
Depreciation and amortisation expense	4A, 4C & 5	53.60	133.59
Other expenses	29	773.76	5,821.50
Total expenses (IV)		1,137.25	16,290.19
V PROFIT BEFORE TAX & EXCEPTIONAL ITEMS (III-IV)		49.96	(8,005.90)
VI Exceptional Items		10,196.39	-
VII Profit before tax (V-VI)		10,246.35	(8,005.90)
VIII Tax expense:	34		
Current tax		-	-
Earlier year tax		-	-
Deferred tax	20	3,568.29	(2,701.62)
IX Profit for the year (VII-VIII)		6,678.06	(5,304.28)
Other comprehensive income (net of tax)			
A. Items that will not be reclassified to profit or loss			
(a) Remeasurements of defined benefit liability/ (asset)		-	-
(b) Equity instruments through other comprehensive income		0.05	0.05
(c) Income taxes relating to items that will not be reclassified to profit or loss		(0.01)	(0.02)
Net other comprehensive income not to be reclassified subsequently to profit or loss		0.03	0.04
B. Items that will be reclassified to profit or loss			
Net other comprehensive income to be reclassified subsequently to profit or loss		-	-
X Other comprehensive income		0.03	0.04
XI Total comprehensive income for the year (IX + X)		6,678.10	(5,304.24)
XII Earnings per equity share [Face value of equity share Rs. 10 each (previous year Rs. 10 each)]			
- Basic		1,224.32	(48.62)
- Diluted		61.22	(48.62)

Significant accounting policies

3

The accompanying notes form an integral part of these financial statements

As per our report of even date attached
For P D RUNGTA & CO.,
Chartered Accountants
Firm Registration Number: 001150C

Ritesh Shaw
RITESH KUMAR SHAW
Partner

Membership No: 305929 UDIN-22305929 AJXOQT3338
Place of Signature: Kolkata
Dated: The 30th day of May, 2022



Sumit Kumar Agarwal
Sumit Kumar Agarwal
Director
DIN: 02184000

Asit Baran Bhattacharjee
Asit Baran Bhattacharjee
Director
DIN: 02559634

Arun Kumar Meher
Arun Kumar Meher
Company Secretary
M.NO.: ACS48598



NARAYANI STEELS LIMITED
(CIN: L27109WB1996PLC082021)

Notes to the Consolidated financial statements for the year ended 31 March 2022

1 Corporate Information

The consolidated financial statements comprise financial statements of Narayani Steels Limited and its associate; Hari Equipments Private Limited for the year ended 31st March, 2022.

Narayani Steels Limited ("the Company") is principally engaged in the business of manufacture and sale of TMT bars, Rounds, Squares, Angles, etc (including conversion on job-work basis) and trading of Billets, Blooms, Ingots, Iron ores, etc.

The Company is an integrated manufacturer of diverse range of Iron & steel products with its manufacturing facilities located at Vizianagaram, Andhra Pradesh, India.

Narayani Steels Limited is a public limited company incorporated in India on 13th November, 1996 under the Companies Act, 1956 (as amended Companies Act, 2013) and listed on the Bombay Stock Exchange. The registered office is situated at 23A, N.S.Road 7th Floor, Kolkata - 700001. (Corporate Office at Survey No. 202/31-38, Modavalsa Village, Denkada Mandalam, Vizianagaram, Andhra Pradesh-535006, India).

2 Basis of preparation

a) Statement of Compliance

These Consolidated financial statements are prepared in accordance with the provisions of the Companies Act, 2013 ('Act') (to the extent notified) and Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values. The Ind AS are prescribed under section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing standard requires a change in the accounting policy hitherto in use.

b) Functional and presentation currency

The financial statements are presented in Indian Rupees ('Rs') which is Company's presentation currency. The functional currency of the Company is also Indian Rupees ('Rs'). All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakh with two decimals as per the requirement of Schedule III, unless otherwise stated.

c) Basis of measurement

The financial statements have been prepared on historical cost convention on the accrual basis, except for the following items:

- (i) Certain financial assets and financial liabilities measured at fair value;

Fair value is the price that would be received on the sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions, regardless of whether that price is directly observable or estimated using another valuation technique. In determining the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing standard requires a change in the accounting policy hitherto in use.

The statement of cash flows have been prepared under indirect method.

d) Use of judgements and estimates

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively.

e) Basis of Consolidation

The Consolidated Financial Statements have been prepared in accordance with principles laid down in Ind AS 110 on "Consolidated Financial Statements" and Ind AS 28 on "Accounting for Investments in Associates and Joint Ventures".

The Company's investments in its associate is accounted for using the equity method. Under the equity method, the investment in an associate is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Company's share of net assets of the associate since the acquisition date. If the Company's share of the net fair value of the investee's identifiable assets and liabilities exceeds the cost of the investment, any excess is recognised directly in Equity as capital reserve in the period in which the investment is acquired. Goodwill, if any, relating to the associate is included in the carrying amount of the investment and is not tested for impairment individually.



NARAYANI STEELS LIMITED
(CIN: L27109WB1996PLC082021)

Notes to the Consolidated financial statements for the year ended 31 March 2022

The Consolidated Statement of Profit and Loss reflects the Company's share of the results of operations of the associate. Any change in Other Comprehensive Income of investee is presented as part of the Company's Other Comprehensive Income. In addition, when there has been a change recognised directly in the equity of the associates, the Company recognises its share of any changes, when applicable, in the Consolidated Statement of Changes in Equity. Unrealised gains and losses resulting from transactions between the Company and the associate is eliminated to the extent of the interest in the associate.

If the Company's share of losses of associate equals or exceeds its interest in the associate (which includes any long term interest that, in substance, form part of the Group's net investment in the associate), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associates. If the associate subsequently reports profits, the Company resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

The aggregate of the Company's share of profit/loss of associate is shown on the face of the Consolidated Statement of Profit and Loss.

The consolidated financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date, i.e., year ended on 31st March.

When necessary, adjustments are made to bring the accounting policies in line with those of the Company.

After application of the equity method, the Company determines whether it is necessary to recognise an impairment loss on its investment in its associate. At each balance sheet date, the Company determines whether there is objective evidence that the investment in the associate is impaired. If there is such evidence, the Company calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value, and then recognises the loss as 'Share of profit of associates' in the Consolidated Statement of Profit and Loss.

f) Critical accounting judgements and key sources of estimation uncertainty: Key assumptions-

(i) Useful lives of Property, plant and equipment and intangible assets:

The Company uses its technical expertise along with historical and industry trends for determining the economic life of an asset/component of an asset. The useful lives are reviewed by management periodically and revised, if appropriate. In case of a revision, the unamortised depreciable amount is charged over the remaining useful life of the assets.

(ii) Fair value measurement of financial instruments:

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using certain valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility.

(iii) Defined benefit plans:

The Company, presently, does not have a defined contribution plan or a defined benefit plan.

(iv) Recognition and measurement of provisions and contingencies:

The certain key assumptions about the likelihood and magnitude of an outflow of resources. Provision is made towards known contractual obligation, litigation cases and pending assessments in respect of taxes, duties and other levies, if any, in respect of which management believes that there are present obligations and the settlement of such obligations are expected to result in outflow of resources, to the extent provided for.

(v) Expected credit losses on financial assets: The impairment provisions of financial assets are based on assumptions about risk of default and expected timing of collection. The Company uses judgment in making these assumptions and selecting the inputs to the expected credit loss calculation based on the Company's history of collections, customer's creditworthiness, existing market conditions as well as forward looking estimates at the end of each reporting period.

g) Measurement of fair values

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values.

The management regularly reviews significant unobservable inputs and valuation adjustments.

Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1 : Includes financial Instrument measured using quoted prices (unadjusted) in active markets for identical assets and liabilities that the entity can access at the measurement date.

- Level 2 : Includes financial Instruments which are not traded in active market but for which all significant inputs required to fair value the instrument are observable. The fair value is calculated using the valuation technique which maximises the use of observable market data.

- Level 3: Includes those instruments for which one or more significant input are not based on observable market data.



NARAYANI STEELS LIMITED

(CIN: L27109WB1996PLC082021)

Notes to the Consolidated financial statements for the year ended 31 March 2022

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

3 Significant accounting policies

a) Operating Cycle

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013 and Ind AS 1 – Presentation of Financial Statements based on the nature of business and the time between the acquisition of assets for development and their realisation in cash and cash equivalents.

b) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

i. Financial Assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Trade receivables are initially measured at transaction price. Regular way purchase and sale of financial assets are accounted for at trade date.



NARAYANI STEELS LIMITED
(CIN: L27109WB1996PLC082021)

Notes to the Consolidated financial statements for the year ended 31 March 2022

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in three categories:

- Amortised cost
- Fair value through other comprehensive income (FVOCI)
- Fair value through profit or loss (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

Financial assets at amortised cost

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The effective interest rate (EIR) amortisation is included in finance income in the profit or loss.

Financial assets at FVOCI

A financial asset is measured at FVOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets included within the FVOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI).

Financial assets at FVTPL

A financial asset which is not classified in any of the above categories are measured at FVTPL.

Financial assets included within the FVTPL category are measured at fair value with all changes recognised in the Statement of Profit & Loss.

Derecognition

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109.

ii. Financial liability

Initial recognition and measurement

Financial liabilities are initially recognised at fair value plus any transaction cost that are attributable to the acquisition of the financial liabilities except financial liabilities at fair value through profit or loss which are initially measured at fair value.

Subsequent measurement

For purposes of subsequent measurement, financial liabilities are classified in following categories:

- Financial liabilities through profit or loss (FVTPL)
- Financial liabilities at amortised cost

Financial liabilities through FVTPL

A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss.

Financial liabilities at amortised cost

Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and any gain or loss on derecognition are recognised in profit or loss.

Interest bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximates fair value due to the short maturity of these instruments.

Derecognition

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.



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Notes to the Consolidated financial statements for the year ended 31 March 2022

Derivative financial instruments

The Company uses forward contracts to hedge its currency risk. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Derivative financial instruments are recognised initially and subsequently at fair value through mark to market valuation. Gain or loss arising from the changes in fair value of derivatives are credited or debited to the Exchange differences in the statement of profit and loss.

