MESCO STEEL
Partnering Progress

MS CERT ACC.No.M41510081K
ISO 9001:2008

16th September, 2022

To,

BSE Limited
Corporate Relationship Department
Floor 25, PhirozeJeejeebhoy Towers
Dalal Street
Mumbai-400001

To

The Listing Department
The Calcutta Stock Exchange Ltd
7, Lyons Range
Kolkata-70001

Scrip ID: MESCON
CRIP CODE: 540744

Sub: UnAudited Financial Results for the quarters ended 30th June, 2021, 30th September, 2021 and 31st December, 2021

Dear Sir,

With reference to your mail dated 16.09.2022 regarding discrepancies in submission of Standalone and Consolidated Financial Results of the Company, for the quarter ended 30th June, 2021, for quarter and half year 30th September, 2021 and for the quarter ended 31st December, 2021 Results, it is hereby submitted that due to software issue the digital signature of Auditor on the Limited Review Report was not visible.

The Company is now enclosing herewith the unaudited Standalone and Consolidated Financial Results of the Company, for the quarter ended 30th June, 2021, for quarter and half year 30th September, 2021 and for the quarter ended 31st December, 2021 duly considered and approved by the Board of Directors at their meeting held on 05th August, 2022.

These results are also being made available on the website of the Company at www.mescosteel.com.

This is for your information and records.

Thanking you,
For **Mideast Integrated Steels Limited**

Priyanka Chugh
Company Secretary cum Compliance Officer
Encl: AA

Mideast Integrated Steels Limited
Regd. Off: H-1, Zamrudpur Community Centre, Kailash Colony, New Delhi - 110 048
Website: www.mescosteel.com; CIN: L74899DL1992PLC050216; Ph. No. 011-29241099 & 40587085

STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE PERIOD ENDED JUNE 30, 2021

Sr. No.	Particulars	Quarter ended			Year ended
		30-Jun-21	30-Jun-20	31-Mar-21	31-Mar-21
		Unaudited	Unaudited	Audited	Audited
		Rs. in Mn	Rs. in Mn	Rs. in Mn	Rs. in Mn
1	Revenue from Operations	1,373.69	4.62	1,233.93	1,922.21
2	Other Income	1,275.87	0.22	46.77	69.37
3	**Total Income (1+2)**	**2,649.56**	**4.84**	**1,280.71**	**1,991.59**
4	**Expenses**				
	(a) Cost of materials consumed	-	-	(17.81)	-
	(b) Changes in inventories of finished goods, work-in-progress and stock-in-	50.13	1.54	(42.09)	199.38
	(c) Employee benefits expense	9.67	7.56	78.84	116.78
	(d) Finance cost	0.25	0.31	9.12	10.20
	(e) Depreciation and amortisation expense	92.04	140.44	(5.41)	415.95
	(f) Other expenses	1,255.46	12.81	2,032.80	2,080.42
	Total Expenses	**1,407.54**	**162.66**	**2,055.45**	**2,822.73**
5	**Profit / (Loss) from operations before exceptional items (3-4)**	1,242.02	(157.82)	(774.75)	(831.13)
6	Exceptional items		-	-	-
7	**Profit / (Loss) before tax (5+6)**	**1,242.02**	**(157.82)**	**(774.75)**	**(831.13)**
8	**Tax expense**	-	10.00	-	20.00
9	**Net Profit / (Loss) after tax (7-8)**	**1,242.02**	**(167.82)**	**(774.75)**	**(851.13)**
10	Other Comprehensive Income	0	0.55	1.03	2.28
11	**Total Comprehensive Income /(Loss) (9+10)**	**1,242.02**	**(167.27)**	**(773.72)**	**(848.85)**
12	Paid Up Equity Share Capital (Face Value of Rs. 10/- each)	1,378.75	1,378.75	1,378.75	1,378.75
13	Earnings per Share (of Rs 10 each) (not annualised)				
	Basic	9.01	(1.22)	(5.62)	(6.17)
	Diluted	9.01	(1.22)	(5.62)	(6.17)

1 The above results have been reviewed and recommended by the Audit Committee and have been approved and taken on record by the Board of Directors at its meeting held on August 05, 2022.

