



INDIA STEEL
WORKS LTD
Inner Vision. Global Action.

To,
The Manager
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street, Mumbai-400001.

Date: 18-07-2023.

Scrip Code: 513361

Dear Sir/ Madam,

Sub: Submission of Audited Financial Result of the Company for the Quarter and year ended on 31st March, 2023 along with Audit Report (Modified Opinion) and Statement on Impact of Audit Qualifications(for Audit Report with modified opinion).

With reference to above and pursuant to Regulation 33(3)(d) of the SEBI (Listing Obligations & disclosures Requirements) regulations ,2015, we hereby submit the followings:

1. Audited Stand alone & consolidated Financial Results for the Quarter & year ended 31st March,2023, together with Statement of Assets & Liabilities, Cash Flow Statement, Audit Report (Modified opinion) on the Audited Financial Results.
2. Statement on Impact of Audit Qualifications (Stand alone & Consolidated) separately for Audit Report with Modified opinion).

Thanking you

Yours sincerely,

FOR INDIA STEEL WORKS LIMITED

Dilip Maharana
Company Secretary
(M No. ACS: 23014)
Encl: As Above

REGD. OFFICE & STEEL PLANT

Zenith Compound Khopoli,
Raigad - 410 203, Maharashtra, India
T: +91 2192 265 812 F: +91 2192 264 061
CIN: L29100MH1987PLC043186

OFFICE

304, Naman Midtown, Tower A,
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INDIA STEEL
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INDIA STEEL WORKS LIMITED

[Formerly Known as ISIBARS LIMITED]

REGD. OFFICE: India Steel Works Complex, Zenith Compound, Khopoli, Raigad 410203.

Statement of Audited Standalone Financial Results for the Quarter and year ended 31st March, 2023

PART - I		Rs. In Lacs				
Sr. No.	Particulars	Quarter ended			Year ended	
		31/Mar/2023	31/Dec/2022	31/Mar/2022	31/Mar/2023	31/Mar/2022
		Audited	Unaudited	Audited	Audited	Audited
1	(a) Revenue from Operation	123.11	60.04	666.17	470.57	2,380.79
	(b) Other Income	131.16	6.02	12.87	189.36	896.96
	Total Income	254.26	66.06	679.04	659.92	3,277.75
2	Expenses					
	(a) Cost of Materials Consumed	139.87	106.93	1,904.07	312.13	3,284.42
	(b) Purchases of Stock In Trade	-	-	-	-	72.71
	(c) Changes In Inventories of Finished Goods, Work In Progress and Stock In Trade.	101.75	27.59	-777.03	486.89	-802.90
	(d) Employees Benefits Expenses	42.11	107.60	133.65	444.98	457.36
	(e) Finance Costs	189.25	216.06	59.26	822.32	789.70
	(f) Depreciation and Amortisation Expenses	183.60	189.39	185.59	747.58	755.17
	(g) Other Expenses	434.06	173.57	4,610.51	1,222.67	5,503.45
	Total Expenses	1,090.65	821.15	6,116.04	4,036.56	10,059.91
3	Profit/(Loss) before exceptional items (1-2)	-836.39	-755.09	-5,437.01	-3,376.64	-6,782.15
4	Exceptional Items	-219.35	-	1,927.44	-219.35	1,715.16
5	Profit/(Loss) (3-4)	-1,055.74	-755.09	-3,509.57	-3,595.99	-5,066.99
6	Tax Expenses					
	Current Tax	-	-	-	-	-
	Tax for earlier year	0.20	-	-	0.20	-
	Deferred Tax	-	-	-	-	-
7	Net Profit/(Loss) after tax (5-6)	-1,055.54	-755.09	-3,509.57	-3,595.80	-5,066.99
8	Other Comprehensive Income (Net of Tax)					
	a) Items that will not be reclassified to Statement of Profit and Loss	-116.63	-	104.13	-116.63	104.13
	b) Items that will be reclassified to Statement of Profit and Loss	-	-	-	-	-
	Total Other comprehensive Income (a+b)	-116.63	-	104.13	-116.63	104.13
9	Total comprehensive Income (7+8)	-1,172.17	-755.09	-3,405.44	-3,712.42	-4,962.86
10	Paid-up Equity Share Capital [face value of Rs. 1/- per share -	3,980.81	3,980.81	3,980.81	3,980.81	3,980.81
11	Other Equity excluding Revaluation Reserve				873.97	4,586.39
12	(i) Earnings per share face value @ Rs.1/- each.					
	a) Basic (in Rs.) - (Before Exceptional Items)	-0.21	-0.19	-1.37	-0.85	-1.70
	b) Diluted (in Rs.) - (Before Exceptional Items)	-0.21	-0.19	-1.37	-0.85	-1.70
	a) Basic (in Rs.) - (After Exceptional Items)	-0.27	-0.19	-0.88	-0.90	-1.27
	b) Diluted (in Rs.) - (After Exceptional Items)	-0.27	-0.19	-0.88	-0.90	-1.27



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Standalone Statement of Assets & Liabilities as at 31st March 2023	Rs. In lacs	Rs. In lacs
	31.03.2023	31.03.2022
	Audited	Audited
(A) ASSETS		
(1) NON CURRENT ASSETS		
(a) Property, Plant & Equipment	21,578.93	22,271.41
(b) Intangible assets	68.67	123.77
(c) Capital work-in-progress	-	-
(d) Financial assets		
(i) Investments	0.53	5.53
(ii) Other financial assets	1,120.27	1,120.27
(e) Other non-current assets	2,127.31	2,253.98
Sub-total - Non Current Assets	24,895.71	25,774.96
(2) CURRENT ASSETS		
(a) Inventories	13,607.12	17,018.59
(b) Financial assets		
(i) Trade receivables	22.50	27.37
(ii) Cash and cash equivalents	19.09	14.82
(iii) Deposits	24.78	31.42
(iii) Loans	60.65	60.65
(iv) Other financial assets	1,989.03	147.47
(c) Other current assets	642.15	662.43
Sub-total - Current Assets	16,365.32	17,962.74
TOTAL - ASSETS	41,261.03	43,737.70
(B) EQUITY & LIABILITIES		
(1) EQUITY		
(a) Equity Share capital	3,980.81	3,980.81
(b) Other Equity	873.97	4,586.39
Sub Total - Total Equity	4,854.78	8,567.20
(2) LIABILITIES		
NON CURRENT LIABILITIES		
(a) Financial Liability		
(i) Borrowings	1,918.09	1,891.70
(ii) Trade Payable	-	121.46
(iii) Other Financial Liabilities	628.06	628.63
(b) Provisions	195.95	89.92
Sub Total - Non Current Liabilities	2,742.09	2,731.71
CURRENT LIABILITIES		
(a) Financial Liability		
(i) Borrowings	5,175.25	4,466.82
(ii) Trade payables	17,382.30	18,759.55
(iii) Other Financial Liabilities	7,270.21	7,213.87
(b) Other Current Liabilities	3,313.55	1,515.08
(c) Provisions	522.84	483.48
Sub-total - Current Liabilities	33,664.16	32,438.79
TOTAL - EQUITY & LIABILITIES	41,261.03	43,737.70