Financial guarantee contracts

Financial guarantee contracts are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified party fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognized as a financial liability at the time the guarantee is issued at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of expected loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognized less cumulative amortization.

iii. Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

c) Property, Plant and Equipment

i. Recognition and measurement

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any. The cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located. Borrowing costs directly attributable to the acquisition or construction of those qualifying property, plant and equipment, which necessarily take a substantial period of time to get ready for their intended use, are capitalised.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate components of property, plant and equipment.

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the higher of the asset's net selling price and value in use, which is determined by the present value of the estimated future cash flows.

ii. Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1st April, 2017, measured as per the previous GAAP, and use that carrying value as the deemed cost of such property, plant and equipment.

iii. Subsequent expenditure

Subsequent expenditure is capitalized only when it is probable that the future economic benefits associated with the expenditure will flow to the Company. Ongoing repairs and maintenance are expensed as incurred.

iv. Depreciation

Depreciation for the year is recognised in the Statement of Profit and Loss.

Depreciation is provided based on the life and in the manner prescribed in Schedule II to the Companies Act, 2013, on straight line method on property, plant and equipment in Unit II at Bhogapuram, on written down value method on other property, plant and equipment and on written down basis on Right-to-use Assets.

These charges are commenced from the dates the assets are available for their intended use and are spread over their estimated useful economic lives or, in the case of right-of-use assets, over the lease period, if shorter.

The estimated useful lives of the assets of property, plant and equipment are estimated by the management which are equal to the life prescribed under Schedule II of the Act.

Depreciation methods, useful lives and residual values are reviewed at each financial year end and adjusted as appropriate.



NARAYANI STEELS LIMITED
(CIN: L27109WB1996PLC082021)

Notes to the Consolidated financial statements for the year ended 31 March 2022

v. Reclassification to investment property

When the use of a property changes from owner-occupied to investment property, the property is reclassified as investment property at its carrying amount on the date of classification.

vi. Capital Work-in-progress

Costs of the Property, plant and equipment not ready for their intended use at the Balance Sheet date together with all related expenses are shown as Capital Work-in-progress.

d) Investment properties

Investment properties are properties held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. Upon initial recognition, investment properties are measured at cost. Subsequent to initial recognition, investment properties are measured at cost less accumulated depreciation and accumulated impairment losses, if any.

The Company depreciates investment properties on a written down value method over the useful life of the asset.

Any gain or loss on disposal of an investment property is recognised in profit or loss.

The fair values of investment properties are disclosed in the notes accompanying these financial statements.

Fair values are determined by an independent property valuer who holds recognised and relevant professional qualification and has recent experience in the location and category of the investment property being valued.

e) Intangible Assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and any accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal.

The useful life of computer software is considered to be 5 years.

i. Amortisation

Amortisation for the year is recognised in the Statement of Profit and Loss.

Intangible assets are amortised over a period of 5 years.

f) Lease

The Company as a Lessee

The Company accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components. The Company recognizes right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date.

The cost of the right-of-use asset measured at inception comprises of the amount of initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date.

Certain lease arrangements include options to extend or terminate the lease before the end of the lease term. The right-of-use assets and lease liabilities include these options when it is reasonably certain that such options would be exercised.

The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset.

Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

Lease liability is measured at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined.

If that rate cannot be readily determined, the Company uses incremental borrowing rate. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications. The Company recognises the amount of the remeasurement of lease liability as an adjustment to the right-of-use asset. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the remeasurement in statement of profit and loss.

Variable lease payments not included in the measurement of the lease liabilities are expensed to the statement of profit and loss in the period in which the events or conditions which trigger those payments occur.



NARAYANI STEELS LIMITED
(CIN: L27109WB1996PLC082021)

Notes to the Consolidated financial statements for the year ended 31 March 2022

Transition

Effective April 01, 2019, the Company has adopted Ind AS 116 "Leases" and applied the standard to lease arrangements existing on the date of initial application using the modified retrospective approach with right-of-use asset recognized at an amount equal to the lease liability adjusted for any prepayments/accruals recognized in the balance sheet immediately before the date of initial application. Accordingly, comparatives for the year ended March 31, 2019 have not been retrospectively adjusted.

g) Inventories

Inventories are valued at lower of cost and net realisable value. Cost of inventories is determined on FIFO basis.

Assessment of net realisable value is made at each subsequent reporting date. When the circumstances that previously caused inventories to be written down below cost no longer exist or when there is clear evidence of an increase in net realisable value because of changed economic circumstances, the amount of the write-down is reversed.

h) Investments and other financial assets

i. Classification

The company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss)
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will be recorded in profit or loss. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

ii. Measurement

At initial recognition, the company measures a financial asset at its fair value and in the case of a financial asset not at fair value through profit and loss, at transaction costs that are directly attributable to the acquisition of the financial asset.

Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Debt instruments

Subsequent measurement of debt instruments depends on the company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the company classifies its debt instruments:

Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost.

Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

Fair value through profit or loss: Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit and loss.

Equity instruments

The company subsequently measures all equity investments at fair value. Dividends from such investments are recognised in profit or loss as other income when the company's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/ (losses) in the statement of profit and loss.

i) Investment in associates

Investment in associates are carried at cost less impairment loss, if any. The cost comprises price paid to acquire investment and directly attributable cost.



NARAYANI STEELS LIMITED
(CIN: L27109WB1996PLC082021)

Notes to the Consolidated financial statements for the year ended 31 March 2022

j) Impairment

i. Impairment of financial instruments: financial assets

Expected credit losses are recognized for all financial assets subsequent to initial recognition other than financial assets in FVTPL category.

For financial assets other than trade receivables, as per Ind AS 109, the Company recognises 12 month expected credit losses for all originated or acquired financial assets if at the reporting date the credit risk of the financial asset has not increased significantly since its initial recognition. The expected credit losses are measured as lifetime expected credit losses if the credit risk on financial asset increases significantly since its initial recognition. The Company's trade receivables do not contain significant financing component and loss allowance on trade receivables is measured at an amount equal to life time expected losses i.e. expected cash shortfall.

The impairment losses and reversals are recognised in Statement of Profit and Loss.

ii. Impairment of non-financial assets

The Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest Company of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs. If any such indication exists the recoverable amount of an asset or CGU is estimated to determine the extent of impairment, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the CGU to which the asset belongs.

An impairment loss is recognised in the Statement of Profit and Loss to the extent, asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets.

The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

k) Amendment to Ind AS 19 - Plan Amendment, Curtailment or Settlement

The Ministry of Corporate Affairs issued amendments to Ind AS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements requiring an entity to determine the current service costs and the net interest for the period after the remeasurement using the assumptions used for the remeasurement; and determine the net interest for the remaining period based on the remeasured net defined benefit liability or asset. The adoption of amendment to Ind AS 19 did not have any material impact on the Consolidated financial statements of the Company.

i. Short-term employee benefits

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.

ii. Defined contribution plans

The Company, presently, does not have a defined contribution plan.

iii. Defined benefit plans

The Company, presently, does not have a defined benefit plan.

l) Provisions (other than for employee benefits)

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.



NARAYANI STEELS LIMITED
(CIN: L27109WB1996PLC082021)

Notes to the Consolidated financial statements for the year ended 31 March 2022

m) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

The Company recognises revenue when control over the promised goods or services is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

The Company has generally concluded that it is the principal in its revenue arrangements as it typically controls the goods or services before transferring them to the customer.

Revenue is adjusted for variable consideration such as discounts, rebates, refunds, credits, price concessions, incentives, or other similar items in a contract when they are highly probable to be provided. The amount of revenue excludes any amount collected on behalf of third parties.

The Company has adopted Ind AS 115 using cumulative effect method of initially applying this standard recognised at the date of initial application (i.e. April 01, 2018). There is no impact on the adoption of the standard in the Consolidated financial statements.

n) Recognition of dividend income, interest income or expense

Dividend income is recognised in profit or loss on the date on which the Company's right to receive payment is established.

Interest income or expense is recognised using the effective interest method after taking into account the amount outstanding and the rate applicable.

o) Income tax

Income tax expense comprises of current and deferred tax. Current tax and deferred tax is recognized in the statement of profit or loss except to the extent that it relates to a business combination, or items recognized directly in equity or in OCI.

i. Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance sheet date.

ii. Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of Deferred tax liabilities and assets are reviewed at the end of each reporting period.

Ind AS 21 – The Effect of Changes in Foreign Exchange Rates states that the date of the transaction, for the purpose of determining the exchange rate, is the date of initial recognition of the non-monetary prepayment asset or deferred income liability. If there are multiple payments or receipts in advance, a date of transaction is established for each payment or receipt. The Company does not have evaluated any impact of on its Consolidated financial statements.

p) Borrowing costs

Borrowing costs are interest and other costs incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

Where there is an unrealised exchange loss which is treated as an adjustment to interest and subsequently there is a realised or unrealised gain in respect of the settlement or translation of the same borrowing, the gain to the extent of the loss previously recognised as an adjustment is recognised as an adjustment to interest.

q) Foreign currency transaction

Transactions in foreign currencies are translated into functional currency of the Company at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

i) Foreign currency monetary items are translated in the functional currency at the exchange rate of the reporting date.

ii) Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined.

iii) Non-monetary assets and liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of the transaction.

iv) Exchange differences are recognised in profit or loss in the period in which they arise, except exchange differences arising from the translation of the items which are recognised in OCI.



NARAYANI STEELS LIMITED
(CIN: L27109WB1996PLC082021)

Notes to the Consolidated financial statements for the year ended 31 March 2022

r) Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

s) Segment reporting (Ind AS 108)

Operating Segment are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the Company. The CODM who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Managing Director of the Company. The Company operates only in one Business segment i.e. Trading of Iron & Steel and related products, hence does not have segment as per Ind AS 108 "Operating Segments". The performance of the Company is mainly driven by sales made in domestic market and hence, no separate reportable geographical segment is identified.

t) Provision, contingent liabilities and contingent assets

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance costs. Expected future operating losses are not provided for.