2 In pursuance to the Judgement dated 2nd August, 2017 of Honorable Supreme Court of India, in the matter of Writ Petition (Civil) No. 114 of 2014 (Common Cause v/s Union of India & Others), an amount of ₹ 924.75 crores has been imposed on the Company towards 'Compensation' as determined in the said Judgement which was to be paid by 31st December 2017, eventhough the Government Taxes and Royalty was paid on the ores extracted. Since the amount was not paid by the stipulated date, the Honorable Supreme Court ordered to stop mining operations with effect from 1st January 2018.
The Company had filed a 'Curative petition' (Civil) before the Honorable Supreme Court of India challenging the Judgement in March 2018 however the petition has been dismissed by the Supreme Court during the reporting quarter. Provision for the above compensation along with interest has not been made in the books of accounts. Further the realization amount from said sale should be deposited with the State of Odisha towards partial satisfaction of the Compensation demand raised by Demand Notice dated 02.09.2017. The Company is in process to sell the iron ore and to comply with the norms, it is further to be noted that Company managed to get an extension of further six months vide last order dated 24th November, 2020. The Company has deposited with the Government Rs. 343.48 crores including GST till 23rd May 2021 under protest towards Compensation amount.

3 There was arbitration award received in June 2019 for 718 crores. The Company has already appealed to this Award. The appeal has been admitted in the High Court. The Company is confident to win the award and hence not making any provision in the books.

4 Previous periods figures have been regrouped / rearranged wherever necessary to conform to the current period's classification(s).

For and on behalf of the Board of Directors
For Mideast Integrated Steels Limited

Rita Singh
Chairperson cum Managing Director

Place : New Delhi
Date : August 05, 2022

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Independent Auditor's Review Report on the Quarterly and Year to Date Unaudited Standalone Financial Results of the Company Pursuant to the Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

Review Report to
The Board of Directors
Mideast Integrated Steels Limited
Mesco Tower, H-1, Zamrudpur Community Centre,
Kailash Colony,
New Delhi - 110048

1. We have reviewed the accompanying statement of unaudited standalone financial results of Mideast Integrated Steels Limited (the 'Company') for the quarter ended 30th June 2021. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on these financial statements based on our review.

2. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

3. Based on our review conducted as above, *except for the effects of the matters described in the Basis for Qualified Opinion section of our report,* nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable accounting standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

4. Basis for Qualified Opinion

1) The Company has had transactions with its related parties, and has a net inter-company receivables, being loans given, amounting to Rs 27.42 crores as at 30th June 2021 (Rs 27.98 crores as at 31st March 2021), to various related parties. The above balance does not include the loan to its subsidiary (Maithan Ispat Limited), which has been referred to point no 2 below. Regarding these amounts and transactions, the management has not

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carried out a detailed impairment assessment as on 30th June 2021, as required by the Ind AS 36.

Accordingly, we are unable to comment on the carrying value of these receivables and whether they will be received by the Company or not, along with the related impairment, if any, and consequential impact thereof on loss for the quarter, had the Company performed such impairment assessment.

2) *The Company, during the quarter, has given further loan to its subsidiary (Maithan Ispat Limited). The loan balance stands at Rs 19.27 crores as on 30th June 2021 (Rs 16.63 crores as on 31st March 2021). Further the Company also has an investment of Rs 179.88 crores in this subsidiary.*

Based on the financials of its subsidiary as on 30th June 2021, the net worth is completely eroded and is negative at Rs 155.97 crores (Negative Rs 147.49 crores as on 31st March 2021). Further, the subsidiary has its operations suspended since January 2019.

Regarding these amounts and transactions:

- *We have not been provided with any loan agreement signed with the Subsidiary.*
- *The management has not carried out a detailed impairment assessment of the Subsidiary as on 30th June 2021 and 31st March 2021, as required by the Ind AS 36*

Accordingly, we are unable to comment on the carrying value of these receivables and whether they will be received by the Company or not, along with the related impairment, if any, and consequential impact thereof on loss for the quarter, had the Company performed such impairment assessment.

3) *Besides the loans as mentioned in point no 1 above, the Company had also given certain advances to its related parties and has debtor based receivables from them. The net inter-company receivables, being debtors and advances given, amount to Rs 28.57 crores as at 30th June 2021 (Rs 28.54 crores as at 31st March 2021).*

The management has not carried out a detailed impairment assessment of the above, as on 30th June 2021 and 31st March 2021, as required by the Ind AS 36.

Accordingly, we are unable to comment on the carrying value of these receivables and whether they will be received by the Company or not, along with the related impairment, if any, and consequential impact thereof on loss for the quarter, had the Company performed such impairment assessment.

