

To,

Dt.30.07.2020

The Department of Corporate Services  
Bombay Stock Exchange Limited.  
25<sup>th</sup> Floor, P.J.Towers,  
Dalal Street,  
Mumbai-400001

**Sub: Submission of Audited Financial Results of the Company Statement of Assets and Liabilities as per Reg.33 of SEBI (LODR) Regulations,2015-Reg**  
**Ref: Scrip Code: 540080 ISIN: INE715T01015**

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Please find enclosed herewith following documents in terms of Regulation 33 of the SEBI (LODR) Regulations,2015:

- (i) Audited Standalone and Consolidated Financial Results for the 4<sup>th</sup> Quarter and financial year ended 31<sup>st</sup> March, 2020
- (ii) Standalone and Consolidated Statement of Assets and Liability for the year ended 31<sup>st</sup> March, 2020
- (iii) Auditor Report on Quarterly Financial Results and Year to Date Standalone and Consolidated Financials of the Company pursuant to Regulation 33 of SEBI (LODR)Regulations,2015
- (iv) Declaration pursuant to SEBI Circular No. CIR/CFD/CMD/56/2016 dated 27<sup>th</sup> May, 2016

The meeting commenced at 9:00 p.m. and concluded at 11:30 p.m.

This is for your information and record.

Thanking You...

For Narayani Steels Limited

*Arun Kumar Meher*  
Arun Kumar Meher  
(Company Secretary)



Steel



Coal



Minerals



Import



Export



Logistics



Warehousing



Agriculture



Brokerage



**Independent Auditor's Report on Quarterly Standalone Financial Results and Year to Date Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, as amended.**

To  
Board of Directors  
NARAYANI STEELS LIMITED

**Report on the Audit of the Standalone Financial Results**

**Opinion**

We have audited the accompanying statement of standalone financial results of **NARAYANI STEELS LIMITED** ("the company") for the quarter and year ended March 31, 2020 ("the Statement") attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, these standalone financial results:

- i. are presented in accordance with the requirements of Regulation 33 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 Indian Accounting Standards, and other accounting principles generally accepted in India of the net loss and other comprehensive income and other financial information for the quarter and year ended March 31, 2020.

**Basis for Opinion**

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





requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Emphasis of Matter

1. The company has sent letters to customers in respect of trade receivables for confirming balances outstanding as at March 31, 2020, but in most of the cases the customers have not sent written confirmation confirming the balance outstanding as at March 31, 2020. 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, bank guarantees, balances with banks including certain fixed deposits, trade payables (including of micro and small) and others, loans & advances, as stated in the note, we are unable to comment upon any provision to be made for adverse variation in the carrying amounts of such balances.
3. The Company has faced various disruptions in 2019-20 due to stoppage of supply of materials, fall in demand and prices of steel, recession in iron and steel industry and stress over Channel finance and other borrowings accounts. The situation has become much grimmer on account of global Covid-19 pandemic and due to lockdowns and restrictions imposed in and outside India. Due to high uncertainties in future business activities and expected major downfall in economic activities in the sector, the management has undertaken an assessment of its business and recoverability on its trade receivables and as per the management, receivables to the extent of Rs. 500 lakhs over and above the provisions required as per Ind AS 109 could be doubtful.
4. We draw your attention to **Note 04** to the standalone financial results which explains the uncertainties and the management's assessment of the financial impact due to the COVID-19 pandemic situation and consequential restrictions, for which a definitive assessment of the impact in the subsequent period is highly dependent upon future developments. The pandemic has caused significant accounting and auditing challenges. One such challenge being inability for the Company to conduct a physical verification of inventories for the year-end 31st March, 2020 due to Government having imposed restrictions during the lockdown on account of health, travel and safety concerns.

The Company's management, however, conducted physical verification of inventories on dates other than the date of financial results but prior to the date of the board meeting to be held for the purpose of adopting the financial results and has made available the documents in confirmation thereof. Inventories, being material to the financial results of the Company, the Standard on Auditing (SA) 501, *Audit Evidence - Specific Considerations for Selected items*, cast a duty on us to obtain sufficient appropriate audit evidence regarding the existence and condition of inventories.

We have performed alternate audit procedures based on documents and other information made available to us, to audit the existence of inventories as per the Guidance provided by the





Standard on Auditing (SA) 501, *Audit Evidence - Specific Considerations for Selected Items*, and have obtained sufficient appropriate audit evidence to issue our unmodified opinion on these financial results.

5. We also draw attention to:

- i. Note No.6A of the standalone financial results regarding non-realization of debtors, overall substantial decrease in volume of business and sales, defaults in repayment of loans and interest owing to which some banks have classified account as NPA.
- ii. Note No. 6B of the standalone financial results wherein, certain banks have classified its advance to company as NPA and are not charging interest or have reversed the interest earlier charged. In order to account all probable liabilities, the management in its best judgment has provided interest on such borrowings.

**6. Impairment on Investment in Associate**

In view of accumulated share of loss in FY 2019-20, which has led to extinguishment of its amortised cost and post accumulated profits in the associate, the management has provided for the impairment loss allowance as per Ind AS 36 'Impairment of assets'.

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

**Management's Responsibilities for the Standalone Financial Results**

These standalone annual financial results have been prepared on the basis of the standalone annual financial results. The Company's Management and Board of Directors are responsible for the preparation of these standalone annual financial results that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in 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 read with Regulation 63(2) of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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





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

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

Our objectives are to obtain reasonable assurance about whether the standalone annual 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 or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone annual financial results.

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

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

Materiality is the magnitude of misstatements in the financial results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial results 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 financial results.





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.

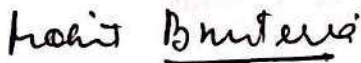
We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

### Other Matters

The results for the three months ended 31st March, 2020 and 31st March, 2019 are derived from the audited accounts for the financial year ended 31st March, 2020 and 31st March, 2019 respectively and published unaudited results for nine months ended 31st December 2019 and 31st December, 2018 respectively which were subject to limited review by us.