Contingencies

Provision in respect of loss contingencies relating to claims, litigations, assessments, fines and penalties are recognised when it is probable that a liability has been incurred and the amount can be estimated reliably.

Contingent liabilities and contingent assets

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions, but are disclosed unless the possibility of outflow of resources is remote. Contingent assets has to be recognised in the financial statements in the period in which if it is virtually certain that an inflow of economic benefits will arise. Contingent assets are assessed continually and no such benefits were found for the current financial year.

Contingent Liabilities are shown by way of notes to the Accounts in respect of obligations where, based on the evidence available, their existence at the Balance Sheet date is considered not probable

A Contingent Asset is not recognized in the Accounts.

u) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents include cash on hand, cash at bank and other deposits with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.



NARAYANI STEELS LIMITED
(CIN: L27109WB1996PLC082021)
CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31st March 2022

	(Rs. In Lakhs)	
Particulars	For the year ended 31.03.2022	For the year ended 31.03.2021
A CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before Taxes & Extraordinary Items	10,246.35	(8,005.90)
ADJUSTMENTS FOR NON-CASH ITEMS:		
Depreciation and Amortisation	53.60	133.59
Provision/(Reversal of Provision) for expected credit loss	(3,768.36)	3,572.06
Provision/(Reversal of Provision) for Doubtful Debts	(1,191.19)	691.19
Extinguishment of Trade Payable, Other Current and Non Current Liabilities	(168.96)	-
Extinguishment of Current & Non-Current Borrowings	(19,801.00)	-
Impairment in Value of Plant, Property & Equipment	361.49	-
Impairment in Value of Intangible Assets	1.45	-
Allowances for Loans & Advances	1,307.01	-
Right of use assets written off upon termination of lease (Net of lease liabilities)	17.51	-
Bad debts written off	12,987.42	-
Finance Costs	1.76	2,690.21
Profit on sale of investments	-	(88.35)
Profit on sale of land	-	(365.54)
Sundry Balance written off (net)	-	40.35
Lease liability written back	-	(26.74)
Interest income	(3.69)	(1.22)
Reversal of Amortisation of corporate guarantee obligation	(9.75)	-
Operating profit before working capital changes	(10,212.71)	6,611.53
	33.64	(1,394.36)
(Increase)/Decrease in Trade receivables, loans & advances & Other assets	(31.81)	1,689.34
(Increase)/Decrease in Inventories	-	1,181.31
Increase/(Decrease) in Trade payables & Other current/non-current liabilities	3.59	1,676.21
	(28.23)	4,546.86
Cash generated from operations	5.42	3,152.50
Income tax paid	(23.76)	(13.15)
Net Cash from / (used in) Operating Activities	(18.35)	3,139.35
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property, Plant & Equipment	(33.03)	(15.04)
Sale/Write off/impairment of Property, Plant & Equipment	-	950.44
Intangible Assets written off	-	-
Sale of investments	-	315.11
(Investments in) / Proceeds from Bank deposits	-	1,833.96
Rent received	-	34.01
Interest received	3.69	1.22
Net cash from / (used in) Investing Activities	(29.34)	3,119.70
	(29.34)	3,119.70
C CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds of non current financial borrowings pursuant to resolution plan	1,727.78	(3,562.38)
Proceeds of Share application money pursuant to resolution plan	1,046.00	-
Repayment of Current & Non Current Borrowings pursuant to resolution plan	(2,681.00)	-
Principal (accrued) / reversed on lease liabilities	-	(18.00)
Interest accrued on lease liabilities	-	(11.28)
Finance Costs	(1.76)	-
Net cash from / (used in) financing activities	91.02	(6,270.60)
	91.02	(6,270.60)
Net Increase / (Decrease) in Cash & Cash equivalents	43.34	(11.55)
Cash & Cash equivalents at beginning of the year ^A	5.03	16.58
Cash & Cash equivalents written off	(4.71)	-
Cash & Cash equivalents at end of the year^A	43.66	5.03

^A as disclosed in Note 9

Note :
The Statement of Cash Flow has been prepared under the indirect method as set out in Ind AS - 7 specified under section 133 of the Companies Act, 2013.

Significant accounting policies

3

The accompanying notes form an integral part of these financial statements

As per our report of even date attached
For P D RUNGTA & CO.,
Chartered Accountants
Firm Registration Number: 001150C

Ritesh Shaw

RITESH KUMAR SHAW
Partner

Membership No: 305929

UDIN-22305929AJX0GT3338

Place of Signature: Kolkata

Dated: The 30th day of May, 2022



For and on behalf of Narayani Steels Limited

Sumit Kumar Agarwal
Sumit Kumar Agarwal
Director
DIN: 02184000

Asit Baran Bhattacharjee
Asit Baran Bhattacharjee
Director
DIN: 02559634

Arun Kumar Meher

Arun Kumar Meher
Company Secretary
M.NO.: ACS48598



NARAYANI STEELS LIMITED
(CIN: L27109WB1996PLC082021)
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2022

Statement of Changes In Equity (SOCE)

A. Equity Share Capital

(1) Current reporting period

(Rs. In Lakhs)				
Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year *	Balance at the end of the current reporting period
1,090.90	-	1,090.90	(1,036.36)	54.55

* Refer Note below

(2) Previous reporting period

Balance at the beginning of the previous reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the previous reporting period	Changes in equity share capital during the previous year	Balance at the end of the previous reporting period
1,090.90	-	1,090.90	-	1,090.90

B. Other Equity

(1) Current reporting period

(Rs. In Lakhs)

Particulars	Share application money pending allotment	Equity component of compound financial instruments	Reserves and Surplus			Total
			Capital Reserve	Securities Premium	Retained Earnings	
Balance at the beginning of the current reporting period	-	-	-	1,673.85	(6,984.22)	(5,310.37)
Changes in accounting policy/prior period errors	-	-	-	-	-	-
Restated balance at the beginning of the current reporting period	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-	-
Transfer from Share Capital *	-	-	1,036.36	-	-	1,036.36
Received during the year	1,046.00	-	-	-	-	1,046.00
Balance at the end of the current reporting period	1,046.00	-	1,036.36	1,673.85	(306.13)	3,450.08

* Refer Note below

(2) Previous reporting period

Particulars	Share application money pending allotment	Equity component of compound financial instruments	Reserves and Surplus			Total
			Capital Reserve	Securities Premium	Retained Earnings	
Balance at the beginning of the previous reporting period	-	-	-	1,673.85	(1,679.98)	(6.13)
Total Comprehensive Income for the previous year	-	-	-	-	(5,304.24)	(5,304.24)
Transfer to retained earnings	-	-	-	-	-	-
Any other change (to be specified)	-	-	-	-	-	-
Balance at the end of the previous reporting period	-	-	-	1,673.85	(6,984.22)	(5,310.37)

Notes:

a) As per the Resolution Plan approved by the Hon'ble National Company Law Tribunal, Kolkata bench, vide its Order dated January 11, 2022 for the Corporate Insolvency of the Company, the Face value of existing Equity shares was reduced from Rs. 10 per share to Re. 0.50 per share, and after such reduction in face value of existing equity shares to Re. 0.50, the Face value of shares was consolidated to Rs. 10/- per share resulting in reduction of the quantity of the shares held by the existing shareholders by 1/20th of the existing quantity i.e. the shares of existing shareholders holding 1,09,09,000 equity shares were reduced to 5,45,450 equity shares. The amount of the reduction in the equity share capital has been transferred to Capital Reserve.

Significant accounting policies

3

The accompanying notes form an integral part of these financial statements

As per our report of even date attached
For P D RUNGTA & CO.,
Chartered Accountants
Firm Registration Number: 001150C



Ritesh Shaw

RITESH KUMAR SHAW
Partner

Membership No: 305929

UDIN-22305929 AJXOQT3338

Place of Signature: Kolkata

Dated: The 30th day of May, 2022

For and on behalf of Narayani Steels Limited

Sumit Kumar Agarwal
Sumit Kumar Agarwal
Director
DIN: 02184000

Asit Baran Bhattacharjee
Asit Baran Bhattacharjee
Director
DIN: 02559634

Arun Kumar Meher
Arun Kumar Meher
Company Secretary
M.NO.: ACS48598



(Rs. In Lakhs)

6 Investments	As at	As at
	31st March 2022	31st March 2021
Non-Current investments		
Investments in equity instruments fully paid up - Unquoted		
In an associate (at cost)		
Hari Equipments Private Limited, 4,59,490 (31st March, 2021: 4,59,490) equity shares of Rs. 10 /- each fully	56.73	56.73
Less: Provision for impairment in the value of investment in associate	(56.73)	(56.73)
	-	-
Investments in equity instruments fully paid up - Quoted		
In Others (at fair value through Other Comprehensive Income - FVOCI)		
Union Bank of India - 1,009 (31st March, 2021: 1,009) Equity Shares of Rs. 10 /- each fully paid up	0.39	0.34
	0.39	0.34
Aggregate value of unquoted investments		
Aggregate amount of impairment in value of investment in associate	56.73	56.73
Aggregate value of quoted investments	(56.73)	(56.73)
	0.39	0.34
Investments carried at cost (net of provision of diminution of investments)	-	-
Investments carried at fair value through other comprehensive income	-	-
Investments carried at fair value through profit and loss	0.39	0.34
	-	-

6A(i) Details of Associate

The Company's interest in associate is accounted for using the equity method in the consolidated financial statements.

Name of Associate	Principal Activity	Place of Incorporation	Proportion of ownership interest / voting rights held by Company	
			31/03/2022	31/03/2021
Hari Equipments Private Limited	Trading of Iron & Steel Products and Coal	Kolkata, West Bengal, India	37.51%	37.51%

The consolidated financial statements are prepared in accordance with the principles and procedures for the preparation and presentation of Consolidated Accounts as set out in Ind AS 110 "Consolidated Financial Statements" and Ind AS 28 on "Accounting for Investments in Associates and Joint Ventures", notified by Ministry of Corporate Affairs and combined as per Equity Method under Ind AS. The consolidated financial statements are prepared applying uniform accounting policies on all material items.