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STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2023

(Rs. in lakhs)

Particulars	For the year ended March 31, 2023		For the year ended March 31, 2022	
	(Audited)		(Audited)	
A CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit / (Loss) Before Tax		-3,595.99		-5,066.99
Add / (Less):- Adjustments for Non-Cash / Non-Operating Items:				
Depreciation & Amortization	747.58		755.17	
Finance Cost	822.32		789.70	
Interest Income	-4.36		-10.12	
Non-operating income	-185.00		-886.84	
		1,380.55		647.91
Operating Profit Before Changes in Working Capital		-2,215.44		-4,419.08
Adjustment for Changes in Working Capital				
(Increase) / Decrease in Trade Receivables	4.87		1,002.78	
(Increase) / Decrease in Inventories	3,411.47		6,781.23	
(Increase) / Decrease in Other Current Financial Assets	-1,841.56		211.96	
(Increase) / Decrease in Other Current Assets	20.28		-561.41	
(Increase) / Decrease in Investment	5.00		212.28	
(Increase) / Decrease in Other Non - Current Assets	126.67		1,290.37	
Increase / (Decrease) in Trade Payables	-1,498.70		-5,335.26	
Increase / (Decrease) in Other Current Financial Liabilities	56.35		87.15	
Increase / (Decrease) in Other Current Liabilities	1,798.47		201.48	
Increase / (Decrease) in Provisions	28.77		140.45	
Increase / (Decrease) in Other Non - Financial Liabilities	-0.58		-0.64	
		2,111.03		4,030.39
Cash Generated from Operations		-104.41		-388.69
Less: Taxes Paid (Net of refund received)		0.20		-
NET CASH FLOW FROM OPERATING ACTIVITY (A)		-104.22		-388.69
B CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of Property, Plant & Equipment & Intangible Assets	-		-2.12	
Interest Received	4.36		10.12	
Movement in other bank balances	2.27		-11.20	
		6.63		-3.20
NET CASH FLOW FROM INVESTING ACTIVITY (B)		6.63		-3.20
C CASH FLOW FROM FINANCING ACTIVITY				
Receipt of Long Term Borrowings	35.48		35.48	
Repayment of Long Term Borrowings	-9.10		-264.34	
Increase / (Decrease) in Short Term Borrowings	708.43		460.23	
Finance Cost	-632.97		107.26	
		101.85		338.64
NET CASH FLOW FROM FINANCING ACTIVITY (C)		101.85		338.64
NET CASH FLOW FOR THE YEAR (A + B + C)		4.27		-53.25
Add: Opening Balance of Cash & Cash Equivalents		14.82		68.07
CLOSING BALANCE OF CASH & CASH EQUIVALENTS		<u>19.09</u>		<u>14.82</u>
RECONCILIATION OF CASH AND CASH EQUIVALENT				
TOTAL CASH AND BANK BALANCE AS PER BALANCE SHEET		19.09		14.82
CASH AND CASH EQUIVALENT COMPRISES AS UNDER:				
Balance with banks in current accounts		12.06		13.82
Cash on Hand		7.03		1.00
CASH AND CASH EQUIVALENT AT THE END OF THE YEAR		<u>19.09</u>		<u>14.82</u>



[Signature]

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REGD. OFFICE: India Steel Works Complex, Zenith Compound, Khopoli, Raigad 410203.

Statement of Audited Consolidated Financial Results for the Quarter and year ended 31st March, 2023

PART - I		Rs. In Lacs				
Sr. No.	Particulars	Quarter ended			Year ended	
		31/Mar/2023	31/Dec/2022	31/Mar/2022	31/Mar/2023	31/Mar/2022
		Audited	Unaudited	Audited	Audited	Audited
1	(a) Revenue from Operation	123.11	60.04	666.17	470.57	2,380.79
	(b) Other Income	131.19	6.02	12.87	189.39	896.96
	Total Income	254.30	66.06	679.04	659.96	3,277.75
2	Expenses					
	(a) Cost of Materials Consumed	139.87	106.93	1,904.07	312.13	3,284.42
	(b) Purchases of Stock In Trade	-	-	-	-	72.71
	(c) Changes In Inventories of Finished Goods, Work In Progress and Stock In Trade.	101.75	27.59	-777.03	486.89	-802.90
	(d) Employees Benefits Expenses	42.11	107.60	133.65	444.98	457.36
	(e) Finance Costs	189.26	216.06	59.26	822.33	789.70
	(f) Depreciation and Amortisation Expenses	183.60	189.39	185.59	747.58	755.17
	(g) Other Expenses	434.46	173.92	4,610.91	1,224.12	5,504.90
	Total Expenses	1,091.05	821.50	6,116.45	4,038.02	10,061.36
3	Profit/(Loss) before exceptional items (1-2)	-836.75	-755.44	-5,437.41	-3,378.06	-6,783.60
4	Exceptional Items	-214.35	-	1,927.44	-214.35	1,715.16
5	Profit/(Loss) (3-4)	-1,051.11	-755.44	-3,509.98	-3,592.41	-5,068.44
6	Tax Expenses					
	Current Tax	-	-	-	-	-
	Tax for earlier year	0.20	-	-	0.20	-
	Deferred Tax	-	-	-	-	-
7	Net Profit/(Loss) after tax (5-6)	-1,050.91	-755.44	-3,509.98	-3,592.21	-5,068.44
8	Other Comprehensive Income (Net of Tax)					
	a) Items that will not be reclassified to Statement of Profit and Loss	-116.63	-	104.13	-116.63	104.13
	b) Items that will be reclassified to Statement of Profit and Loss	-	-	-	-	-
	Total Other comprehensive Income (a+b)	-116.63	-	104.13	-116.63	104.13
9	Total comprehensive Income (7+8)	-1,167.54	-755.44	-3,405.85	-3,708.84	-4,964.31
10	Paid-up Equity Share Capital value of Rs.1/- per share - [face]	3,980.81	3,980.81	3,980.81	3,980.81	3,980.81
11	Other Equity excluding Revaluation Reserve				871.73	4,580.57
12	(i) Earnings per share face value @ Rs.1/- each.					
	a) Basic (in Rs.) - (Before Exceptional Items)	-0.21	-0.19	-1.37	-0.85	-1.70
	b) Diluted (in Rs.) - (Before Exceptional Items)	-0.21	-0.19	-1.37	-0.85	-1.70
	a) Basic (in Rs.) - (After Exceptional Items)	-0.26	-0.19	-0.88	-0.90	-1.27
	b) Diluted (in Rs.) - (After Exceptional Items)	-0.26	-0.19	-0.88	-0.90	-1.27