Due to restrictions, imposed by the Government, to restrict the spread of COVID-19 and health risks involved the audit finalization process, for the year under report, was carried out from remote locations i.e. other than the office of the Company, based on the data/ details made available and based on financial information/records remitted by the management through digital medium. Our report is not modified in respect of this matter.

For **A. C. Bhuteria & Co.**  
**Chartered Accountants**  
Firm Registration No.: 303105E

  
**CA. MOHIT BHUTERIA**  
Partner  
Membership No.: 056832

Place: Kolkata  
Date: 30<sup>th</sup> July, 2020  
UDIN:20056832AAAACV6924



**NARAYANI STEELS LIMITED**

(CIN: L27109WB1996PLC082021)

Registered office : 23A, N.S.Road 7th Floor, Kolkata - 700001

**STANDALONE STATEMENT OF ASSETS AND LIABILITIES**

Particulars	(Rs. In Lakhs)	
	As at 31.03.2020 (Audited)	As at 31.03.2019 (Audited)
<b>ASSETS</b>		
<b>(1) Non-current assets</b>		
(a) Property, plant and equipment		1,938.56
(b) Capital Work In Progress	2,088.02	205.06
(c) Investment Properties	-	149.72
(d) Right-of-use assets	135.50	-
(e) Intangible Assets	118.38	-
(f) Financial assets	2.45	3.48
(i) Investments	-	-
(ii) Other assets	0.29	57.70
(g) Deferred Tax Asset (net)	98.64	79.37
(h) Other non-current assets	1,565.32	-
<b>Total Non-current assets</b>	<b>4,028.08</b>	<b>2,433.89</b>
<b>(2) Current assets</b>		
(a) Inventories		1,788.85
(b) Financial assets	1,332.17	-
(i) Investments		101.83
(ii) Trade receivables	93.46	21,556.00
(iii) Cash and cash equivalents	17,500.14	197.88
(iv) Other Bank Balances	16.58	2,441.73
(v) Other Assets	1,833.96	53.34
(c) Current tax assets (net)	10.42	123.51
(d) Other current assets	60.45	943.95
<b>Total Current assets</b>	<b>21,809.52</b>	<b>27,207.09</b>
<b>TOTAL ASSETS</b>	<b>25,837.60</b>	<b>29,640.98</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
(a) Equity share capital	1,090.90	1,090.90
(b) Other equity	(6.13)	3,127.88
<b>Total Equity</b>	<b>1,084.77</b>	<b>4,218.78</b>
<b>Liabilities</b>		
<b>(1) Non-current liabilities</b>		
(a) Financial liabilities		1,590.32
(i) Borrowings	3,478.02	-
(ii) Lease Liabilities	115.40	-
(iii) Other liabilities	5.72	182.33
(b) Other non-current liabilities	8.58	113.63
(c) Deferred tax liabilities (net)	-	4.40
(d) Provisions	4.54	-
<b>Total Non-current liabilities</b>	<b>3,612.26</b>	<b>1,890.68</b>
<b>(2) Current liabilities</b>		
(a) Financial liabilities		10,541.97
(i) Borrowings	15,336.00	-
(ii) Lease Liabilities	8.40	-
(iii) Trade payables	-	0.62
total outstanding dues of micro enterprises and small enterprises	-	5,266.98
total outstanding dues of creditors other than micro enterprises and small enterprises	5,266.98	131.44
(iv) Other financial liabilities	185.85	801.52
(b) Other current liabilities	339.42	125.19
(c) Provisions	3.92	-
<b>Total Current liabilities</b>	<b>21,140.57</b>	<b>23,531.52</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>25,837.60</b>	<b>29,640.98</b>

For and on behalf of the Board of Directors of Narayani Steels Limited

Place of Signature: Visakhapatnam  
Date: The 30th day of July, 2020SUNIL CHOUDHARY  
Managing Director  
DIN: 00289479ANKIT GUPTA  
Director & CFO  
DIN: 08415248



**NARAYANI STEELS LIMITED**  
(CIN: L27109WB1996PLC082021)  
Registered office : 23A, N.S.Road 7th Floor, Kolkata - 700 001  
**STATEMENT OF STANDALONE PROFIT AND LOSS FOR THE QUARTER AND YEAR ENDED 31ST MARCH, 2020**

SL. NO.	PARTICULARS	(Rs. in Lakhs)				
		3 months ended 31-03-2020 (Audited)	Preceding 3 months ended 31-12-2019 (Unaudited)	Corresponding 3 months ended 31-03-2019 (Unaudited)	Year Ended 31-03-2020 (Audited)	Year Ended 31-03-2019 (Audited)
I	Revenue from operations					
II	Other income	3,600.81	7,866.70	19,808.34	35,852.02	75,168.43
III	<b>Total Revenue (I + II)</b>	97.86	82.98	155.48	384.28	315.93
IV	<b>EXPENSES:</b>	3,698.68	7,949.68	19,963.82	36,236.28	75,484.36
	Cost of Materials Consumed					
	Purchase of Traded Goods	927.03	1,785.27	3,185.21	5,954.43	10,787.63
	Changes in Inventories of Finished & Traded Goods	1,948.91	5,182.26	15,200.10	28,050.54	59,460.04
	Impairment loss allowance	877.38	806.39	(37.49)	293.65	334.33
	Employee benefits expenses	56.73	-	-	56.73	-
	Finance Costs	131.23	127.54	88.07	502.90	421.29
	Depreciation and amortisation expenses	685.13	636.96	486.38	2,305.80	1,583.80
	Other expenses	53.78	38.80	23.59	166.64	91.36
	<b>Total Expenses (IV)</b>	1,953.07	436.05	779.73	3,710.85	2,463.23
V	<b>PROFIT / (LOSS) BEFORE TAX (III-IV)</b>	6,633.28	9,013.28	19,725.61	41,041.54	75,141.67
VI	<b>Tax Expenses</b>	(2,934.60)	(1,063.60)	238.21	(4,805.26)	342.69
	Current Tax					
	Earlier Year Tax	-	-	92.58	-	125.18
	Deferred Tax	0.58	4.02	(0.21)	4.60	(0.21)
	<b>Net Tax Expense</b>	(1,029.26)	(380.99)	(1.27)	(1,678.34)	(1.27)
VII	<b>Profit / (Loss) for the period (V-VI)</b>	(1,028.68)	(376.97)	91.10	(1,673.74)	123.71
VIII	<b>Other Comprehensive Income / (Expense) (net of tax)</b>	(1,905.92)	(686.63)	147.11	(3,131.52)	218.98
	Items that will not be reclassified to profit or loss	(1.87)	(0.04)	2.74	(2.49)	2.74
	Items that will be reclassified to profit or loss	-	-	-	-	-
VIII	<b>Total Other Comprehensive Income / (Expense) (net of tax)</b>	(1.87)	(0.04)	2.74	(2.49)	2.74
IX	<b>PROFIT / (LOSS) FOR THE PERIOD (VII+VIII)</b>	(1,907.79)	(686.67)	149.85	(3,134.01)	221.73
	Paid up equity share capital (in lakhs) (Face Value of Share - Rs 10/- per share)	1,090.90	1,090.90	1,090.90	1,090.90	1,090.90
	Other Equity (excluding Revaluation Reserves)	-	-	-	(6.13)	3,127.88
	Earnings Per Equity Share of Rs. 10/- each Basic & Diluted (In Rs.)	(26.90)	(9.75)	2.18	(44.05)	3.14
	See accompanying notes to the financial results					