The following table summarizes the financial information of the Balance Sheet of the associate prepared in accordance with Ind AS:

Particulars	(Rs. In Lakhs)	
	Hari Equipments Private Limited	
	As at 31st March 2022	As at 31st March 2021
Non - current assets		
Current assets	1082.05	1085.47
Non - current liabilities	1287.32	2466.24
Current liabilities	225.87	601.17
Equity	4501.79	3693.21
	(2358.29)	(742.67)

The following table summarizes the financial information of the Statement of Profit & Loss of the associate prepared in accordance with Ind AS:

Particulars	Hari Equipments Private Limited	
	2021-22	2020-21
Revenue from operations	-	-
Other income	66.68	269.49
(a) Total Income	66.68	269.49
Purchase of Traded Goods	-	-
Changes in Inventories	-	-
Employee benefits expense	-	-
Finance costs	569.88	542.39
Depreciation and amortisation expense	3.43	7.20
Other expenses	1,177.66	627.57
(b) Total Expenses	1,750.97	1,177.16
(c) Profit / (Loss) before tax (a - b)	(1,684.29)	(907.67)
(d) Tax expense	(0.34)	0.00
(e) Deferred Tax	69.02	24.88
(f) Other comprehensive income (net of tax)	-	-
(g) Total comprehensive income for the year (c + d + e + f)	(1,615.61)	(882.79)
Group's share of net profit / (loss) (net of tax) restricted to the value of company's investment in the associate.	(124.82)	(124.82)

Reconciliation of the above summarised financial information to the carrying amount of the interest in associates recognised in the consolidated financial statements:

Particulars	Hari Equipments Private Limited	
	As at 31st March 2022	As at 31st March 2021
Net assets of associate	(2,358.29)	(742.67)
Proportion of the Group's ownership interest	37.51%	37.51%
Group's share of net assets	(884.59)	(278.58)



NARAYANI STEELS LIMITED
(CIN: L27109WB1996PLC082021)
Notes to the Consolidated financial statements for the year ended 31 Marcl, 2022 (Continued)

		(Rs. In Lakhs)	
		As at	As at
		31st March 2022	31st March 2021
7 Inventories			
	(As taken, valued and certified by the management)		
	Finished Goods	150.86	150.86
		150.86	150.86

		As at	As at
		31st March 2022	31st March 2021
8 Trade receivables			
	Unsecured, considered good (unless otherwise stated)	3,950.23	16,921.92
	Less: Expected Credit Loss (Refer Note:41(i))	(926.92)	(4,695.27)
	Less: Provision for bad and doubtful debts	-	(1,191.19)
		3,023.31	11,035.46

The trade receivables ageing schedule for the years ended as on March 31, 2022 & (March 31, 2021) is as follows:

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	244.66	-	-	564.48	3,141.09	3,950.23
	(231.83)	(2,903.31)	(8.50)	(11,279.28)	(1,307.81)	(15,730.73)
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	(1,191.19)	(1,191.19)
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Trade Receivables	244.66	-	-	564.48	3,141.09	3,950.23
	(231.83)	(2,903.31)	(8.50)	(11,279.28)	(2,499.00)	(16,921.92)
Less: Allowance for credit loss (including provision for bad & doubtful debts)						926.92
Total Trade Receivables						(5,886.46)
						3,023.31
						(11,035.46)

		(Rs. In Lakhs)	
		As at	As at
		31st March 2022	31st March 2021
9 Cash and cash equivalents			
	Cash on hand (as certified)	-	0.00
	Balances with banks in current accounts	43.66	5.03
		43.66	5.03
10 Other financial assets			
	<u>Non-current</u>		
	Security Deposits	76.74	90.02
		76.74	90.02
	<u>Current</u>		
	Advance against expenses	0.06	10.14
		0.06	10.14



NARAYANI STEELS LIMITED
(CIN: L27109WB1996PLC082021)

Notes to the Consolidated financial statements for the year ended 31 March 2022 (Continued)

(Rs. In Lakhs)

	As at	
	31st March 2022	31st March 2021
11 Current tax assets (Net)		
Income Tax Refundable	12.96	22.98
Tax Deducted/Collected at Source	23.95	50.63
	36.91	73.60
12 Other assets		
<u>Non-Current</u>		
Prepaid expenses	-	11.45
	-	11.45
<u>Current</u>		
Advances other than capital advances		
- Advance to suppliers	2.10	953.70
Balances with Revenue Authorities	257.97	495.26
Prepaid expenses	-	2.07
	260.07	1,451.02
12.1 Assets Classified as held for sale	84.16	-
	84.16	-
13 Equity share capital		
<u>Authorised</u>		
1,40,00,000 (31st March 2021 - 1,40,00,000) Equity Shares of Rs. 10/- each	1,400.00	1,400.00
	1,400.00	1,400.00
<u>Issued, subscribed and fully paid-up</u>		
5,45,450 (31st March 2021 - 1,09,09,000) Equity Shares of Rs. 10/- each	54.55	1,090.90
	54.55	1,090.90

A. Reconciliation of number of equity shares outstanding at the beginning and at the end of the period

	As at 31st March 2022		As at 31st March 2021	
	Number	Amount (Rs in lakhs)	Number	Amount (Rs in lakhs)
Balance as at the beginning of the year	10,909,000	1,090.90	10,909,000	1,090.90
Add: Issued during the year	-	-	-	-
Less: Capital Reduction (Refer Note below)	10,363,550	1,036.36	-	-
Balance as at the end of the year	545,450	54.55	10,909,000	1,090.90

Note: As per the Resolution Plan approved by the Hon'ble National Company Law Tribunal, Kolkata bench, vide its Order dated January 11, 2022 for the Corporate Insolvency of the Company, the Face value of existing Equity shares was reduced from Rs. 10 per share to Re. 0.50 per share, and after such reduction in face value of the existing equity shares to Re. 0.50, the Face value of shares was consolidated to Rs. 10/- per share resulting in reduction in the quantity of the shares held by the existing shareholders by 1/20th of the existing quantity i.e. the shares of existing shareholders holding 1,09,09,000 equity shares were reduced to 5,45,450 equity shares. Pending approval from the Bombay Stock Exchange, required forms for the reduction / consolidation of shares have not yet been filed and shares of the Company are yet to be issued consequent upon the reduction of the share capital. However, the effect thereof has been taken in the accounts pursuant to the approved resolution plan.

B. Rights, preferences and restrictions attaching to Equity Shares

The Company has only one class of equity shares having a par value of Rs.10/- per share. Each holder of equity shares is entitled to one vote per share and the equity shares will rank pari-passu with each other in all respects.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company after distribution of all preferential amount. The distribution will be in proportion to the number of equity shares held by the share holders.

C. Particulars of shareholders holding more than 5% shares of fully paid up equity shares

Name of the shareholders	As at 31st March 2022		As at 31st March 2021	
	Number of equity shares	% of total shares in the class	Number of equity shares	% of total shares in the class
Kishanlal Choudhary	50,175	9.20%	1,003,500	9.20%
Sunil Choudhary (HUF)	63,050	11.56%	1,261,000	11.56%
Sunil Choudhary	61,225	11.23%	1,224,500	11.22%
Cootex Merchandise Private Limited	108,150	19.83%	2,163,000	19.83%

D. Particulars of Shareholding of Promoters

Shares held by promoters at the end of the year			% change during the year
Sl.No.	Promoter Name	No. of Shares	
			%

As per the Resolution Plan approved by the Hon'ble National Company Law Tribunal, Kolkata bench, vide its Order dated January 11, 2022 for the Corporate Insolvency of the Company, the entire shareholdings of the erstwhile promoters of the Company have been re-classified as public shareholding and pending allotment of the shares to the new promoters, there is nothing to disclose under this sub-heading.



NARAYANI STEELS LIMITED
(CIN: L27109WB1996PLC082021)

Notes to the Consolidated financial statements for the year ended 31 March 2022 (Continued)

14 Other Equity	(Rs. In Lakhs)			
A. Deemed Equity	(Rs. In Lakhs)			
Subordinated Debt*	As at		As at	
	31st March 2022	31st March 2021	31st March 2022	31st March 2021
	1,456.20	-	1,456.20	-

* Represents interest free loan from Resolution Applicant M/s Rishikunj Vincom Private Limited

B. Summary of other equity balance	As at		As at	
	31st March 2022	31st March 2021	31st March 2022	31st March 2021
Securities Premium	1,673.85	1,673.85	1,673.85	1,673.85
Retained Earnings (including other comprehensive income)	(306.13)	(6,984.22)	(306.13)	(6,984.22)
Share Application Money pending allotment*	1,046.00	-	1,046.00	-
Capital Reserve	1,036.36	-	1,036.36	-
Total Other Equity (A+B)	3,450.08	(5,310.37)	4,906.28	(5,310.37)

*Share Application Money received from resolution applicant, its associates, directors and relatives/friends of directors, pending allotment for approval from BSE.

	1st April 2021	Movement during the year	As at 31st March 2022	1st April 2020	Movement during the year	As at 31st March 2021
Securities Premium (a)	1,673.85	-	1,673.85	1,673.85	-	1,673.85
Retained Earnings (including other comprehensive income) (b)	(6,984.22)	6,678.09	(306.13)	(1,679.98)	(5,304.24)	(6,984.22)
Share Application Money pending allotment	-	1,046.00	1,046.00	-	-	-
Capital Reserve	-	1,036.36	1,036.36	-	-	-
	(5,310.37)	8,760.45	3,450.08	(6.13)	(5,304.24)	(5,310.37)

B. Nature and purpose of reserves:

- (i) **Securities Premium:** Securities premium represents the premium received on issue of shares over and above the face value of equity shares. The account is available for utilisation in accordance with the provisions of the Companies Act, 2013.
- (ii) **Capital Reserve:** Capital Reserve represents the amount arising on account of reduction in paid-up equity share capital vide the Resolution Plan approved by the Hon'ble National Company Law Tribunal, Kolkata Bench vide its Order dated 11th Jan'2022.
- (iii) **Retained earnings (including other comprehensive income):** This Reserve represents the cumulative profits / losses of the Company. This Reserve can be utilized in accordance with the provisions of the Companies Act, 2013.
- (iv) **Share Application Money pending allotment:** This represents amounts received from resolution applicant, its associates, directors and relatives/friends of directors, pending allotment for approval from BSE.