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Consolidated Statement of Assets & Liabilities as at 31st March 2023	Rs. In lacs	Rs. In lacs
	31.03.2023	31.03.2022
	Audited	Audited
(A) ASSETS		
(1) NON CURRENT ASSETS		
(a) Property, Plant & Equipment	21,578.93	22,271.41
(b) Intangible assets	68.67	123.77
(c) Capital work-in-progress	-	-
(d) Financial assets		
(i) Investments	0.53	0.53
(ii) Other financial assets	1,120.27	1,120.27
(e) Other non-current assets	2,128.38	2,255.05
Sub-total - Non Current Assets	24,896.78	25,771.03
(2) CURRENT ASSETS		
(a) Inventories	13,607.12	17,018.59
(b) Financial assets		
(i) Trade receivables	22.50	27.37
(ii) Cash and cash equivalents	20.43	16.16
(iii) Deposits	24.78	31.42
(iii) Loans	60.65	60.65
(iv) Other financial assets	1,989.03	147.47
(c) Other current assets	643.26	663.31
Sub-total - Current Assets	16,367.76	17,964.95
TOTAL - ASSETS	41,264.55	43,735.98
(B) EQUITY & LIABILITIES		
(1) EQUITY		
(a) Equity Share capital	3,980.81	3,980.81
(b) Other Equity	871.73	4,580.57
Sub Total - Total Equity	4,852.54	8,561.38
(2) LIABILITIES		
NON CURRENT LIABILITIES		
(a) Financial Liability		
(i) Borrowings	1,918.09	1,891.70
(ii) Trade Payable	-	121.46
(iii) Other Financial Liabilities	628.06	628.63
(b) Provisions	195.95	89.92
Sub Total - Non Current Liabilities	2,742.09	2,731.71
CURRENT LIABILITIES		
(a) Financial Liability		
(i) Borrowings	5,175.25	4,466.82
(ii) Trade payables	17,583.08	18,763.11
(iii) Other Financial Liabilities	7,270.21	7,213.87
(b) Other Current Liabilities	3,317.88	1,515.08
(c) Provisions	523.49	484.03
Sub-total - Current Liabilities	33,669.92	32,442.91
TOTAL - EQUITY & LIABILITIES	41,264.55	43,735.98



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CONSOLIDATED STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2023

(Rs. in lakhs)

Particulars	For the year ended March 31, 2023		For the year ended March 31, 2022	
	(Audited)		(Audited)	
A CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit / (Loss) Before Tax		-3,592.41		-5,068.44
Add / (Less):- Adjustments for Non-Cash / Non-Operating Items:				
Depreciation & Amortization	747.58		755.17	
Finance Cost	822.33		789.70	
Interest Income	-4.36		-10.12	
Non-operating income	-185.03		-886.84	
		1,380.52		647.91
Operating Profit Before Changes in Working Capital		-2,211.89		-4,420.53
Adjustment for Changes in Working Capital				
(Increase) / Decrease in Trade Receivables	4.87		3,143.95	
(Increase) / Decrease in Inventories	3,411.47		6,781.23	
(Increase) / Decrease in Other Current Financial Assets	-1,841.56		211.96	
(Increase) / Decrease in Other Current Assets	20.04		-561.70	
(Increase) / Decrease in Investment	-0.00		212.28	
(Increase) / Decrease in Other Non - Current Assets	126.67		-850.79	
Increase / (Decrease) in Trade Payables	-1,501.48		-5,333.47	
Increase / (Decrease) in Other Current Financial Liabilities	56.35		87.15	
Increase / (Decrease) in Other Current Liabilities	1,802.80		201.48	
Increase / (Decrease) in Provisions	28.87		140.40	
Increase / (Decrease) in Other Non - Financial Liabilities	-0.58		-0.64	
		2,107.45		4,031.84
Cash Generated from Operations		-104.45		-388.69
Less: Taxes Paid (Net of refund received)		0.20		-
NET CASH FLOW FROM OPERATING ACTIVITY (A)		-104.25		-388.69
B CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of Property, Plant & Equipment & Intangible Assets	-		-2.12	
Interest Received	4.36		10.12	
Movement in other bank balances	2.27		-11.20	
		6.63		-3.20
NET CASH FLOW FROM INVESTING ACTIVITY (B)		6.63		-3.20
C CASH FLOW FROM FINANCING ACTIVITY				
Receipt of Long Term Borrowings	35.48		35.48	
Repayment of Long Term Borrowings	-9.10		-264.34	
Increase / (Decrease) in Short Term Borrowings	708.43		460.23	
Finance Cost	-632.93		107.26	
		101.89		338.64
NET CASH FLOW FROM FINANCING ACTIVITY (C)		101.89		338.64
NET CASH FLOW FOR THE YEAR (A + B + C)		4.27		-53.25
Add: Opening Balance of Cash & Cash Equivalents		16.16		69.41
CLOSING BALANCE OF CASH & CASH EQUIVALENTS		20.43		16.16
RECONCILIATION OF CASH AND CASH EQUIVALENT				
TOTAL CASH AND BANK BALANCE AS PER BALANCE SHEET		20.43		16.16
CASH AND CASH EQUIVALENT COMPRISES AS UNDER:				
Balance with banks in current accounts		12.89		14.65
Cash on Hand		7.54		1.51
CASH AND CASH EQUIVALENT AT THE END OF THE YEAR		20.43		16.16