For and on behalf of the Board of Directors of Narayani Steels Limited

*S. Choudhary*  
SUNIL CHOUDHARY  
Managing Director  
DIN: 00289479

*Ankit Gupta*  
ANKIT GUPTA  
Director & CFO  
DIN: 08415248

Place of Signature: Visakhapatnam  
Date: The 30th day of July, 2020





**NARAYANI STEELS LIMITED**  
(CIN: L27109WB1996PLC082021)  
Registered office : 23A, N.S.Road 7th Floor, Kolkata - 700 001  
**STATEMENT OF STANDALONE CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2020**

Particulars	(Rs. in Lakhs)	
	Year ended 31st March 2020	Year ended 31st March 2019
	(Audited)	(Audited)
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit / (Loss) before tax		
<b>ADJUSTMENTS FOR:</b>	(4,805.26)	342.68
Depreciation and amortisation expense		
Provision for expected credit loss on trade receivables	166.64	91.36
Provision for bad and doubtful debts on trade receivables	1,041.58	54.29
Net (gain) / loss on investments measured at fair value through profit or loss	500.00	-
Impairment in the value of investment in associate	10.93	(11.77)
Amortisation of corporate guarantee obligation	56.73	-
Finance Costs	0.52	1.73
Rental Income	2,305.80	1,583.80
Commission Income	(33.79)	(11.58)
Profit on sale of current investments	(8.19)	-
Loss on sale of Property, Plant & Equipment	(1.16)	-
Sundry Balance written off (net)	0.05	-
Interest Income	6.06	2.12
Gratuity	(342.56)	(284.51)
Operating profit before working capital changes	1.62	1.95
	<b>3,704.23</b>	<b>1,427.38</b>
	(1,101.02)	1,770.06
<b>ADJUSTMENTS FOR :</b>		
Trade receivables, loans, advances and other assets	2,493.98	(3,073.03)
Inventories	456.68	175.97
Trade payables, other liabilities and other financial liabilities	(7,228.41)	3,137.57
	<b>(4,277.75)</b>	<b>240.51</b>
<b>Cash generated from operations</b>	<b>(5,378.78)</b>	<b>2,010.56</b>
Income tax paid	(68.28)	(186.27)
<b>Net Cash from / (used in) Operating Activities</b>	<b>(5,447.06)</b>	<b>1,824.30</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Property, Plant & Equipment (including capital work-in-progress)	(86.59)	(442.24)
Sale of Property, Plant & Equipment	1.15	-
Purchase of investments	(88.75)	(68.79)
Sale of investments	97.05	80.86
(Investments) In / Proceeds from Bank deposits (maturity more than 3 months but less than 12 months)	607.77	(918.84)
Rent received	33.79	11.58
Interest received	342.56	284.51
<b>Net cash from / (used in) Investing Activities</b>	<b>906.98</b>	<b>(1,052.92)</b>
	<b>906.98</b>	<b>(1,052.92)</b>
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds/(Repayment) of Borrowings	6,681.16	772.76
Principal accrued on lease liabilities	(16.60)	-
Interest accrued on lease liabilities	(11.68)	-
Finance Costs	(2,294.12)	(1,583.80)
<b>Net cash from / (used in) financing activities</b>	<b>4,358.77</b>	<b>(811.03)</b>
	<b>4,358.77</b>	<b>(811.03)</b>
<b>Net Increase / (Decrease) in Cash &amp; Cash equivalents</b>	<b>(181.31)</b>	<b>(39.66)</b>
<b>Cash &amp; Cash equivalents at beginning of the year</b>	<b>197.88</b>	<b>237.54</b>
<b>Cash &amp; Cash equivalents at end of the year</b>	<b>16.58</b>	<b>197.88</b>

For and on behalf of the Board of Directors of Narayani Steels Limited

SUNIL CHOUDHARY  
Managing Director  
DIN: 00289479

ANKIT GUPTA  
Director & CFO  
DIN: 08415248

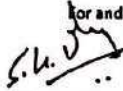
Place of Signature: Visakhapatnam  
Date: The 30th day of July, 2020





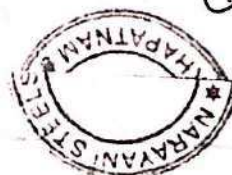
Notes to the Standalone & Consolidated Financial Results:

- 1 The financial results of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) (Amendment) Rules, 2016. The Company adopted Ind AS from 1st April, 2018, accordingly these financial results along with the comparatives have been prepared in accordance with the recognition and measurement principles stated therein, prescribed under section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder and the other accounting principles generally accepted in India.
- 2 The audited Financial Results were reviewed by the Audit Committee and approved at the meeting of the Board of Directors of the Company held on 30th July, 2020. The statutory auditors have expressed an unmodified opinion on the aforesaid results.
- 3 The Company has adopted Ind AS 116 "Leases" which is mandatory for the reporting periods beginning on or after 1st April, 2019 and applied the Standard to all lease contracts existing on the date of Initial application i.e. 1st April, 2019. The Company has used the modified retrospective approach for transitioning to Ind AS 116 with right-of-use asset measured as if Ind AS 116 has been applied since the commencement date of the contract. Accordingly, the comparatives for the earlier periods have not been restated.
- 4 Impact of COVID-19 pandemic has been rapidly spreading throughout the world, including India. Government in India has taken significant measures to curb the spread of the virus including imposing mandatory lockdowns and restrictions in activities. Consequently, Company's manufacturing plants and offices had to be closed down for a considerable period of time, including after the year end. As a result of the lockdown, the likely revenue from the month of March, 2020 has been impacted. Continued lockdowns are likely to impact the Company operationally including on supply chain matters. The Company is monitoring the situation closely taking into account directives from the Governments. Management believes that it has taken into account all the possible impacts of known events arising from COVID-19 pandemic and the resultant lockdowns in the preparation of the financial statements including but not limited to its assessment of Group's liquidity and going concern, recoverable values of its property, plant and equipment, intangible assets and the realisable values of other assets. However, given the effect of these lockdowns on the overall economic activity and in particular on the iron and steel related items industry, the impact assessment of COVID-19 on the above mentioned financial statement captions is subject to significant estimation uncertainties given its nature and duration and, accordingly, the actual impacts in future may be different from those estimated as at the date of approval of these financial statements. The Company will continue to monitor any material changes to future economic conditions and consequential impact on its financial results.
- 5 The Company has faced various disruptions in 2019-20 due to stoppage of supply of materials, fall in demand and prices of steel, recession in iron and steel industry and stress over Channel finance and other borrowings accounts. The situation has become much grimmer on account of global Covid-19 pandemic and due to lockdowns and restrictions imposed in and outside India. Due to high uncertainties in future business activities and expected major downfall in economic activities in the sector, the management has undertaken an assessment of its business and recoverability on its trade receivables that there stand doubtful chances of recovery of receivables to the extent of Rs. 500 lakhs.
- 6A The note states regarding non-realization of debtors, overall substantial decrease in volume of business and sales, defaults in repayment of loans and interest owing to which some banks have classified account as NPA.
- 6B Certain banks have classified its advance to company as NPA and are not charging interest or have reversed the interest earlier charged. In order to account all probable liabilities, the management in its best judgment has provided interest on such borrowings.
- 7 The Company is principally engaged in a single business segment of Manufacturing and Trading of Iron & Steel and its related products, accordingly there is no separate reportable segment as per Ind AS - 108 "Operating Segment".
- 8 The results for the three months ended 31st March, 2020 and 31st March, 2019 are derived from the audited accounts for the financial year ended 31st March, 2020 and 31st March, 2019 respectively and published unaudited results for Nine months ended 31st December 2019 and 31st December, 2018 respectively.
9. The Company and its associate send letter to parties who owe to the company and also to the parties to whom the company owe seeking confirmation of the balance as on 31st march, 2020. However, in the most of the cases the company did not receive the letter of confirmation from the parties. However, the management is following up with the parties for the letters of confirmation and in any case the management is hopeful that there would not be significant variation on account of non receipt of such letter of confirmations.
10. 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", notified by Ministry of Corporate Affairs. The consolidated financial statements of the Company "Narayani Steels Limited", include its associate namely 'Hari Equipments Private Limited' combined as per Equity Method under Ind AS. The consolidated financial statements are prepared applying uniform accounting policies on all material items.
11. In view of general economic recession and fluctuating steel market, the associate company, "Hari Equipments Private Limited" suspended its trading activities and continued to incur losses mainly on account of finance costs. Its Bank account has been classified as NPA. However, the accounts of the associate company have been prepared on going concern basis since in the opinion of the management of the associate company, it shall resume its trading activities on improvement of steel market expected shortly and is also dependent on raising additional finance. In view of the loss in the Associate Company, the company has provided for impairment in the value of investments in the associate.
12. Previous period/ year figures have been re-grouped/ rearranged, wherever necessary.

For and on behalf of the Board of Directors of Narayani Steels Limited  
  
SUNIL CHOUDHARY  
Managing Director  
DIN: 00289479

  
ANKIT GUPTA  
Director & CFO  
DIN: 08415248

Place: Visakhapatnam  
Date: The 30th day of July, 2020







**Independent Auditor's Report on Quarterly consolidated Financial Results and Year to Date Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, as amended.**

**To**  
**The Board of Directors**  
**NARAYANI STEELS LIMITED**

**Report on the Audit of the Consolidated Financial Results**

**Opinion**

We have audited the accompanying statement of consolidated financial results of **NARAYANI STEELS LIMITED** ('the Company'), and its associate for the quarter and year ended March 31, 2020 and the notes thereon (hereinafter referred to as the "Consolidated Financial Results") attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations"). The consolidated financial results have been initialed by us for the purpose of identification.

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate audited financial results of the associate, the aforesaid Consolidated Financial Results:

- i. Include the consolidated financial results of the Associate: **Hari Equipments Private Limited**;
- ii. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- iii. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards, and other accounting principles generally accepted in India of the net loss and other comprehensive income and other financial information for the quarter and year ended March 31, 2020.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 (the Act). Our responsibilities under those Standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Results section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial results under the provisions of the Companies Act, 2013 and the Rules



thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial results.