15 Borrowings	(Rs. In Lakhs)			
	Current portion		Non-current portion	
	As at 31st March 2022	As at 31st March 2021	As at 31st March 2022	As at 31st March 2021
Non-current Borrowings				
Secured				
Term loans				
Loan against vehicles *	-	9.23	-	6.95
	-	9.23	-	6.95
Unsecured				
Term Loan from a financial institution *	-	-	-	108.34
Loans from Bodies Corporate	-	-	271.58	-
	-	9.23	271.58	115.29
Current Borrowings				
Secured *				
Working Capital Loans from Bank				
- Cash Credit				16,424.93
Unsecured *				
Channel Financing from Banks & Financial Institutions				3,711.35
				20,136.28

* Pursuant to the continuing defaults of the Company in repayment of borrowings in previous years, a corporate insolvency resolution process ("CIRP") under the Insolvency and Bankruptcy Code, 2016 was initiated against the Company on 24th March 2021 and in terms of the approved resolution vide an Order of the Kolkata Bench of the National Company Law Tribunal ("NCLT") dated January 11, 2022, the liability towards Secured and Unsecured financial creditors stands extinguished except an amount of Rs. 26 Lakhs which was paid by the Resolution applicant.



NARAYANI STEELS LIMITED
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Notes to the Consolidated financial statements for the year ended 31 March 2022 (Continued)

	(Rs. In Lakhs)	
	As at	As at
	31st March 2022	31st March 2021
16 Lease Liabilities		
Non-Current	-	82.77
Current	-	7.57
	-	<u>90.34</u>

As all the existing Lease contracts have been terminated or have been converted into Short Term Lease Contracts, the brought forward balances of Lease Liabilities calculated as per IND AS 116 have been written back.

	As at	As at
	31st March 2022	31st March 2021
17 Other Financial Liabilities		
A. Non-Current		
Security Deposits	-	3.08
	-	<u>3.08</u>
B. Current		
Current maturities of long-term debt (Refer Note 14) *	-	9.23
Interest accrued but not due on borrowings *	-	10.05
Interest accrued and due on borrowings *	-	2,211.15
Deferred liability - On corporate guarantee **	-	9.75
	-	<u>2,240.18</u>

Notes: * Pursuant to the continuing defaults of the Company in repayment of borrowings in previous years, a corporate insolvency resolution process ("CIRP") under the Insolvency and Bankruptcy Code, 2016 was initiated against the Company on 24th March 2021 and in terms of the approved resolution plan vide an Order of the Kolkata Bench of the National Company Law Tribunal ("NCLT") dated January 11, 2022, the liability towards Secured and Unsecured financial creditors (including interest) stands extinguished except the amount of Rs. 26 lakhs which was paid by the Resolution applicant.

	As at	As at
	31st March 2022	31st March 2021
18 Trade payables		
Dues to Micro And Small Enterprises (as per the intimation received from vendors)		
a. The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of accounting year *	-	-
b. Interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
c. Interest due and payable for the period (where the principal has been paid but interest under the MSMED Act, 2006 not paid)	-	-
d. The amount of interest accrued and remaining unpaid at the end of accounting year	-	-
e. Interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	-	-
Dues to others		
- For goods and services	-	-
	36.69	198.24
	<u>36.69</u>	<u>198.24</u>

The trade payables ageing schedule for the years ended as on March 31, 2022 & (March 31, 2021) is as follows:

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-
(ii) Others	36.69	-	-	-	36.69
	(79.08)	(119.16)	-	-	(198.24)
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Trade Payables	36.69	-	-	-	36.69
	(79.08)	(119.16)	-	-	(198.24)

Pursuant to the Resolution Plan, liabilities related to operational creditors up to the date of commencement of CIRP have been fully extinguished.

There are no Micro, Small and Medium Enterprises to whom the Company owes dues, which are outstanding for more than 45 days as at 31st March, 2022. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company and thus relied upon by the auditors.

	As at	As at
	31st March 2022	31st March 2021
19 Other liabilities		
Non-Current		
Income received in advance	-	2.61
	-	<u>2.61</u>
Current		
Staff liability	27.78	25.50
Statutory liabilities	9.98	1.63
Income received in advance	-	0.30
	<u>37.76</u>	<u>27.43</u>



20 Deferred Tax (Assets) / Liabilities (net)

Deferred tax liabilities

Property, Plant & Equipment, Right-of-use of asset, Intangible Assets and Investment Properties
Fair Valuation of Investments

Total deferred tax liabilities (A)

Deferred tax Assets

Provision for Gratuity
Provision for expected credit losses & bad and doubtful debts on trade receivables
Business Losses & Unabsorbed Depreciation
Lease Liabilities & Other disallowances

Total deferred tax assets (B)

Net Deferred Tax (Assets)/Liabilities (A-B)

Movement in deferred tax liabilities/ assets balances

	As at 31st March 2022	As at 31st March 2021
	(45.06)	113.40
	(0.20)	(12.23)
	<u>(45.26)</u>	<u>101.16</u>
	-	2.82
	257.87	1,965.14
	395.49	1,453.58
	-	946.55
	<u>653.36</u>	<u>4,368.09</u>
	<u>(698.62)</u>	<u>(4,266.92)</u>

Deferred tax liabilities/assets in relation to

	As at 31st March 2021	Recognised in Profit or Loss	Recognised in OCI	As at 31st March 2022
Deferred tax liabilities				
Property, Plant & Equipment, Right-of-use of asset, Intangible Assets and Investment Properties	113.40	(158.46)	-	(45.06)
Fair Valuation of Investments	(12.23)	12.02	0.01	(0.20)
Capital Gains / (Loss)	-	-	-	-
Total deferred tax liabilities (A)	<u>101.16</u>	<u>(146.44)</u>	<u>0.01</u>	<u>(45.26)</u>
Deferred tax Assets				
Provision for Gratuity	2.82	(2.82)	-	-
Provision for expected credit losses & bad and	1,965.14	(1,707.27)	-	257.87
Business Losses & Unabsorbed Depreciation	1,453.58	(1,058.09)	-	395.49
Lease Liabilities & Others	946.55	(946.55)	-	-
Total deferred tax assets (B)	<u>4,368.09</u>	<u>(3,714.73)</u>	<u>-</u>	<u>653.36</u>
Net deferred tax (assets)/liabilities (A-B)	<u>(4,266.92)</u>	<u>3,568.29</u>	<u>0.01</u>	<u>(698.62)</u>

^^The Company has recognized Deferred Tax Assets on unabsorbed depreciation and business losses as the management is confident on its realisability.

21 Provisions

Non-current

Provisions for employee benefits

- Provision for gratuity

Current

Provisions for employee benefits

- Provision for gratuity

	As at 31st March 2022	As at 31st March 2021
	-	4.54
	-	4.54
	-	3.92
	-	3.92

As Per the Resolution Plan approved by the Hon'ble National Company Law Tribunal, Kolkata bench, vide their Order dated January 11, 2022, the existing Liabilities towards workmen and employee have been extinguished.

22 Revenue from operations

Sale of Products

Revenue from Job Work (Conversion Charges)

Total revenue from operations

	As at 31st March 2022	As at 31st March 2021
	-	7,608.63
	1,162.28	184.63
	<u>1,162.28</u>	<u>7,793.26</u>

The Company had suspended its Trading and Manufacturing activities in the last quarter of the preceding year. The company had entered into an agreement with M/s Elegant Metals and Minerals Private Limited, to operate the plant for undertaking conversion work on job-order basis.

Details of sale of products (net of GST):

TMT Bars, Rounds, Squares, Angles, Flats and related items

Pig Iron, Scrap and related items

	As at 31st March 2022	As at 31st March 2021
	-	6,822.61
	-	786.02
	<u>-</u>	<u>7,608.63</u>



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Notes to the Consolidated financial statements for the year ended 31 March 2022 (Continued)

(Rs. In Lakhs)

23 Other income	As at 31st March 2022	As at 31st March 2021
A. Interest income comprises interest:		
- On fixed deposits	3.69	-
-On financial assets carried at amortised cost	-	1.22
Other non-operating income		
Rental income	-	-
Profit on sale of current investments	-	34.01
Profit on sale of investment properties	-	41.65
Lease liability written back	-	46.70
Profit on Sale of Land	-	26.74
Miscellaneous receipts	-	365.54
Bad Debts recovery	0.17	5.77
Amortisation of corporate guarantee obligation (Refer note: 17 for details)	10.52	-
Sundry Balances Written off (Net)	-	9.75
Reversal of Amortisation of corporate guarantee obligation	0.81	(40.35)
	9.75	-
	24.93	491.04
24 Cost of Materials Consumed	As at	As at
	31st March 2022	31st March 2021
Iron and Steel Materials		
Inventory at the beginning of the year	-	166.77
Add : Purchases	-	3,834.90
	-	4,001.67
Less: Sale of Raw materials	-	194.37
Cost of Materials Consumed	-	3,807.30
25 Purchase of Traded Goods	As at	As at
	31st March 2022	31st March 2021
TMT Bars, Rounds, Squares, Angles, Flats and related items	-	1,759.41
Pig Iron, Scrap and related items	-	545.40
	-	2,304.81
26 Changes in Inventories	As at	As at
	31st March 2022	31st March 2021
Opening Stock		
-Finished Goods	150.86	350.22
-Scrap and Miss Roll	-	33.52
-Traded Goods	-	768.78
	150.86	1,152.52
Closing Stock		
-Finished Goods	150.86	150.86
	150.86	150.86
	-	1,001.66
27 Employee benefits expense	As at	As at
	31st March 2022	31st March 2021
Salaries, wages and allowances	307.96	465.68
Contribution to provident and other funds	-	1.71
Director's Remuneration	-	48.25
Staff welfare expenses	0.18	15.46
	308.14	531.11
28 Finance costs	As at	As at
	31st March 2022	31st March 2021
Interest expense		
To Banks (including LC Charges)	-	2,543.08
To Others (on Unsecured Loans)	1.76	130.80
On financial liabilities carried at amortised cost- Security Deposits	-	0.28
On financial liabilities carried at amortised cost- Lease liabilities	-	11.28
Other borrowing costs	-	4.76
	1.76	2,690.21