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4) *In pursuance to the judgement dated 2nd August, 2017 of Honorable Supreme Court of India, in the matter of Writ Petition (Civil) No. 114 of 2014 between Common Cause v/s Union of India & Others, there is a compensation imposed of Rs 924.75 crores along with interest on the company for excess production of Iron Ore during 2000-01 to 2010-11. The Company was supposed to make the payment of this compensation on or before 31st December 2017, failing which the mines of the Company are closed down wef 1st January 2018. The Company has filed a 'Curative petition' (Civil) on 28th March 2018, before the Honorable Supreme Court of India challenging the Judgement and which we have been informed is still pending. Hence, no provision has been made for the same in the books of accounts. During the quarter, the Company has paid Rs 98.65 crores as payment under protest.*

   In our opinion, this compensation has been crystalized and accordingly, a provision for this liability should have been made in the books to the extent of Rs 924.75 crores along with interest (based on revised reduced rate of 12% pa) (net of payment made under protest), of Rs 116.41 crores, making the total liability provision of Rs 1041.16 crores as on 30th June 2021 (Rs 1118.76 crores as on 31st March 2021). In case the above provision had been made in the books, the loss would stand at Rs 916.96 crores as on 30th June 2021 (Loss would be Rs 1203.88 crores as on 31st March 2021).

5) *The basis of having a net deferred tax liability in the books of Rs 73.95 crores has not been shared with us; hence we are unable to comment upon the correctness of the same, as on 30th June 2021.*

6) *There are fixed assets under capital work in progress for the Company, amounting to Rs 24.46 crores as on 30th June 2021 (Rs 24.46 crores as on 31st March 2021). They have not been capitalized since more than 5 years. In our opinion, the Company needs to review the same and capitalize the assets where applicable.*

7) *In our opinion, a provision for doubtful debts of Rs 52.79 crores (Rs 45.95 crores as on 31st March 2021) needs to be made against the balances of non-moving old Debtors & Creditors (where advances have been given by the Company), as on 30th June 2021. No litigation has been initiated by the Company on these balances. Further, the above amount does not include related party debtors and advances given.*

8) *In view of the points mentioned at 4 and 7 above, had the Company provided for the matters mentioned therein, the loss after tax for the quarter ended June 2021 would stand at approximately Rs 969.75 crores (Penal compensation & Interest on account of excess production of Iron Ore of Rs 1041.16 crores & short provision of doubtful debts of Rs 52.79 crores).*

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Based on the above, the Company may not be considered as a going concern as, after the above effects, its accumulated losses as on 30th June 2021 would have been Rs 824.30 crores and the Net worth would have been negative Rs 454.40 crores.

For **ARUN TODARWAL & ASSOCIATES LLP**
Chartered Accountants
Firm Reg No.: W100291

ARUN LALCHAND TODARWAL
Digitally signed by ARUN LALCHAND TODARWAL
Date: 2022.08.05 16:53:12 +05'30'

Arun Todarwal
Partner
Membership No. 032822
Place: Mumbai
Date: 5th August 2022
UDIN: 22032822AOJKAB8401

Mideast Integrated Steels Limited
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Website: www.mescosteel.com; CIN: L74899DL1992PLC050216; Ph. No. 011-29241099 & 40587085

STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE PERIOD ENDED JUNE 30, 2021

Sr. No.	Particulars	Quarter ended			Year ended
		30-Jun-21	30-Jun-20	31-Mar-21	31-Mar-21
		Unaudited	Unaudited	Audited	Audited
		Rs. in Mn	Rs. in Mn	Rs. in Mn	Rs. in Mn
1	Revenue from Operations	1,373.69	4.62	1,233.93	1,922.21
2	Other Income	1,275.87	0.22	46.77	69.37
3	**Total Income (1+2)**	**2,649.56**	**4.84**	**1,280.71**	**1,991.59**
4	**Expenses**				
	(a) Cost of materials consumed	-	-	(17.81)	-
	(b) Changes in inventories of finished goods, work-in-progress and stock-in-	50.13	1.54	(42.08)	199.39
	(c) Employee benefits expense	13.18	7.56	78.94	116.88
	(d) Finance cost	17.12	0.31	158.06	159.14
	(e) Depreciation and amortisation expense	156.39	205.67	58.60	675.64
	(f) Other expenses	1,255.50	12.81	2,033.90	2,083.46
	Total Expenses	**1,492.32**	**227.89**	**2,269.61**	**3,234.52**
5	**Profit / (Loss) from operations before exceptional items (3-4)**	1,157.24	(223.04)	(988.93)	(1,242.93)
6	Exceptional items		-	-	-
7	**Profit / (Loss) before tax (5+6)**	**1,157.24**	**(223.04)**	**(988.93)**	**(1,242.93)**
8	**Tax expense**	-	10.00	-	20.00
9	**Net Profit / (Loss) after tax (7-8)**	**1,157.24**	**(233.04)**	**(988.93)**	**(1,262.93)**
10	Other Comprehensive Income	-	0.55	0.93	2.18
11	**Total Comprehensive Income /(Loss) (9+10)**	**1,157.24**	**(232.49)**	**(988.00)**	**(1,260.75)**
12	Paid Up Equity Share Capital (Face Value of Rs. 10/- each)	1,378.75	1,378.75	1,378.75	1,378.75
13	Earnings per Share (of Rs 10 each) (not annualised)				
	Basic	8.39	(1.69)	(7.17)	(9.16)
	Diluted	8.39	(1.69)	(7.17)	(9.16)

1 The above results have been reviewed and recommended by the Audit Committee and have been approved and taken on record by the Board of Directors at its meeting held on August 05, 2022.