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Notes :-

- 1 The above audited financial results for the quarter and year ended 31st March 2023 have been reviewed by the Audit Committee and approved by the Board of Directors as its meeting held on July 18, 2023.
- 2 The financial statements have been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under Section 133 of the Companies Act, 2013.
- 3 The company has single business segment viz.. Manufacturing & Trading of Stainless Steel & Allied Products, therefore in the context of IND AS 108, disclosure of segment information is not applicable.
- 4 As per Ind AS -110 (Consolidated Financial Statements) issued by the Institute of Chartered Accountants of India, the Consolidated Financial Results are based on the audited financial results of subsidiary company.
- 5 The manufacturing activities of the company have been severely effected post pandemic. The company is in discussions with the workers union, lenders, potential investors and suppliers to revive the operations, are in progress.
- 6 In the absence of uncertainties of making profit in the immediate future the company has decided not to create Asset/ Liability on account of Deferred Tax.
- 7 Exceptional Items for the quarter ended 31st March 2023 represents Diminution of Inventory, Creditors written off, Order of CGRF, etc.
- 8 In absence of interest certificate/ statement of accounts provided by one of the Bankers for Letter of Credit, provision of interest amounting to Rs. 104.43 Lacs has been made on previous year rate of interest.
- 9 The Plant and Machineries were not in use after first quarter of FY 2022-23. However depreciation has been charged for full financial year.
- 10 The figures for the quarter ended 31st March, 2023 and 31st March, 2022 are arrived at as the difference between Audited figures for the full financial year and the unaudited published figures for the nine month of the respective financial year.
- 11 Previous periods figures have been regrouped, rearranged, reclassified wherever necessary to correspond with those of the current period.

Date : 18th July 2023

Place : MUMBAI

For INDIA STEEL WORKS LIMITED

Sudhirkumar H Gupta
Executive Chairman
DIN: 00010853



REGD. OFFICE & STEEL PLANT

Zenith Compound Khopoli,
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LAXMIKANT KABRA & Co LLP

— Chartered Accountants —

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
INDIA STEEL WORKS LIMITED

Report on the Audit of Standalone Financial Results

1. Qualified Opinion

We have audited the Standalone Annual Financial Results of INDIA STEEL WORKS LIMITED (hereinafter referred to as the 'Company') for the year ended March 31, 2023 and the Balance Sheet and the Statement of Cash Flows as at and for the year ended on that date, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 and Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the 'Listing Regulations').

In our opinion and to the best of our information and according to the explanations given to us except for the effects/ possible effects of the matter described in the Basis for Qualified opinion the Standalone Financials results:

- i. are presented in accordance with the requirements of Regulation 33 and Regulation 52(4) of the Listing Regulations in this regard; and
- ii. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards prescribed under Section 133 of the Companies Act, 2013 (the "Act") and other accounting principles generally accepted in India, of net loss and other comprehensive income and other financial information of the Company for the year ended March 31, 2023, and the balance sheet and the statement of cash flows as at and for the year ended on that date.

2. Going Concern

The Company's current liabilities exceeded its current assets as of the previous year balance sheet date. Operations of the company has ceased since long and the company is not in the position to pay off its liabilities. These events or conditions, along with other matters indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. However, the books of the company are still prepared on historical cost basis. In our opinion the accounts of the company should not be prepared on going concern basis i.e., the assets and liabilities of the company should be stated at net realizable value. The financial statements do not adequately disclose this fact. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

3. Basis for Qualified Opinion

- a. Inventories amounting to ₹13,607.12 Lakhs have not been valued at lower of cost or Net realisable value which is against the significant accounting policies of the company and is not consistent with Ind AS 2 "Inventories". These inventories held by the company include obsolete and non-moving stock which are valued at cost and is inconsistent with provisions of Ind AS 2. As per the information and documents provided to us, we are of the opinion that work-in-progress

amounting to ₹10,609.92 Lakhs and Raw Material amounting to ₹1,739.54 Lakhs held by the company can only fetch scrap value. In the absence of quantitative information and supporting documents of Finished Goods, Stock in Trade and Stores and Spares amounting to ₹1,257.65 lakhs, we are unable to comment on carrying value of the same and its effect on the financial statements for the year.

- b. Company has not done physical verification or valuation of inventories. On account of the same we are unable to comment on the physical status and/ or recoverable value of such inventories.
- c. Company has shown insurance claim receivable amounting to ₹1,120.27 Lakhs. The said claim is outstanding since long back and the same has not been approved by appropriate authority till date. In our opinion, showing the said insurance claim as receivable is not showing true and fair view. On account of the same assets of the company are overstated by ₹1,120.27.
- d. Confirmations of the balances of sundry creditors and debtors, loans and advances, Advances given to suppliers have not been obtained and they are subject to reconciliations and subsequent adjustments if any. As such we are unable to express any opinion as to the effect on the financial statements for the year.
- e. Sufficient and appropriate documentary audit evidence in respect of Contingent liabilities were not provided to us. As such we are unable to express any opinion as to the effect on the financial statements for the year.
- f. The company has not assessed the impact of various disputed statutory liabilities/ liabilities on account of lawsuits as per the requirement of Ind AS 37 "Provision, Contingent Liabilities, Contingent Asset" and hence the effect of the same, if any, on the financial results. The cases are pending with multiple tax authorities and the said claims have not been acknowledged as debt by the company.
- g. The company has not assessed the Fair Value of various Assets and Liabilities as per the requirement of Ind AS 103 "Fair Value Measurement", the effect of the same, if any, on the financial results is not identifiable. Therefore, we are unable to comment on its impact on the financial results for the year ended March 31, 2023.
- h. The company has not reviewed the impairment of its tangible assets and other financial and non-financial assets as of March 31, 2023. Hence, no provision in the books of account has been made by the Company. In the absence of assessment of impairment/ provisions by the Company, we are unable to comment on the recoverable amount regarding said items.