#### Emphasis of Matter

1. The company and its associate company have sent letters to customers in respect of trade receivables for confirming balances outstanding as at March 31, 2020, but in most of the cases the customers have not sent written confirmation confirming the balance outstanding as at March 31, 2020. In the absence of confirmation, any provision to be made for adverse variation in the carrying amounts of trade receivable is not quantified.
2. We draw attention to the Consolidated Ind AS financial results of the Associate, which, indicate that in order to continue operations for the next 12 months the Company is dependent upon raising additional finance. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.
3. Pending confirmations/reconciliation of balances of unsecured loans & borrowings, bank guarantees, balances with banks including certain fixed deposits, trade payables (including of micro and small) and others, loans & advances, as stated in the note, we are unable to comment upon any provision to be made for adverse variation in the carrying amounts of such balances.
4. The Company has faced various disruptions in 2019-20 due to stoppage of supply of materials, fall in demand and prices of steel, recession in iron and steel industry and stress over Channel finance and other borrowings accounts. The situation has become much grimmer on account of global Covid-19 pandemic and due to lockdowns and restrictions imposed in and outside India. Due to high uncertainties in future business activities and expected major downfall in economic activities in the sector, the management has undertaken an assessment of its business and recoverability on its trade receivables and as per the management, receivables to the extent of Rs. 500 lakhs over and above the provisions required as per Ind AS 109 could be doubtful.
5. We draw your attention to **Note 04** to the consolidated financial results which explains the uncertainties and the management's assessment of the financial impact due to the COVID-19 pandemic situation and consequential restrictions, for which a definitive assessment of the impact in the subsequent period is highly dependent upon future developments. The pandemic has caused significant accounting and auditing challenges. One such challenge being inability for the Company to conduct a physical verification of inventories for the year-end 31st March, 2020 due to Government having imposed restrictions during the lockdown on account of health, travel and safety concerns.

The Company's management, however, conducted physical verification of inventories on dates other than the date of financial results but prior to the date of the board meeting to be held for the purpose of adopting the financial results and has made available the documents in confirmation thereof. Inventories, being material to the financial results of the Company, the Standard on Auditing (SA) 501, *Audit Evidence - Specific Considerations for Selected Items*, cast a





duty on us to obtain sufficient appropriate audit evidence regarding the existence and condition of inventories.

We have performed alternate audit procedures based on documents and other information made available to us, to audit the existence of inventories as per the Guidance provided by the Standard on Auditing (SA) 501, *Audit Evidence - Specific Considerations for Selected Items*, and have obtained sufficient appropriate audit evidence to issue our unmodified opinion on these financial results.

6. We also draw attention to:

- i. Note No 6A of the consolidated financial results regarding non-realization of debtors, overall substantial decrease in volume of business and sales, defaults in repayment of loans and interest owing to which some banks have classified account as NPA.
- ii. Note No. 6B of the consolidated financial results wherein, certain banks have classified its advance to company as NPA and are not charging interest or have reversed the interest earlier charged. In order to account all probable liabilities, the management in its best judgment has provided interest on such borrowings.

7. **Impairment on Investment in Associate**

In view of accumulated share of loss in FY 2019-20, which has led to extinguishment of its amortised cost and post accumulated profits in the associate, the management has provided for the impairment loss allowance as per Ind AS 36 'Impairment of assets'.

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

#### **Management's Responsibilities for the Consolidated Financial Results**

These consolidated annual financial results have been prepared on the basis of the consolidated annual financial results. The Holding Company's Management and Board of Directors are responsible for the preparation of these consolidated annual financial results that give a true and fair view of the consolidated net profit and other comprehensive income and other financial information of the Group in accordance with the recognition and measurement principles laid down in 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 read with Regulation 63(2) of the Listing Regulations. The respective Board of Directors and Partners of the Group 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 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 annual financial results 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 annual financial results by the Management and Board of Directors of the Holding Company, as aforesaid.





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

The respective Board of Directors are also responsible for overseeing the financial reporting process of the Company and its associate.

#### **Auditor's Responsibilities for the Audit of the Consolidated Financial Results**

Our objectives are to obtain reasonable assurance about whether the consolidated annual 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 annual financial results.

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

- Identify and assess the risks of material misstatement of the consolidated annual 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.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the consolidated financial results made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated annual 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 Group to cease to continue as a going concern.





- Evaluate the overall presentation, structure and content of the consolidated annual financial results, including the disclosures, and whether the consolidated annual financial results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group to express an opinion on the consolidated annual financial results. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the consolidated financial results of which we are the independent auditors. For the other entity included in the consolidated annual financial results, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the financial results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial results 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 financial results.

We communicate with those charged with governance of the Holding Company and such other entity included in the consolidated annual financial results of which we are the independent auditors 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.

#### Other Matters

- a) The consolidated financial results include audited financial results of one associate whose financial results reflect the Company's share of net loss after tax (including other comprehensive income) of Rs.68.09 Lakhs, for the quarter and year ended March 31 2020, as considered in the consolidated financial results based on such financial results of the respective entities which have been audited by their independent auditors. The independent auditors report on financial results of these entities have been furnished to us and our opinion on the consolidated financial results is so far as it relates to the amounts and disclosures included in respect of these entities is based on the report of such auditors and the procedures performed by us as stated in paragraph above.
- b) The consolidated annual financial results include the results for the quarter ended March 31,2020 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us.
- c) Due to restrictions, imposed by the Government, to restrict the spread of COVID-19 and health risks involved the audit finalization process, for the year under report, was carried out from



remote locations i.e. other than the office of the Company, based on the data/ details made available and based on financial information/records remitted by the management through digital medium.

Our report is not modified in respect of these above matters.