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Notes to the Consolidated financial statements for the year ended 31 March 2022 (Continued)

(Rs. In Lakhs)

29 Other expenses	As at	
	31st March 2022	31st March 2021
A. Manufacturing Expenses		
Processing and Moulding Charges		
Power and Fuel	2.48	10.65
Stores and Spares Consumed	649.71	525.65
Repairs and Maintenance	48.10	100.48
	21.49	25.99
	721.79	662.77
B. Administrative and Other Expenses		
Rent & Service Charges		
Rates & Taxes	6.00	(0.29)
Insurance	5.24	2.15
Freight & Delivery Charges	1.12	1.33
Telephone & Internet Expenses	0.14	102.83
Travelling & Conveyance	-	0.88
Repairs & Maintenance	0.24	9.55
- Building		
- Others	0.06	1.34
Safety & Security Charges	1.34	4.95
Vehicle Running and Maintenance	11.88	13.87
Legal & Professional Fees	-	14.13
Sales Promotion Expenses	19.31	30.26
Auditor's Remuneration [Refer Note (a) below]	-	2.90
Directors' Sitting Fees	2.50	5.40
Miscellaneous Expenses	-	0.15
Bank Charges	3.21	8.22
Commission	0.52	-
Bad Debts written off	-	0.57
Interest on delay payments	-	687.49
Amortisation of corporate guarantee obligation (Refer note: 17 for details)	0.41	-
Provision for expected credit loss (Refer note: 41(i) for details)	-	9.75
Provision for bad and doubtful debts	-	3,572.06
	-	691.19
	51.97	5,158.73
Other expenses (A+B)	773.76	5,821.50

Payment to auditors

	As at	As at
	31st March 2022	31st March 2021
Statutory audit		
Tax audit	2.00	2.50
Other Services	0.50	0.50
	-	2.40
	2.50	5.40

30 Exceptional Items *

Exceptional Items for the year ended 31st March 2022 comprises of:

	As at	As at
	31st March 2022	31st March 2021
Right of Use Asset Written off		
Property, Plant & Equipment written off	(17.51)	-
Intangible Assets Written off	(361.49)	-
Irrecoverable advances/Deposits/Receivables written off	(1.45)	-
Bad Debts Written off	(1,307.01)	-
CIRP Expenses	(12,987.42)	-
Provision for expected credit Loss written back	(58.23)	-
Provision for Bad & Doubtful debts written back	3,768.36	-
Extinguishment of Trade Payables, current Financial Liabilities, and Non current/Short Term Borrowings	1,191.19	-
	19,969.96	-
	10,196.39	-

* These adjustments, having one-time, non-routine material impact on the financial statements hence, the same has been disclosed as 'Exceptional Items' in the Financial Statements.

- 31 Based on the petition filed by a financial creditor, the Hon'ble NCLT, Kolkata Bench, passed the order for initiation of CIRP under section 7 of the Insolvency and Bankruptcy Code, 2016 (As amended and hereinafter referred to as "the Code") dated 24th March 2021 appointing Mr. Krishna Komaravolu as Interim Resolution Professional, subsequently confirming him as the Resolution Professional ("RP") under the provisions of the Code. Further, the erstwhile RP had invited expression of Interest (Eoi) from Prospective Resolution Applicants (PRAs) to submit the Resolution Plan for the Company. Final plans received were placed, put to vote in the 6th CoC meeting held on 19th October 2021. The resolution plan submitted by Rishikunj Vincom Private Limited was approved by CoC. The application for Plan approval was filed with Hon'ble National Company Law Tribunal (NCLT) on 02nd November 2021 and subsequently has been approved/allowed by the Hon'ble NCLT vide Order dated 11th January 2022.
- 32 With the approval of the Resolution Plan by the Hon'ble National Company Law Tribunal (NCLT) vide Order dated 11th January 2022, the CIRP of the Company has concluded and Mr. Krishna Komaravolu ceased to be the resolution professional of the Company. The said Resolution plan has been implemented by the Monitoring Committee and the management of the Company has been handed over to the RA by the Monitoring Committee w.e.f. 1st April 2022.
- 33 Pursuant to the Resolution Plan submitted by Rishikunj Vincom Private Limited (referred to as the "Resolution Applicant") and its approval by the Hon'able National Company Law Tribunal, Kolkata bench, vide their Order dated January 11, 2022 for the Corporate Insolvency of the Company, the following consequential impacts have been given in accordance with approved resolution plan / Accounting Standards :-
- The existing directors of the Company as on the date of Order stand replaced by the new Board of Directors with effect from 16-03-2022. As on date, the Board consists of Sumit Kumar Agarwal, Asit Baran Bhattacharjee, Ajit Kumar Nath and Akansha Agarwal
 - The Face value of existing Equity shares have been reduced from Rs. 10 per share to Re. 0.50 per share, and after such reduction in face value of existing equity shares to Re. 0.50 the Face value of shares have been consolidated to Rs. 10/- per share resulting in reduction of the quantity of the shares held by the existing shareholders by 1/20th of the existing quantity i.e. the shares of existing shareholders holding 1,09,09,000 equity shares have been reduced to 5,45,450 equity shares.
 - In respect of extinguishment of balances of operational and financial creditors, post payment as per the resolution plan, the same is recognised in statement of profit or loss account in accordance with "Ind AS - 109" on "Financial Instruments" prescribed under section 133 of the Companies Act, 2013 and accounting policies consistently followed by the Company and disclosed as an "Exceptional Items".
 - Funds amounting to Rs. 1,726.20 Lakhs were brought by way of Unsecured Loans and Rs. 1,046 Lakhs by way of Share Application Money by the RA as per the terms of the approved resolution plan. However, the allotment against the Share Application Money received is pending for approval from Bombay Stock Exchange.
 - The erstwhile promoter group has been classified as public shareholders under regulation 31A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.



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Notes to the Consolidated financial statements for the year ended 31 March 2022 (Continued)

		(Rs. in Lakhs)	
		As at 31st March 2022	As at 31st March 2021
34	Income taxes		
A.	Amount recognised in profit or loss		
	Current tax		
	Current period	A	-
	Earlier Year tax	B	-
	Deferred tax		
	Deferred Tax for the year	C	3,568.29
	Tax expense reported in the statement of profit and loss [(A)+(B)+(C)]	3,568.29	(2,701.62)
B.	Income tax recognised in other comprehensive income		
	Deferred tax		
	On items that will not be reclassified to profit or loss		
	Remeasurements of defined benefit plans		
	Equity instruments through other comprehensive income	0.01	(0.02)
	Income tax expense reported in the statement of profit and loss	0.01	(0.02)
C.	Reconciliation of effective tax rate for the year ended 31st March 2022		
	Profit / (Loss) before tax	10,246.35	(8,005.90)
	Tax using the Indian tax rate @ 31st March 2022: 27.82% (31st March 2021: 33.38%)	2,850.53	(2,672.69)
	Change in tax rate and other tax differences	717.75	(28.93)
	Effective tax	3,568.29	(2,701.62)

35 Basic and diluted earnings per share (Ind AS 33)

The calculations of profit attributable to equity shareholders and weighted average number of equity shares outstanding for purposes of basic earnings per share calculation are as follows:

	(Rs. in Lakhs)	
	Year ended 31 March 2022	Year ended 31 March 2021
(a) Profit attributable to equity shareholders	6,678.06	(5,304.28)
(b) Adjusted profit for dilutive earnings	6,678.06	(5,304.28)
(c) Weighted average number of ordinary shares outstanding for the purpose of basic earnings per share	5,45,450	1,09,09,000
(d) Weighted average number of ordinary shares in		
(e) Shares Pending Allotment	5,45,450	1,09,09,000
(f) Potential shares after allotment	1,03,63,550	-
(g) Earnings per share on profit for the year (Face Value	1,09,09,000	1,09,09,000
Basic [(a)/(c)]	1,224.32	(48.62)
Diluted [(b)/(d)]	61.22	(48.62)

36 Contingent Liabilities

(to the extent not provided for)

	Year ended 31 March 2022*	Year ended 31 March 2021
	Rs. in lakhs	Rs. in lakhs
Claims against the company not acknowledged as debts		
Disputed Income Tax Demands under appeal	-	401.38
Corporate guarantee for credit facilities to Hari Equipments Private Limited	-	249.71
Other Corporate guarantee for credit facilities	-	3,524.00
Disputed Sales Tax/ VAT under appeal for the year 2010 - 11	-	3,198.00
Disputed Penalty on VAT under appeal for the period 04/2011 to 12/2012	-	4.69
Goods & Services Tax	-	21.00
	-	3,569.00
	-	10,967.78

*As per the approved resolution plan, the contingent liabilities and commitments, claims and obligations, Corporate guarantees and Legal Proceedings initiated against Corporate Debtor stand extinguished

and accordingly no outflow of economic benefits is expected in respect thereof. The Resolution plan further provides that implementation of resolution plan will not affect the rights of the Company to recover any amount due to the Company and there shall be no set off of any such amount recoverable by the Company against any liability discharged or extinguished.

37 Employee Benefits

The Company, presently, does not have a defined contribution plan or a defined benefit plan. Further, pursuant to the Resolution Plan approved by the Hon'ble NCLT, Kolkata Bench vide its Order dated

11th January 2022 for the Corporate Insolvency of the Company, the brought forward liability towards provision for gratuity (actuarial value) amounting to Rs.8.46 Lakhs has been written back.



38 Segment Information

The Company is currently engaged in a single business segment of Iron & Steel Products, accordingly there is no separate reportable segment as per Ind AS 108- "Operating Segment".

The information relating to revenue from external customers and location of non-current assets of its single reportable segment has been disclosed as below:

(a) Revenue from operations

All revenue from operations of the company are generated within India.