4. Emphasis of Matter

- a. In absence of information of investee company, we are unable to determine the value of the investments hence the same are carried at cost and no provision for diminution, if any in value of such investments in made.
- b. The company does not have internal audit system to commensurate with the size and nature of its business. In absence of the same we are unable to comment whether an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as of March 31, 2023.
- c. In absence of proper records maintained in India related to Foreign Branch, the Financial Statement of Foreign Branch is not audited by us. Our opinion is based on unaudited figures provided by the management.
- d. In the absence of uncertainties of making profit in immediate future the company has decided not to create Asset/ Liability on account of Deferred Tax.

- e. Fire Insurance Policy of the company is pending renewal as on the date. The risk on account of the same is not ascertainable.
- f. Assessment of the Impairment of Assets has not been done by the company, which is inconsistent with Ind AS-36 "Impairment of Assets".

5. Board of Directors' Responsibilities for the Standalone Financial Results

These Standalone Financial Results have been prepared on the basis of the annual financial statements. The Company's Board of Directors are responsible for the preparation and presentation of these Standalone Financial Results that give a true and fair view of the net loss and other comprehensive income and other financial information of the Company and the balance sheet and the statement of cash flows in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 and Regulation 52 of the Listing Regulations. The Board of Directors of the Company are responsible for 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 accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Standalone Financial Results by the Directors of the Company, as aforesaid.

In preparing the Standalone Financial Results, the Board of Directors of the Company are responsible for assessing the ability of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The Board of Directors of the Company are responsible for overseeing the financial reporting process of the Company.

6. Auditor's Responsibilities for the Audit of the Standalone Financial Results

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

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

- i. Identify and assess the risks of material misstatement of the Standalone Financial Results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error,

- as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ii. 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.
 - iii. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
 - iv. Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Financial Results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
 - v. Evaluate the overall presentation, structure and content of the standalone Financial Results including the disclosures, and whether the Standalone Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

7. Other Matter

The statement includes the results for the quarter ended March 31, 2023, being the balancing figure between the audited figures in respect of the full financial year ended March 31, 2023, and the published unaudited year-to-date figures up to the third quarter of the current financial year, which are subjected to a limited review by us, as required under the Listing Regulations.

For Laxmikant Kabra & Co LLP
Chartered Accountants
Firm Reg. No.: 117183W/ W100736

L. K. Kabra

CA Laxmikant Kabra
Partner
Membership No.: 101839



Place: Thane
Date: 18th July 2023

UDIN: 23101839BGZHYF9106

LAXMIKANT KABRA & Co LLP

— Chartered Accountants —

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
INDIA STEEL WORKS LIMITED

Report on the Audit of Consolidated Financial Results

1. Qualified Opinion

We have audited the Consolidated Annual Financial Results of INDIA STEEL WORKS LIMITED (hereinafter referred to as the 'Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") for the year ended March 31, 2023 and the Balance Sheet and the Statement of Cash Flows as at and for the year ended on that date, attached herewith, being submitted by the Holding Company pursuant to the requirement of Regulation 33 and Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the 'Listing Regulations').

In our opinion and to the best of our information and according to the explanations given to us except for the effects/ possible effects of the matter described in the Basis for Qualified opinion the Consolidated Financial results:

- i. are presented in accordance with the requirements of Regulation 33 and Regulation 52(4) of the Listing Regulations in this regard; and
- ii. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards prescribed under Section 133 of the Companies Act, 2013 (the "Act") and other accounting principles generally accepted in India, of net loss and other comprehensive income and other financial information of the Company for the year ended March 31, 2023 and the balance sheet and the statement of cash flows as at and for the year ended on that date.

2. Going Concern

The Company's current liabilities exceeded its current assets as of the previous year balance sheet date. Operations of the company has ceased since long and the company is not in the position to pay off its liabilities. These events or conditions, along with other matters indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. However, the books of the company are still prepared on historical cost basis. In our opinion the accounts of the company should not be prepared on going concern basis i.e., the assets and liabilities of the company should be stated at net realizable value. The financial statements do not adequately disclose this fact. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

3. Basis for Qualified Opinion

- a. Inventories amounting to ₹13,607.12 Lakhs have not been valued at lower of cost or Net realisable value which is against the significant accounting policies of the company and is not consistent with Ind AS 2 "Inventories". These inventories held by the company include obsolete

and non-moving stock which are valued at cost and is inconsistent with provisions of Ind AS 2. As per the information and documents provided to us, we are of the opinion that work-in-progress amounting to ₹10,609.92 Lakhs and Raw Material amounting to ₹1,739.54 Lakhs held by the company can only fetch scrap value. In the absence of quantitative information and supporting documents of Finished Goods, Stock in Trade and Stores and Spares amounting to ₹1,257.65 lakhs, we are unable to comment on carrying value of the same and its effect on the financial statements for the year.

- b. Company has not done physical verification or valuation of inventories. On account of the same we are unable to comment on the physical status and/ or recoverable value of such inventories.
- c. Company has shown insurance claim receivable amounting to ₹1,120.27 Lakhs. The said claim is outstanding since long and the same has not been approved by appropriate authority till date. In our opinion, showing the said insurance claim as receivable is not showing true and fair view. On account of the same assets of the company are overstated by ₹1,120.27.
- d. Confirmations of the balances of sundry creditors and debtors, loans and advances, Advances given to suppliers have not been obtained and they are subject to reconciliations and subsequent adjustments if any. As such we are unable to express any opinion as to the effect on the financial statements for the year.
- e. Sufficient and appropriate documentary audit evidence in respect of Contingent liabilities were not provided to us. As such we are unable to express any opinion as to the effect on the financial statements for the year.
- f. The company has not assessed the impact of various disputed statutory liabilities/ liabilities on account of lawsuits as per the requirement of Ind AS 37 "Provision, Contingent Liabilities, Contingent Asset" and hence the effect of the same, if any, on the financial results. The cases are pending with multiple tax authorities and the said claims have not been acknowledged as debt by the company.
- g. The company has not assessed the Fair Value of various Assets and Liabilities as per the requirement of Ind AS 103 "Fair Value Measurement", the effect of the same, if any, on the financial results is not identifiable. Therefore, we are unable to comment on its impact on the financial results for the year ended March 31, 2023.
- h. The company has not reviewed the impairment of its tangible assets and other financial and non-financial assets as of March 31, 2023. Hence, no provision in the books of account has been made by the Company. In the absence of assessment of impairment/ provisions by the Company, we are unable to comment on the recoverable amount regarding said items.