For A. C. Bhuteria & Co.  
Chartered Accountants  
Firm Registration No.: 303105E

*Mohit Bhuteria*  
CA. MOHIT BHUTERIA  
Partner  
Membership No.: 056832

Place: Kolkata  
Date: 30<sup>th</sup> July, 2020  
UDIN:20056832AAAACW7906





**NARAYANI STEELS LIMITED**

(CIN: L27109WB1996PLC082021)

Registered office : 23A, N.S.Road 7th Floor, Kolkata - 700001

**CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES**

Particulars	(Rs. In Lakhs)	
	As at 31.03.2020 (Audited)	As at 31.03.2019 (Audited)
<b>ASSETS</b>		
<b>(1) Non-current assets</b>		
(a) Property, plant and equipment	2,088.02	1,938.56
(b) Capital Work In Progress	-	205.06
(c) Investment Properties	135.50	149.72
(d) Right-of-use assets	118.38	-
(e) Intangible Assets	2.45	3.48
(f) Financial assets		
(i) Investments accounted for using Equity Method	-	124.81
(ii) Other investments	0.29	0.96
(g) Deferred Tax Assets (net)	98.64	79.37
(h) Other non-current assets	1,565.32	-
<b>Total Non-current assets</b>	<b>4,028.08</b>	<b>2,501.97</b>
<b>(2) Current assets</b>		
(a) Inventories	1,332.17	1,788.85
(b) Financial assets		
(i) Investments	93.46	101.83
(ii) Trade receivables	17,500.14	21,556.00
(iii) Cash and cash equivalents	16.58	197.88
(iv) Other Bank Balances	1,833.96	2,441.73
(v) Other Assets	10.42	53.34
(c) Current tax assets (net)	60.45	123.51
(d) Other current assets	962.34	943.95
<b>Total Current assets</b>	<b>21,809.52</b>	<b>27,207.09</b>
<b>TOTAL ASSETS</b>	<b>25,837.60</b>	<b>29,709.06</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
(a) Equity share capital	1,090.90	1,090.90
(b) Other equity	(6.13)	3,195.96
<b>Total Equity</b>	<b>1,084.77</b>	<b>4,286.86</b>
<b>Liabilities</b>		
<b>(1) Non-current liabilities</b>		
(a) Financial liabilities		
(i) Borrowings	3,478.02	1,590.32
(ii) Lease liabilities	115.40	-
(iii) Other liabilities	5.72	-
(b) Other non-current liabilities	8.58	182.33
(c) Deferred tax liabilities (net)	-	113.63
(d) Provisions	4.54	4.40
<b>Total Non-current liabilities</b>	<b>3,612.26</b>	<b>1,890.68</b>
<b>(2) Current liabilities</b>		
(a) Financial liabilities		
(i) Borrowings	15,336.00	10,541.97
(ii) Lease liabilities	8.40	-
(ii) Trade payables		
total outstanding dues of micro enterprises and small enterprises	-	0.62
total outstanding dues of creditors other than micro enterprises and small enterprises	5,266.98	11,930.78
(iii) Other financial liabilities	185.85	131.44
(b) Other current liabilities	339.42	801.52
(c) Provisions	3.92	125.19
<b>Total Current liabilities</b>	<b>21,140.57</b>	<b>23,531.52</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>25,837.60</b>	<b>29,709.06</b>

For and on behalf of the Board of Directors of Narayani Steels Limited

Place of Signature: Visakhapatnam  
Date: The 30th day of July, 2020

*SUNIL CH*  
**SUNIL CHOUDHARY**  
Managing Director  
DIN: 00289479

*ANKIT GUPTA*  
**ANKIT GUPTA**  
Director & CFO  
DIN: 08415248





**NARAYANI STEELS LIMITED**

(CIN: L27109WB1996PLC082021)

Registered office : 23A, N.S.Road 7th Floor, Kolkata - 700 001

**STATEMENT OF CONSOLIDATED PROFIT AND LOSS FOR THE QUARTER AND YEAR ENDED ON 31ST MARCH, 2020**

SL. NO.	PARTICULARS	(Rs. In Lakhs)				
		3 months ended 31-03-2020 (Audited)	Preceding 3 months ended 31-12-2019 (Unaudited)	Corresponding 3 months ended 31-03-2019 (Unaudited)	Year Ended 31-03-2020 (Audited)	Year Ended 31-03-2019 (Audited)
I	Revenue from operations	3,600.81	7,866.70	19,808.34	35,852.02	75,168.43
II	Other income	97.86	82.98	155.48	384.26	315.93
III	<b>Total Revenue (I + II)</b>	<b>3,698.67</b>	<b>7,949.68</b>	<b>19,963.81</b>	<b>36,236.28</b>	<b>75,484.36</b>
IV	<b>EXPENSES:</b>					
	Cost of Materials Consumed	927.03	1,785.27	3,185.21	5,954.43	10,787.63
	Purchase of Traded Goods	1,948.91	5,182.26	15,200.10	28,050.54	59,460.04
	Changes in Inventories of Finished & Traded Goods	877.38	806.39	(37.49)	293.65	334.33
	Employee benefits expenses	131.23	127.54	88.07	502.90	421.29
	Finance Costs	685.13	636.96	486.38	2,305.80	1,583.80
	Depreciation and amortisation expenses	53.78	38.80	23.59	166.64	91.36
	Other expenses	1,953.07	436.05	779.73	3,710.85	2,463.23
	<b>Total Expenses (IV)</b>	<b>6,576.55</b>	<b>9,013.27</b>	<b>19,725.61</b>	<b>40,984.80</b>	<b>75,141.67</b>
V	<b>PROFIT / (LOSS) BEFORE TAX (III-IV)</b>	<b>(2,877.88)</b>	<b>(1,063.59)</b>	<b>238.21</b>	<b>(4,748.52)</b>	<b>342.69</b>
VI	Tax Expenses					
	Current Tax	-	-	92.58	-	125.18
	Earlier Year Tax	0.58	4.02	(0.21)	4.60	(0.21)
	Deferred Tax	(1,029.26)	(380.99)	(1.27)	(1,678.34)	(1.27)
	<b>Net Tax Expense</b>	<b>(1,028.68)</b>	<b>(376.97)</b>	<b>91.10</b>	<b>(1,673.74)</b>	<b>123.71</b>
VII	<b>Profit / (Loss) for the period (V-VI)</b>	<b>(1,849.20)</b>	<b>(686.62)</b>	<b>147.11</b>	<b>(3,074.79)</b>	<b>218.98</b>
	Other Comprehensive Income (net of tax)					
	Items that will not be reclassified to profit or loss	(1.87)	(0.04)	2.74	(2.49)	2.74
	Items that will be reclassified to profit or loss	-	-	-	-	-
VIII	<b>Total Other Comprehensive Income (net of tax)</b>	<b>(1.87)</b>	<b>(0.04)</b>	<b>2.74</b>	<b>(2.49)</b>	<b>2.74</b>
IX	Share of profit / (loss) of Associate (net of tax)	(68.09)	-	-	(124.82)	9.51
X	<b>PROFIT / (LOSS) FOR THE PERIOD (VII+VIII+IX)</b>	<b>(1,919.16)</b>	<b>(686.66)</b>	<b>149.85</b>	<b>(3,202.10)</b>	<b>231.24</b>
	Paid up equity share capital (in lakhs) (Face Value of Share - Rs 10/- per share)	1,090.90	1,090.90	1,090.90	1,090.90	1,090.90
	Other Equity (excluding Revaluation Reserves)	-	-	-	(6.13)	3,195.96
	Earnings Per Equity Share of Rs. 10/- each Basic & Diluted (In Rs.)	(27.00)	(9.75)	2.18	(44.67)	3.23
	See accompanying notes to the financial results					