(b) Non-current assets

All Non-current assets of the company are located in India.

(c) Customer contributing more than 5% of Revenue

Revenue from One (31st March 2021: Three) external customers contributed to 100 % (31st March 2021: 89.63%) of Company's total revenue amounting to Rs. 1162.28 lakhs & Rs. 6984.82 lakhs for the year ended 31st March 2022 & 31st March 2021 respectively. Other than these customers, there is no other customer whose revenue contributed to more than 5% of the Company's revenue.

39 Related Party Disclosures

Key Management Personnel (KMP)

Sunil Kumar Choudhary
Ankit Gupta
Krishnamacharyulu Eunny
Rabi Kumar Gupta
Prakash Kumar Thakur
Swarnalath Mandaleeka
Sumit Kumar Agarwal
Asit Baran Bhattacharjee
Ajit Kumar Nath
Akansha Agarwal
Arun Kumar Meher

Nature of Relationship

Managing Director (upto 15.03.2022)
Whole Time Director & CFO (upto 15.03.2022)
Non Executive Independent Director (upto 15.03.2022)
Additional Director (upto 18.02.2022)
Additional Director (upto 18.02.2022)
Additional Director (upto 15.03.2022)
Additional Director (w.e.f 16.03.2022)
Additional Independent Director (w.e.f 16.03.2022)
Additional Independent Director (w.e.f 16.03.2022)
Additional Independent Director (w.e.f 16.03.2022)
Company Secretary & Compliance Officer

Relative of Director

Rachana Agarwal**

Associates

Hari Equipments Private Limited
Rishikunj Vincom Pvt Ltd**
Aspire Capital Private Limited**
Oipl India Private Limited**
Nippon Alloys Ltd.* (under liquidation)

Enterprises owned or significantly influenced by key management personnel or their relatives

Sumit Kumar Agarwal (HUF)**
Balajee Roadways*
Hemang Steel Traders*

*Upto 15th March 2022

**from 16th March 2022

The following transactions were carried out with related parties in the ordinary course of business:

(Rupees in lakhs)

Nature of Transactions	As at 31 March 2022	As at 31 March 2021
Share Application Money Received (pending allotment)		
Aspire Capital Private Limited	100.00	-
Oipl India Private Limited	100.00	-
Rachana Agarwal	100.00	-
Rishikunj Vincom Pvt Ltd	36.00	-
Sumit Kumar Agarwal (HUF)	182.00	-
Sumit Kumar Agarwal	100.00	-
Unsecured Loan Received		
Oipl India Private Limited	160.00	-
Rishikunj Vincom Pvt Ltd	1,456.20	-
Payment upon invocation of Corporate Guarantee (as per approved Resolution Plan)		
Hari Equipments Private Limited	40.50	-
Rental Income		
Agrimony Tradex Vyaappar Private Limited	-	0.27
Nippon Alloys Ltd.	-	0.14
Hari Equipments Private Limited	-	0.40
Rent Deposit Paid		
Hari Equipments Private Limited	-	26.26
Rent Paid		
Bina Choudhary	-	5.25
Hari Equipments Private Limited	-	5.00
Balajee Roadways	-	13.75



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Notes to the Consolidated financial statements for the year ended 31 March 2022 (Continued)

(Rs. In Lakhs)

Freight Expense		
Balajee Roadways	1.67	0.59
Director's Remuneration		
Sunil Choudhary	-	27.25
Ankit Gupta	-	21.00
Director's Sitting Fees		
Krishnamacharyulu Eunny	-	0.07
Prakash Kumar Thakur	-	0.02
Rabi Kumar Gupta	-	0.04
Jaya Padmavathi Bandi	-	0.01
Swarnalath Mandaleeka	-	0.01
Salary		
Arun Kumar Meher	6.00	4.20

Outstanding Balances

Nature of Transactions	As at 31 March 2022	As at 31 March 2021
Share Application Money Received (pending allotment)		
Aspire Capital Private Limited	100.00	-
Oipl India Private Limited	100.00	-
Rachana Agarwal	100.00	-
Rishikunj Vincom Pvt Ltd	36.00	-
Sumit Kumar Agarwal (HUF)	182.00	-
Sumit Kumar Agarwal	100.00	-
Unsecured Loans Received		
Oipl India Private Limited	160.00	-
Rishikunj Vincom Pvt Ltd	1,456.20	-
Trade Payables		
Hari Equipments Private Limited*	-	13.18
Balajee Roadways*	-	1.67
Liabilities For Expenses		
Sunil Choudhary*	-	1.13
Bina Choudhary*	-	1.62
Rent Deposit Paid		
Hari Equipments Private Limited*	-	26.26

*Pursuant to the approved resolution plan, previous year balances stand extinguished

40 Ratios

The ratios for the years ended March 31, 2022 and March 31, 2021 are as follows

Particulars of Ratio	Numerator	Denominator	2021-22	2020-21	Variance (in %)
(a) Current Ratio,	Current Assets	Current Liabilities	48.34	0.56	8489.42%
(b) Debt-Equity Ratio,	Total debt	Shareholder's equity	0.05	(4.80)	101.14%
(c) Debt Service Coverage Ratio,	Earnings available for debt service	Debt service	59.94	(0.09)	69801.16%
(d) Return on Equity Ratio,	Net profits before exceptional items	Shareholder's equity	1.01%	-	-
(e) Inventory turnover ratio,	Revenue	Inventories	-	5.13	100.00%
(f) Trade Receivables turnover ratio,	Revenue	Average trade receivable	0.17	0.55	69.73%
(g) Trade payables turnover ratio,	Purchases of services and other expenses	Average trade payable	-	8.15	100.00%
(h) Net capital turnover ratio,	Revenue	Working capital	0.33	(0.79)	141.84%
(i) Net profit ratio (before exceptional items)	Net profits before exceptional items	Revenue	4.30%	-68.06%	106.32%
(j) Return on Capital employed	Earning before interest and taxes	Capital employed	195.86%	-33.16%	690.71%

Reason for variance: There are wide variances in the ratios, as the figures for the Financial Year 2021-22 are after implementation of the approved Resolution Plan, pursuant to which operational & financial liabilities stand extinguished and receivables have been written off.

41 Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- (i) Credit risk
- (ii) Liquidity risk
- (iii) Market risk

Risk management framework

The Company's principal financial liabilities comprise of borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include trade and other receivables, investments, cash and cash equivalents, other bank balances and other financial assets that derive directly from its operations.

The Company's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Company's primary risk management focus is to minimise potential adverse effects of market risk on its financial performance. The Company's exposure to credit risk is influenced mainly by the individual characteristic of each customer and the concentration of risk from the top few customers. The Company's risk management assessment and policies and processes are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Company's activities.

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital.

The Company has standard operating procedures and investment policy for deployment of surplus liquidity, which allows investment in debt securities and mutual fund schemes of debt categories only and restricts the exposure in equity markets.



(i) Credit risk

Credit risk is the risk of financial loss of the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company receivables from customers and loans. Credit risk arises when a customer or counterparty does not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing/ investing activities, including deposits with bank and mutual fund investments. The Company has no significant concentration of credit risk with any counterparty. The carrying amount of financial assets represent the maximum credit risk exposure.

Trade receivables

The Company has established a credit policy under which each new customer is analysed individually for creditworthiness before the payment and delivery terms and conditions are offered. The Company's review includes external ratings, if they are available, financial statements, credit agency information, industry information and business intelligence. Sale limits are established for each customer and reviewed annually. Any sales exceeding those limits require approval from the appropriate authority as per policy.

Movement in the expected credit loss allowance of trade receivables are as follows:

Particulars	As at 31 March 2022	As at 31 March 2021
Balance at the beginning of the year	4,695.27	1,123.22
Add: Provision during the year (net of reversals)	-	3,572.06
Less: Provision written back during the year	3,768.36	-
Balance at the end of the year	926.92	4,695.27
% of Expected Credit Loss:		
More than 1 year	10.00%	10.00%
2-4 Years	25.00%	25.00%
More than 4 years	75.00%	75.00%

Exposure to credit risks

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry. Details of concentration percentage of revenue generated from top customer for the current year and top five customers are stated below. The figures of the current year are of only one customer as the Company, currently, is providing conversion services to only one customer.

Particulars	Year ended 31.03.2022		Year ended 31.03.2021	
	%	Amount (Rs. In lakhs)	%	Amount (Rs. In lakhs)
Revenue from a top customer	100.00%	1,162.28	42.73%	3,257.75
Revenue from top five customers	100.00%	1,162.28	96.67%	7,533.62

Other credit risk is managed through credit approvals, establishing credit limits and by continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. As per simplified approach, the Company makes provision of expected credit losses on trade receivables using a provision matrix to mitigate the risk of default payments and makes appropriate provisions at each reporting date whenever it is for longer period and involves higher risk. On account of adoption of Ind AS 109, the Company uses expected credit loss model to assess the impairment loss or gain.

(ii) Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at reasonable price. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of credit facilities to meet obligations when due. The Company's finance team is responsible for liquidity, funding as well as settlement management. In addition, Processes and policies related to such risks are overseen by senior management. Management monitors the Company's liquidity position through rolling forecasts on the basis of expected cash flows.

The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Exposure to liquidity risk

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

Particulars				
As at 31 March 2022				
	Less than 1 year	1-5 years	> 5 years	Total
Borrowings	271.58	-	-	271.58
Trade payables	36.69	-	-	36.69
Other financial liabilities	-	-	-	-
	308.27	-	-	308.27
As at 31 March 2021				
	Less than 1 year	1-5 years	> 5 years	Total
Borrowings	22,366.71	115.29	-	22,482.00
Trade payables	198.24	-	-	198.24
Other financial liabilities	9.75	-	-	9.75
	22,574.70	115.29	-	22,689.99

(iii) Market risk

Market risk is the risk of loss of future earnings, fair value or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, commodity prices, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, payables and borrowings.

(a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company exposure to the risk of changes in market interest rates related primarily to the Company's short term borrowings with floating interest rates. The Company constantly monitors the credit markets and rebalances its financing strategies to achieve an optimal maturity profile and financing cost.