4. Emphasis of Matter

- a. In absence of information of investee company, we are unable to determine the value of the investments hence the same are carried at cost and no provision for diminution, if any in value of such investments in made.
- b. The company does not have internal audit system to commensurate with the size and nature of its business. In absence of the same we are unable to comment whether an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as of March 31, 2023.
- c. In absence of proper records maintained in India related to Foreign Branch, the Financial Statement of Foreign Branch is not audited by us. Our opinion is based on unaudited figures provided by the management.

- d. In the absence of uncertainties of making profit in immediate future the company has decided not to create Asset/ Liability on account of Deferred Tax.
- e. Fire Insurance Policy of the company is pending renewal as on the date. The risk on account of the same is not ascertainable.
- f. Assessment of the Impairment of Assets has not been done by the company, which is inconsistent with Ind AS-36 "Impairment of Assets".

5. Board of Directors' Responsibilities for the Consolidated Financial Results

These Consolidated Financial Results have been prepared on the basis of the annual financial statements. The Holding Company's Board of Directors are responsible for the preparation and presentation of these Consolidated Financial Results that give a true and fair view of the net loss and other comprehensive income and other financial information of the group and the balance sheet and the statement of cash flows in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 and Regulation 52 of the Listing Regulations. The Board of Directors of the Holding Company are responsible for 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 accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Results by the Directors of the Company, as aforesaid.

In preparing the Consolidated Financial Results, the Board of Directors of the Holding Company are responsible for assessing the ability of the group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The Board of Directors of the Company are responsible for overseeing the financial reporting process of the Company.

6. Auditor's Responsibilities for the Audit of the Consolidated Financial Results

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

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

- i. Identify and assess the risks of material misstatement of the Consolidated Financial Results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit

- evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ii. 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.
 - iii. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
 - iv. Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
 - v. Evaluate the overall presentation, structure and content of the Consolidated Financial Results including the disclosures, and whether the Consolidated Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

7. Other Matter

The consolidated annual financial results include the audited financial results of subsidiary whose financial statements reflect total assets of ₹2.45 Lakhs as of 31st March 2023, and net loss of ₹1.42 Lakhs for the year ended 31st March 2023, as considered in the consolidated financial results. These financial statements are audited by other auditors and have been furnished to us by the management and our opinion on the consolidated financial results, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, are based solely on such audited financial statements.

The statement includes the results for the quarter ended March 31, 2023, being the balancing figure between the audited figures in respect of the full financial year ended March 31, 2023, and the published unaudited year-to-date figures up to the third quarter of the current financial year, which are subjected to a limited review by us, as required under the Listing Regulations.

In our opinion and to the best of our information and according to the explanations given to us and based on consideration of report of other auditor on separate financial statements of the subsidiary as aforesaid, these consolidated annual financial results:

- a) Include the annual financial results of **Indinox Steels Private Limited**
- b) Have been presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and

Give a true and fair view of the net consolidated loss and other comprehensive income and other financial information for the year ended 31st March 2023.

For Laxmikant Kabra & Co LLP
Chartered Accountants
Firm Reg. No.: 117183W/ W100736

L. K. Kabra

CA Laxmikant Kabra
Partner
Membership No.: 101839



Place: Thane
Date: 18th July 2023

UDIN: 23101839BGZHYG3142



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Statement on Impact of Audit Qualifications for the Financial Year ended 31st March, 2023
(Vide Regulation 33/52 of the SEBI(LODR)(Amendment) Regulations,2016).

Rs. In Lakhs

I	Sr. No.	Particulars	Standalone Audited Figures (as reported before adjusting for qualification)	Standalone Adjusted Figures (audited figures after adjusting for qualification)
	1	Turnover / Total Income	659.92	659.92
	2	Total Expenditure	4036.56	4036.56
	3	Net Profit / (Loss)	-3595.80	-3595.80
	4	Earnings Per Share	-0.85	-0.85
	5	Total Assets	41261.03	41261.03
	6	Total Liabilities	36406.25	36406.25
	7	Net Worth	4854.78	4854.78
	8	Any other financial item(s) (as felt appropriate by the management)	Nil	Nil
II	<p>f. Audit Qualifications:</p> <p>(x) Going Concern: The Company's current liabilities exceeded its current assets as of the previous year balance sheet date. Operations of the company has ceased since long and the company is not in the position to pay off its liabilities. These events or conditions, along with other matters indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. However, the books of the company are still prepared on historical cost basis. In our opinion the accounts of the company should not be prepared on going concern basis i.e., the assets and liabilities of the company should be stated at net realizable value. The financial statements do not adequately disclose this fact. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.</p> <p>(xi) Inventories amounting to ₹13,607.12 Lakhs have not been valued at lower of cost or Net realisable value which is against the significant accounting policies of the company and is not consistent with Ind AS 2 "Inventories". These inventories held by the company include obsolete and non-moving stock which are valued at cost and is inconsistent with provisions of Ind AS 2. As per the information and documents provided to us, we are of the opinion that work-in-progress amounting to ₹10,609.92 Lakhs and Raw Material amounting to ₹1,739.54 Lakhs held by the company can only fetch scrap value. In the absence of quantitative information and supporting documents of Finished Goods, Stock in Trade and Stores and Spares amounting to ₹1,257,65 lakhs, we are unable to comment on</p>			

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carrying value of the same and its effect on the financial statements for the year.

(iii) Company has not done physical verification or valuation of inventories. On account of the same we are unable to comment on the physical status and/ or recoverable value of such inventories.

(iv) Company has shown insurance claim receivable amounting to ₹1,120.27 Lakhs. The said claim is outstanding since long back and the same has not been approved by appropriate authority till date. In our opinion, showing the said insurance claim as receivable is not showing true and fair view. On account of the same assets of the company are overstated by ₹1,120.27.