2 In pursuance to the Judgement dated 2nd August, 2017 of Honorable Supreme Court of India, in the matter of Writ Petition (Civil) No. 114 of 2014 (Common Cause v/s Union of India & Others), an amount of ₹ 924.75 crores has been imposed on the Company towards 'Compensation' as determined in the said Judgement which was to be paid by 31st December 2017, eventhough the Government Taxes and Royalty was paid on the ores extracted. Since the amount was not paid by the stipulated date, the Honorable Supreme Court ordered to stop mining operations with effect from 1st January 2018.
The Company had filed a 'Curative petition' (Civil) before the Honorable Supreme Court of India challenging the Judgement in March 2018 however the petition has been dismissed by the Supreme Court during the reporting quarter. Provision for the above compensation along with interest has not been made in the books of accounts. Further the realization amount from said sale should be deposited with the State of Odisha towards partial satisfaction of the Compensation demand raised by Demand Notice dated 02.09.2017. The Company is in process to sell the iron ore and to comply with the norms, it is further to be noted that Company managed to get an extension of further six months vide last order dated 24th November, 2020. The Company has deposited with the Government Rs. 343.48 crores including GST till 23rd May 2021 under protest towards Compensation amount.

3 There was arbitration award received in June 2019 for 718 crores. The Company has already appealed to this Award. The appeal has been admitted in the High Court. The Company is confident to win the award and hence not making any provision in the books.

4 Previous periods figures have been regrouped / rearranged wherever necessary to conform to the current period's classification(s).

For and on behalf of the Board of Directors
For Mideast Integrated Steels Limited

Rita Singh
Chairperson cum Managing Director

Place : New Delhi
Date : August 05, 2022

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Independent Auditor's Review Report on the Quarterly and Year to Date Unaudited Consolidated Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

Review Report to

The Board of Directors
Mideast Integrated Steels Limited
Mesco Tower, H-1, Zamrudpur Community Centre,
Kailash Colony,
New Delhi - 110048

1. We have reviewed the accompanying statement of unaudited consolidated financial results of Mideast Integrated Steels Limited (the 'Parent') and its subsidiary Maithan Ispat Limited (the Parent and its subsidiary together referred to as 'the Group') for the quarter ended 30th June 2021. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on these financial statements based on our review.

2. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

3. Based on our review conducted as above, *except for the effects of the matters described in the Basis for Qualified Opinion section of our report,* nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable accounting standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

4. Basis for Qualified Opinion

In the books of the Parent:

1) The Company has had transactions with its related parties, and has a net inter-company receivables, being loans given, amounting to Rs 27.42 crores as at 30th June 2021 (Rs 27.98 crores as at 31st March 2021), to various related parties. The above balance does not include the loan to its subsidiary (Maithan Ispat Limited), which has been referred to point no 2

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below. Regarding these amounts and transactions, the management has not carried out a detailed impairment assessment as on 30th June 2021, as required by the Ind AS 36.

Accordingly, we are unable to comment on the carrying value of these receivables and whether they will be received by the Company or not, along with the related impairment, if any, and consequential impact thereof on loss for the quarter, had the Company performed such impairment assessment.

2) *The Company, during the quarter, has given further loan to its subsidiary (Maithan Ispat Limited). The loan balance stands at Rs 19.27 crores as on 30th June 2021 (Rs 16.63 crores as on 31st March 2021). Further the Company also has an investment of Rs 179.88 crores in this subsidiary.*

Based on the financials of its subsidiary as on 30th June 2021, the net worth is completely eroded and is negative at Rs 155.97 crores (Negative Rs 147.49 crores as on 31st March 2021). Further, the subsidiary has its operations suspended since January 2019.

Regarding these amounts and transactions:

- *We have not been provided with any loan agreement signed with the Subsidiary.*
- *The management has not carried out a detailed impairment assessment of the Subsidiary as on 30th June 2021 and 31st March 2021, as required by the Ind AS 36*

Accordingly, we are unable to comment on the carrying value of these receivables and whether they will be received by the Company or not, along with the related impairment, if any, and consequential impact thereof on loss for the quarter, had the Company performed such impairment assessment.