Exposure to interest rate risk

The interest rate profile of the Company's interest bearing financial instruments at the end of the reporting period are as follows:

Particulars	31 March 2022	31 March 2021
Fixed rate instruments		
Financial assets	-	-
Financial liabilities	-	(125.34)
Variable rate instruments		
Financial assets	-	-
Financial liabilities	(271.58)	(20,136)

Sensitivity analysis

Fixed rate instruments that are carried at amortised cost are not subject to interest rate risk for the purpose of sensitive analysis.

A reasonably possible change of 50 basis points in variable rate instruments at the reporting dates would have increased or decreased profit or loss by the amounts shown below:

Particulars	Profit/ (loss)		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
31 March 2022				
Variable rate instruments				
Cash flow sensitivity (net)	(1.36)	1.36	(0.98)	0.98
31 March 2021				
Variable rate instruments				
Cash flow sensitivity (net)	(100.68)	100.68	(67.07)	67.07
	(100.68)	100.68	(67.07)	67.07

(b) Equity price risks

The Company is not exposed to equity risks arising from equity investments. Equity investments are held for strategic rather than trading purposes. The Company does not actively trade these investments.

(c) Currency risk

The Company does not have currency risks since it is not exposed to any foreign currency transaction.

42 Capital management (Ind AS 1)

The Company's management objective are :

- to ensure the Company's ability to continue as a going concern
- to provide an adequate return to shareholders by pricing products commensurately with the level of risk.

The Company monitors capital on the basis of carrying amount of equity including retained earnings as presented on the face of Balance Sheet. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. There is no change in the overall capital risk management strategy as compared to the last year.

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The management monitors the return on capital, as well as the level of dividends to equity shareholders.

The Company's objective when managing capital are to: (a) to maximise shareholders value and provide benefits to other stakeholders and (b) maintain an optimal capital structure to reduce the cost of capital.

For the purpose of the Company's capital management, capital includes issued equity share capital and other equity reserves attributable to the equity holders.

The Company monitors capital using debt-equity ratio, which is total debt less investments divided by total equity.

Particulars		31 March 2022	31 March 2021
Total debt (Bank and other borrowings)	A	271.58	20,270.85
Equity	B	4,960.82	(4,219.47)
Liquid investments including bank deposits	C	43.66	5.03
Debt to Equity (A / B)		0.05	(4.80)
Debt to Equity (net) [(A-C) / B]		0.05	(4.80)

43 The Company, currently, is not carrying any Trading and Manufacturing activity. However, in order to keep the plant (Unit-2) running, the company has entered into an agreement with M/s Elegant Metals and Minerals Private Limited, to operate the plant on conversion basis.

44 The Company has recognized an impairment loss of Rs. 56.73 lakhs on its investment in Hari Equipments Private Limited, an associate of the Company, as the associate company has suspended its trading activities incurring significant losses with complete erosion of its net worth as of the end of financial year 31.03.2020.

45 Delay/Default in repayment of Borrowing and Interest by the Associate Company

The Associate Company has delayed / defaulted in the payment of working capital loan taken from Indian Overseas Bank. The total value of default as on 31 March 2022 is Rs.3309.62 lakhs (31 March 2021 Rs.3051.74 lakhs (including interest amount). This does not include unpaid interest amount of Rs.473.22 lacs which has been reversed by the said bank. Considering the principles of prudence, this has been treated as liability in the books by the management of the Associate. The bank vide letter dated 30 November 2019 has classified the account of the Associate Company as NPA.

The Associate Company had given a corporate guarantee to State Bank of India in respect of credit facilities extended to Agrimony Tradex Vyapaar Pvt Ltd, who had defaulted in the payments of its obligations and as such the bank sold the properties of the associate company on the basis of which the loan was secured. The proceeds of the said sale have been considered as receivables from the defaulting company.

Furthermore, the associate company is one of the 5 Guarantors for the loan availed by Kedarnath Commotrude Pvt Ltd, taken from Canara bank (erstwhile- Syndicate bank) and the total liabilities of the said loan as on 31/03/2021 amounted to Rs. 3197.85 lakhs as per the sale notice from Bank dated 02/06/2021. This was collaterally secured by a land at Vizianagram owned by the Associate Company. The said bank has initiated action under SARFAESI Act, and Rules thereof, vide the said letter dated: 02/06/2021,

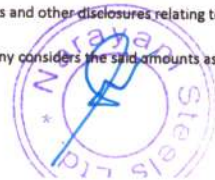
46 Foreign Exchange Earnings & Outgo

	As at 31st March 2022	As at 31st March 2021
Foreign Exchange Earnings	-	-
Expenditure in Foreign Currency:	-	-

47 Previous year's figures have been reworked, regrouped, rearranged and reclassified wherever considered necessary to conform to this year's classification. Accordingly, amounts and other disclosures for the preceding year are included as an integral part of the current year financial statements and are to be read in relation to amounts and other disclosures relating to the current year.

48 Balances under Trade Receivables & Other advances / receivables are subject to confirmations and adjustments, if any. The Company considers the said amounts as good for recovery and hence are carried in the accounts at their book values, after provision for expected credit loss.

48 Financial Instruments and related disclosures



48.1 Fair value measurement

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in forced or liquidation sale.

The Company has established the following fair value hierarchy that categorises the value into 3 levels. The inputs to valuation techniques used to measure fair value of financial instruments are as stated in Note 2: Basis of Preparation

The company uses the discounted cash flow techniques (in relation to interest-bearing borrowings and loans) which involves determination of present value of expected receipt/payment discounted using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The fair value so determined is classified as Level 2.

48.2 Financial Instrument by category

The following table shows fair values of financial assets and liabilities, including their levels in financial hierarchy, together with the carrying amounts shown in the statement of financial position.

Particulars	Note No	As at 31st March 2022		As at 31st March 2021	
		carrying amount	fair value Level 1/2	carrying amount	fair value Level 1/2
A FINANCIAL ASSETS:					
a) Measured at Amortised Cost					
Trade receivables	8	3,023.31		11,035.46	
Cash and Cash equivalents	9	43.66		5.03	
Other financial assets	10	76.81		100.17	
b) Measured at fair value through profit and loss					
Investments	6	-	-	39.12	39.12
c) Measured at fair value through other comprehensive income					
Investments	6	0.39	0.39	0.34	0.34
B Financial liabilities:					
a) Measured at amortised cost					
Borrowings	15	271.58	271.58	20,296.55	20,296.55
Trade payables	18	36.69	-	198.24	-
Other financial liabilities	17	-	-	2,230.43	-



NARAYANI STEELS LIMITED
(CIN: L27109WB1996PLC082021)

Notes to the Consolidated financial statements for the year ended 31st March 2022 (Continued)
(All amount in Rupees in Lakhs, unless otherwise stated)

Particulars	Gross Carrying Amount				Balance at 31st March 2022
	Balance at 31st March, 2021	Additions	Disposals/ Adjustments/ Written off *		
Land (Freehold) (Refer note 34(B))	309.33	-	-	-	309.33
Leasehold improvements	116.28	-	116.28	-	-
Buildings	432.30	-	220.99	-	211.30
Plant & Equipment	871.89	33.03	172.90	-	732.03
Computer	11.14	-	3.10	-	8.04
Office Equipment	23.29	-	22.91	-	0.38
Electrical Installation & Fittings	19.64	-	14.54	-	5.09
Furniture & Fixtures	143.84	-	127.25	-	16.59
Vehicles	48.12	-	-	-	48.12
Total	1,975.82	33.03	677.96		1,330.89

Particulars	Accumulated Depreciation / amortisation			Net Carrying Value	
	Balance at 31st March, 2021	For the period	Disposals/ Adjustments/ Written off *	At 31st March 2021	At 31st March 2022
Land (Freehold)	-	-	-	309.33	309.33
Leasehold improvements	21.68	-	21.68	94.60	-
Buildings	89.84	6.44	41.42	342.45	156.45
Plant & Equipment	339.49	40.97	90.95	532.40	442.51
Computer	8.32	-	0.68	2.81	0.40
Office Equipment	16.66	0.02	16.51	6.63	0.21
Electrical Installation & Fittings	7.60	0.40	6.67	12.04	3.77
Furniture & Fixtures	65.99	0.93	54.39	77.85	4.06
Vehicles	27.96	4.84	-	20.16	15.33
Total	577.54	53.60	232.31	1,398.29	932.07

* Post approval of the Resolution Plan, the Company has identified certain items of Property, Plant & Equipment which have either become redundant or have outlived their utility. While some of these items have been written off, others have been transferred to 'Assets held for sale', the book value of which has been shown under Current Assets.



5A

Right-of-use of assets Particulars	Gross Carrying Amount			Net Carrying Value	
	Balance at 31st March, 2021	Additions	Disposals/ Adjustments *	At 31st March 2021	At 31st March 2022
Vacant Sites	128.72	-	128.72	-	-
Total	128.72	-	128.72	107.85	-

Right-of-use of assets Particulars	Accumulated Depreciation / amortisation			Net Carrying Value	
	Balance at 31st March, 2021	For the year	Disposals/ Adjustments *	At 31st March 2021	At 31st March 2022
Total	20.87	-	20.87	107.85	-

* As all the existing Lease contracts have been terminated or have been converted into Short Term Lease Contracts, the brought forward balances as per IND AS 116 have been written off.

5B

Intangible Assets Particulars	Gross Carrying Amount			Net Carrying Value	
	Balance at 31st March, 2021	Additions	Disposals/ Adjustments **	At 31st March 2021	At 31st March 2022
Computer Software	3.27	-	3.27	-	-
Mobile Application	1.71	-	1.71	-	-
Total	4.98	-	4.98	0.65	-

Intangible Assets Particulars	Accumulated Depreciation/ amortisation			Net Carrying Value	
	Balance at 31st March, 2021	For 12 months	Disposals/ Adjustments **	At 31st March 2021	At 31st March 2022
Computer Software	2.62	-	2.62	-	-
Mobile Application	0.91	-	0.91	-	-
Total	3.53	-	3.53	1.45	-

*After the corporate insolvency resolution process all the intangible assets have been written off by the company