(v) Confirmations of the balances of sundry creditors and debtors, loans and advances, Advances given to suppliers have not been obtained and they are subject to reconciliations and subsequent adjustments if any. As such we are unable to express any opinion as to the effect on the financial statements for the year.

(vi) Sufficient and appropriate documentary audit evidence in respect of Contingent liabilities were not provided to us. As such we are unable to express any opinion as to the effect on the financial statements for the year.

(vii) The company has not assessed the impact of various disputed statutory liabilities/ liabilities on account of lawsuits as per the requirement of Ind AS 37 "Provision, Contingent Liabilities, Contingent Asset" and hence the effect of the same, if any, on the financial results. The cases are pending with multiple tax authorities and the said claims have not been acknowledged as debt by the company.

(viii) The company has not assessed the Fair Value of various Assets and Liabilities as per the requirement of Ind AS 103 "Fair Value Measurement", the effect of the same, if any, on the financial results is not identifiable. Therefore, we are unable to comment on its impact on the financial results for the year ended March 31, 2023.

(ix) The company has not reviewed the impairment of its tangible assets and other financial and nonfinancial assets as of March 31, 2023. Hence, no provision in the books of account has been made by the Company. In the absence of assessment of impairment/ provisions by the Company, we are unable to comment on the recoverable amount regarding said items.

b. Type of Audit Qualification: Qualified Opinion.

c. Frequency of qualification: Appeared for 1st time except (ii) inventories, (iv) Insurance (v) Balances of Sundry Creditors (vi) sufficient documents which are appeared for 2nd time.

d. For Audit qualifications where the impact is quantified by the Auditor,

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Managements views:

-Inventories {vide II a. Audit Qualifications (ii)}:

The Company is planning to put up a slag recovery plant. This will enable recover the metal from slag and hence the value of stocks would not be eroded as pointed out by the auditors.

Raw Material amounting to ₹1,739.54: The major Raw Material of the Company is Steel Scrap and as such the same has been valued at cost or market value w.e is lower.

-Insurance {vide II a. Audit Qualifications (iv)}: The Company has filed a consumer case for insurance claim before the NCDRC (National Consumer Dispute Redressal Commission) in the year 2014. The case is pending for final hearing.

e. For Audit qualifications where the impact is not quantified by the Auditor:

No further comments other than the Audit Report.

(i) Managements estimation on the impact of audit qualification.

-Going Concern Concept { vide II a. Audit Qualifications (i)}:

The management believes that though the Current Liabilities of the Company exceeds Current Assets of the Company, the Company, having positive net worth will be able to revive business including exploring new business opportunities.

-Physical verification or valuation of inventories { vide II a. Audit Qualifications (iii)}:

The inventories are stated at the lower of the Cost and net realisable value.

-Confirmations { vide II a. Audit Qualifications (v)}:

The Company is in process of getting balance confirmations from the parties belonging to trade payables and trade receivables, loans and advances, advances to suppliers.

However, pending confirmations from trade receivable and trade payable, for loans and advances, advances to suppliers will not affect the financials of the Company.

-Sufficient documents { vide II a. Audit Qualifications (vi)}:

The Company is in process of getting documentary evidences with respect to contingent liabilities wherever pending.

-Disputed Liabilities { vide II a. Audit Qualifications (vii)}:

It is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of the various pending disputed statutory liabilities/ liabilities on

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account of lawsuits as the same are determinable only on receipt of judgments/decisions pending with various forums/authorities.

Most of the issues of litigation pertaining to Central Excise/Sales Tax/Customs are based on interpretation of the respective Law & Rules thereunder.

The Management believes that many of the issues raised by revenue will not be sustainable in law as they are covered by judgments of respective judicial authorities.

-Fair Value { vide II a. Audit Qualifications (viii)}:

The company has not assessed the Fair Value of various Assets and Liabilities as per the requirement of Ind AS 103 "Fair Value Measurement".

-Impairment of tangible Assets { vide II a. Audit Qualifications (ix)}:

The company has not reviewed the impairment of its tangible assets and other financial and nonfinancial assets as of March 31, 2023. Hence, no provision in the books of account has been made by the Company. The management believes that the Company will succeed to get Insurance Claims & MSEDCL claims as per the order of the apt authorities.

(i) If management is unable to estimate the impact, reasons for the same: N.A.

(ii) Auditors comment on (i) & (ii) above: N.A.

III Signatories

For India Steel Works Limited

Varun S. Gupta
(Managing Director)



For India Steel Works Limited

Mr. Santosh P. Bhosale
(Audit Committee Chairman)



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OFFICE

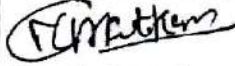
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**INDIA STEEL
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For India Steel Works Limited



Mr. Nilesh Matkar
(Chief Financial Officer)



For Laxmikant Kabra & Co LLP

Chartered Accountants
(Firm Reg. No.117183W/W100736)



CA Laxmikant Kabra
(M. No.: 101839)
(Statutory Auditor)



Place: Mumbai
Date:18-07-2023

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Statement on Impact of Audit Qualifications for the Financial Year ended 31st March, 2023
(Vide Regulation 33/52 of the SEBI(LODR)(Amendment) Regulations,2016).