For and on behalf of the Board of Directors of Narayani Steels Limited

SUNIL CHOUDHARY  
Managing Director  
DIN: 00289479

ANKIT GUPTA  
Director & CFO  
DIN:08415248

Place of Signature: Visakhapatnam  
Date: The 30th day of July, 2020





**NARAYANI STEELS LIMITED**  
(CIN: L27109WB1996PLC082021)  
Registered office : 23A, N.S.Road 7th Floor, Kolkata - 700 001  
**STATEMENT OF CONSOLIDATED CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2020**

(Rs. In Lakhs)

Particulars	Year ended 31st March 2020 (Audited)	Year ended 31st March 2019 (Audited)
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit / (Loss) before tax	(4,805.26)	342.68
<b>ADJUSTMENTS FOR:</b>		
Depreciation and amortisation expense	166.64	91.36
Provision for expected credit loss on trade receivables	1,041.58	54.29
Provision for bad and doubtful debts on trade receivables	500.00	-
Net (gain) / loss on investments measured at fair value through profit or loss	10.93	(11.77)
Impairment in the value of investment in associate	56.73	-
Amortisation of corporate guarantee obligation	0.52	1.73
Finance Costs	2,305.80	1,583.80
Rental Income	(33.79)	(11.58)
Commission Income	(8.19)	-
Profit on sale of current investments	(1.16)	-
Loss on sale of Property, Plant & Equipment	0.05	-
Sundry Balance written off (net)	6.06	2.12
Interest income	(342.56)	(284.51)
Gratuity	1.62	1.95
<b>Operating profit before working capital changes</b>	<b>(1,101.02)</b>	<b>1,770.06</b>
<b>ADJUSTMENTS FOR :</b>		
Trade receivables, loans, advances and other assets	2,493.98	(3,073.03)
Inventories	456.68	175.97
Trade payables, other liabilities and other financial liabilities	(7,228.41)	3,137.57
<b>Cash generated from operations</b>	<b>(5,378.78)</b>	<b>2,010.56</b>
Income tax paid	(68.28)	(186.27)
<b>Net Cash from / (used in) Operating Activities</b>	<b>(5,447.06)</b>	<b>1,824.30</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Property, Plant & Equipment (including capital work-in-progress)	(86.59)	(442.24)
Sale of Property, Plant & Equipment	1.15	-
Purchase of investments	(88.75)	(68.79)
Sale of investments	97.05	80.86
(Investments) in / Proceeds from Bank deposits (maturity more than 3 months but less than 12 months)	607.77	(918.84)
Rent received	33.79	11.58
Interest received	342.56	284.51
<b>Net cash from / (used in) Investing Activities</b>	<b>906.98</b>	<b>(1,052.92)</b>
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds/(Repayment) of Borrowings	6,681.16	772.76
Principal accrued on lease liabilities	(16.60)	-
Interest accrued on lease liabilities	(11.68)	-
Finance Costs	(2,294.12)	(1,583.80)
<b>Net cash from / (used in) financing activities</b>	<b>4,358.77</b>	<b>(811.03)</b>
<b>Net Increase / (Decrease) in Cash &amp; Cash equivalents</b>	<b>(181.31)</b>	<b>(39.66)</b>
Cash & Cash equivalents at beginning of the year	197.88	237.54
Cash & Cash equivalents at end of the year	16.58	197.88

For and on behalf of the Board of Directors of Narayani Steels Limited

Place of Signature: Visakhapatnam  
Date: The 30th day of July, 2020

S. K. J.  
SUNIL CHOUDHARY  
Managing Director  
DIN: 00289479

Ankita  
ANKIT GUPTA  
Director & CFO  
DIN: 08415248





Notes to the Standalone & Consolidated Financial Results:

- 1 The financial results of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) (Amendment) Rules, 2016. The Company adopted Ind AS from 1st April, 2018, accordingly these financial results along with the comparatives have been prepared in accordance with the recognition and measurement principles stated therein, prescribed under section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder and the other accounting principles generally accepted in India.
- 2 The audited Financial Results were reviewed by the Audit Committee and approved at the meeting of the Board of Directors of the Company held on 30th July, 2020. The statutory auditors have expressed an unmodified opinion on the aforesaid results.
- 3 The Company has adopted Ind AS 116 "Leases" which is mandatory for the reporting periods beginning on or after 1st April, 2019 and applied the Standard to all lease contracts existing on the date of initial application i.e. 1st April, 2019. The Company has used the modified retrospective approach for transitioning to Ind AS 116 with right-of-use asset measured as if Ind AS 116 has been applied since the commencement date of the contract. Accordingly, the comparatives for the earlier periods have not been restated.
- 4 Impact of COVID-19 pandemic has been rapidly spreading throughout the world, including India. Government in India has taken significant measures to curb the spread of the virus including imposing mandatory lockdowns and restrictions in activities. Consequently, Company's manufacturing plants and offices had to be closed down for a considerable period of time, including after the year end. As a result of the lockdown, the likely revenue from the month of March, 2020 has been impacted. Continued lockdowns are likely to impact the Company operationally including on supply chain matters. The Company is monitoring the situation closely taking into account directives from the Governments. Management believes that it has taken into account all the possible impacts of known events arising from COVID-19 pandemic and the resultant lockdowns in the preparation of the financial statements including but not limited to its assessment of Group's liquidity and going concern, recoverable values of its property, plant and equipment, intangible assets and the realisable values of other assets. However, given the effect of these lockdowns on the overall economic activity and in particular on the iron and steel related items industry, the impact assessment of COVID-19 on the above mentioned financial statement captions is subject to significant estimation uncertainties given its nature and duration and, accordingly, the actual impacts in future may be different from those estimated as at the date of approval of these financial statements. The Company will continue to monitor any material changes to future economic conditions and consequential impact on its financial results.
- 5 The Company has faced various disruptions in 2019-20 due to stoppage of supply of materials, fall in demand and prices of steel, recession in iron and steel industry and stress over Channel finance and other borrowings accounts. The situation has become much grimmer on account of global Covid-19 pandemic and due to lockdowns and restrictions imposed in and outside India. Due to high uncertainties in future business activities and expected major downfall in economic activities in the sector, the management has undertaken an assessment of its business and recoverability on its trade receivables that there stand doubtful chances of recovery of receivables to the extent of Rs. 500 lakhs.
- 6A The note states regarding non-realization of debtors, overall substantial decrease in volume of business and sales, defaults in repayment of loans and interest owing to which some banks have classified account as NPA.
- 6B Certain banks have classified its advance to company as NPA and are not charging interest or have reversed the interest earlier charged. In order to account all probable liabilities, the management in its best judgment has provided interest on such borrowings.
- 7 The Company is principally engaged in a single business segment of Manufacturing and Trading of Iron & Steel and its related products, accordingly there is no separate reportable segment as per Ind AS - 108 "Operating Segment".
- 8 The results for the three months ended 31st March, 2020 and 31st March, 2019 are derived from the audited accounts for the financial year ended 31st March, 2020 and 31st March, 2019 respectively and published unaudited results for Nine months ended 31st December 2019 and 31st December, 2018 respectively.
- 9 The Company and its associate send letter to parties who owe to the company and also to the parties to whom the company owe seeking confirmation of the balance as on 31st March, 2020. However, in the most of the cases the company did not receive the letter of confirmation from the parties. However, the management is following up with the parties for the letters of confirmation and in any case the management is hopeful that there would not be significant variation on account of non receipt of such letter of confirmations.
- 10 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", notified by Ministry of Corporate Affairs. The consolidated financial statements of the Company "Narayani Steels Limited", include its associate namely 'Hari Equipments Private Limited' combined as per Equity Method under Ind AS. The consolidated financial statements are prepared applying uniform accounting policies on all material items.
- 11 In view of general economic recession and fluctuating steel market, the associate company, "Hari Equipments Private Limited" suspended its trading activities and continued to incur losses mainly on account of finance costs. It's Bank account has been classified as NPA. However, the accounts of the associate company have been prepared on going concern basis since in the opinion of the management of the associate company, it shall resume its trading activities on improvement of steel market expected shortly and is also dependent on raising additional finance. In view of the loss in the Associate Company, the company has provided for impairment in the value of investments in the associate.
12. Previous period/ year figures have been re-grouped/ rearranged, wherever necessary.

Place: Visakhapatnam  
Date: The 30th day of July, 2020

S. H. Jy  
SUNIL CHOUDHARY  
Managing Director  
DIN: 00289479

for and on behalf of the Board of Directors of Narayani Steels Limited  
Ankit Gupta  
ANKIT GUPTA  
Director & CFO  
DIN: 08415246



To,

The Deputy Manager  
Corporate Relations Department  
BSE Limited  
P.J.Towers, Dalal Street,  
Mumbai-400001

Dt.30.07.2020

Dear Sir,


**Sub: Declaration Pursuant to Regulation 33(3)(d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for Unmodified Opinion.**

**Ref No. Scrip Code: 540080-Declaration for unmodified option**

I, Sunil Choudhary, Managing Director of M/s. Narayani Steels Limited having its Registered Office situated at 23A, N S Road, 7<sup>th</sup> Floor, Room No.31, Kolkata-700001, West Bengal, India hereby declare that, M/s. A.C.Bhuteria & Co., Statutory Auditor of the Company, have issued an Audit Report with Unmodified Opinion on Standalone Audited Financial Results for the Quarter and Year Ended 31<sup>st</sup> March, 2020

This declaration is issued in compliance of Regulation 33(3) (d) of the SEBI (LODR) Regulation, 2015 as amended vide its circular no CIR/CFD/CMD56/2016 dated 27<sup>th</sup> May, 2016

Thanking You  
Yours Faithfully  
For Narayani Steels Limited

  
Sunil Choudhary  
Managing Director



Steel



Coal



Minerals



Import



Export



Logistics



Warehousing



Agriculture



Brokerage



To,

The Deputy Manager  
Corporate Relations Department  
BSE Limited  
P.J.Towers,Dalal Street,  
Mumbai-400001

Dt.30.07.2020

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I, Sunil Choudhay, Managing Director of M/s.Narayani Steels Limited having its Registered Office situated at 23A ,N S Road,7<sup>th</sup> Floor, Room No.31,Kolkata-700001,West Bengal, India hereby declare that, M/s. A.C.Bhuteria & Co., Statutory Auditor of the Company, have issued an Audit Report with Unmodified Opinion on Consolidated Audited Financial Results for the Quarter and Year Ended 31<sup>st</sup> March, 2020

This declaration is issued in compliance of Regulation 33(3) (d) of the SEBI (LODR) Regulation, 2015 as amended vide its circular no CIR/CFD/CMD56/2016 dated 27<sup>th</sup> May, 2016

Thanking You  
Yours Faithfully  
For Narayani Steels Limited

  
Sunil Choudhary  
Managing Director



Steel



Coal



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Import



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