Rs.In Lakhs

I	Sr. No.	Particulars	Consolidated Audited Figures (as reported before adjusting for qualification)	Consolidated Adjusted Figures (audited figures after adjusting for qualification)
	1	Turnover / Total Income	659.96	659.96
	2	Total Expenditure	4038.02	4038.02
	3	Net Profit / (Loss)	-3592.21	-3592.21
	4	Earnings Per Share	-0.85	-0.85
	5	Total Assets	41264.55	41264.55
	6	Total Liabilities	36412.01	36412.01
	7	Net Worth	4852.54	4852.54
	8	Any other financial item(s) (as felt appropriate by the management)	Nil	Nil
II	<p>a. Audit Qualifications:</p> <p>(i) Going Concern: The Company's current liabilities exceeded its current assets as of the previous year balance sheet date. Operations of the company has ceased since long and the company is not in the position to pay off its liabilities. These events or conditions, along with other matters indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. However, the books of the company are still prepared on historical cost basis. In our opinion the accounts of the company should not be prepared on going concern basis i.e., the assets and liabilities of the company should be stated at net realizable value. The financial statements do not adequately disclose this fact. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.</p> <p>(ii) Inventories amounting to ₹13,607.12 Lakhs have not been valued at lower of cost or Net realisable value which is against the significant accounting policies of the company and is not consistent with Ind AS 2 "Inventories". These inventories held by the company include obsolete and non-moving stock which are valued at cost and is inconsistent with provisions of Ind AS 2. As per the information and documents provided to us, we are of the opinion that work-in-progress amounting to ₹10,609.92 Lakhs and Raw Material amounting to ₹1,739.54 Lakhs held by the company can only fetch scrap value. In the absence of quantitative information and supporting documents of Finished Goods, Stock in Trade and Stores and Spares amounting to ₹1,257,65 lakhs, we are unable to comment on</p>			

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carrying value of the same and its effect on the financial statements for the year.

(iii) Company has not done physical verification or valuation of inventories. On account of the same we are unable to comment on the physical status and/ or recoverable value of such inventories.

(iv) Company has shown insurance claim receivable amounting to ₹1,120.27 Lakhs. The said claim is outstanding since long back and the same has not been approved by appropriate authority till date. In our opinion, showing the said insurance claim as receivable is not showing true and fair view. On account of the same assets of the company are overstated by ₹1,120.27.

(v) Confirmations of the balances of sundry creditors and debtors, loans and advances, Advances given to suppliers have not been obtained and they are subject to reconciliations and subsequent adjustments if any. As such we are unable to express any opinion as to the effect on the financial statements for the year.

(vi) Sufficient and appropriate documentary audit evidence in respect of Contingent liabilities were not provided to us. As such we are unable to express any opinion as to the effect on the financial statements for the year.

(vii) The company has not assessed the impact of various disputed statutory liabilities/ liabilities on account of lawsuits as per the requirement of Ind AS 37 "Provision, Contingent Liabilities, Contingent Asset" and hence the effect of the same, if any, on the financial results. The cases are pending with multiple tax authorities and the said claims have not been acknowledged as debt by the company.

(viii) The company has not assessed the Fair Value of various Assets and Liabilities as per the requirement of Ind AS 103 "Fair Value Measurement", the effect of the same, if any, on the financial results is not identifiable. Therefore, we are unable to comment on its impact on the financial results for the year ended March 31, 2023.

(ix) The company has not reviewed the impairment of its tangible assets and other financial and nonfinancial assets as of March 31, 2023. Hence, no provision in the books of account has been made by the Company. In the absence of assessment of impairment/ provisions by the Company, we are unable to comment on the recoverable amount regarding said items.

b. Type of Audit Qualification: Qualified Opinion.

c. Frequency of qualification: Appeared for 1st time except (ii) inventories, (iv) Insurance (v) Balances of Sundry Creditors (vi) sufficient documents which are appeared for 2nd time.

d. For Audit qualifications where the impact is quantified by the Auditor,

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Managements views:

-Inventories {vide II a. Audit Qualifications (ii)}:

The Company is planning to put up a slag recovery plant. This will enable recover the metal from slag and hence the value of stocks would not be eroded as pointed out by the auditors.

Raw Material amounting to ₹1,739.54: The major Raw Material of the Company is Steel Scrap and as such the same has been valued at cost or market value w.e is lower.

-Insurance {vide II a. Audit Qualifications (iv)}: The Company has filed a consumer case for insurance claim before the NCDRC (National Consumer Dispute Redressal Commission) in the year 2014. The case is pending for final hearing.

e. For Audit qualifications where the impact is not quantified by the Auditor:

No further comments other than the Audit Report.

(i) Managements estimation on the impact of audit qualification.

-Going Concern Concept { vide II a. Audit Qualifications (i)}:

The management believes that though the Current Liabilities of the Company exceeds Current Assets of the Company, the Company, having positive net worth will be able to revive business including exploring new business opportunities.

-Physical verification or valuation of inventories { vide II a. Audit Qualifications (iii)}:

The inventories are stated at the lower of the Cost and net realisable value.

-Confirmations { vide II a. Audit Qualifications (v)}:

The Company is in process of getting balance confirmations from the parties belonging to trade payables and trade receivables, loans and advances, advances to suppliers.

However, pending confirmations from trade receivable and trade payable, for loans and advances, advances to suppliers will not affect the financials of the Company.

-Sufficient documents { vide II a. Audit Qualifications (vi)}:

The Company is in process of getting documentary evidences with respect to contingent liabilities wherever pending.

-Disputed Liabilities { vide II a. Audit Qualifications (vii)}:

It is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of the various pending disputed statutory liabilities/ liabilities on

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	<p>account of lawsuits as the same are determinable only on receipt of judgments/decisions pending with various forums/authorities.</p> <p>Most of the issues of litigation pertaining to Central Excise/Sales Tax/Customs are based on interpretation of the respective Law & Rules thereunder.</p> <p>The Management believes that many of the issues raised by revenue will not be sustainable in law as they are covered by judgments of respective judicial authorities.</p> <p>-Fair Value { vide II a. Audit Qualifications (viii)}:</p> <p>The company has not assessed the Fair Value of various Assets and Liabilities as per the requirement of Ind AS 103 "Fair Value Measurement".</p> <p>-Impairment of tangible Assets { vide II a. Audit Qualifications (ix)}:</p> <p>The company has not reviewed the impairment of its tangible assets and other financial and nonfinancial assets as of March 31, 2023. Hence, no provision in the books of account has been made by the Company. The management believes that the Company will succeed to get Insurance Claims & MSEDCL claims as per the order of the apt authorities.</p> <p>(i) If management is unable to estimate the impact, reasons for the same: N.A.</p> <p>(ii) Auditors comment on (i) & (ii) above: N.A.</p>
III	<p>Signatories</p> <p>For India Steel Works Limited</p> <p> Varun S. Gupta (Managing Director)</p> <p></p> <p>For India Steel Works Limited</p> <p> Mr. Santosh P. Bhosale (Audit Committee Chairman)</p> <p></p>

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