3) *Besides the loans as mentioned in point no 1 above, the Company had also given certain advances to its related parties and has debtor based receivables from them. The net inter-company receivables, being debtors and advances given, amount to Rs 28.57 crores as at 30th June 2021 (Rs 28.54 crores as at 31st March 2021).*

The management has not carried out a detailed impairment assessment of the above, as on 30th June 2021 and 31st March 2021, as required by the Ind AS 36.

Accordingly, we are unable to comment on the carrying value of these receivables and whether they will be received by the Company or not, along with the related impairment, if any, and consequential impact thereof on loss for the quarter, had the Company performed such impairment assessment.

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4) *In pursuance to the judgement dated 2nd August, 2017 of Honorable Supreme Court of India, in the matter of Writ Petition (Civil) No. 114 of 2014 between Common Cause v/s Union of India & Others, there is a compensation imposed of Rs 924.75 crores along with interest on the company for excess production of Iron Ore during 2000-01 to 2010-11. The Company was supposed to make the payment of this compensation on or before 31st December 2017, failing which the mines of the Company are closed down wef 1st January 2018. The Company has filed a 'Curative petition' (Civil) on 28th March 2018, before the Honorable Supreme Court of India challenging the Judgement and which we have been informed is still pending. Hence, no provision has been made for the same in the books of accounts. During the quarter, the Company has paid Rs 98.65 crores as payment under protest.*

   In our opinion, this compensation has been crystalized and accordingly, a provision for this liability should have been made in the books to the extent of Rs 924.75 crores along with interest (based on revised reduced rate of 12% pa) (net of payment made under protest), of Rs 116.41 crores, making the total liability provision of Rs 1041.16 crores as on 30th June 2021 (Rs 1118.76 crores as on 31st March 2021). In case the above provision had been made in the books, the loss would stand at Rs 916.96 crores as on 30th June 2021 (Loss would be Rs 1203.88 crores as on 31st March 2021).

5) *The basis of having a net deferred tax liability in the books of Rs 73.95 crores has not been shared with us; hence we are unable to comment upon the correctness of the same, as on 30th June 2021.*

6) *There are fixed assets under capital work in progress for the Company, amounting to Rs 24.46 crores as on 30th June 2021 (Rs 24.46 crores as on 31st March 2021). They have not been capitalized since more than 5 years. In our opinion, the Company needs to review the same and capitalize the assets where applicable.*

7) *In our opinion, a provision for doubtful debts of Rs 52.79 crores (Rs 45.95 crores as on 31st March 2021) needs to be made against the balances of non-moving old Debtors & Creditors (where advances have been given by the Company), as on 30th June 2021. No litigation has been initiated by the Company on these balances. Further, the above amount does not include related party debtors and advances given.*

8) *In view of the points mentioned at 4 and 7 above, had the Company provided for the matters mentioned therein, the loss after tax for the quarter ended June 2021 would stand at approximately Rs 969.75 crores (Penal compensation & Interest on account of excess production of Iron Ore of Rs 1041.16 crores & short provision of doubtful debts of Rs 52.79 crores).*

   Based on the above, the Company may not be considered as a going concern as, after the above effects, its accumulated losses as on 30th June 2021 would have been Rs 824.30 crores and the Net worth would have been negative Rs 454.40 crores.

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In the books of the Subsidiary (Maithan Ispat Limited):

1. *The basis of having a deferred tax asset in the books of Rs 139.80 crores has not been shared with us; hence we are unable to comment upon the correctness of the same, as on 30th June 2021.*

2. *In our opinion, a provision of Rs 38.40 crores (Rs 37.05 crores in March 2021) for doubtful debts needs to be made against the old non moving debtor & supplier balances (where advances have been given by the Company, including capital advances) as on 30th June 2021.*

3. *Further, upon our review of the books of account of the Subsidiary, for the period ended 30th June 2021, the effects for the below have not been made in the books:*

   a) *The finance cost expense in Profit & loss account, for the quarter, of Rs 4.15 crores and the increase in financial liability of Rs 4.15 crores, to be created based on the fair valuation, on Discounted Cash flow method, on the of 10% Cumulative Redeemable Preference Shares and 0.10% Cumulative Redeemable Preference Shares.*

   b) *Provision for expense for the Company, for the quarter, which includes Gratuity, Leave encashment, Provident Fund Liability, ESIC Liability, Profession Tax and any other expenses. Consequently, no TDS liability on the above expenses has been created, where applicable.*

   c) *Interest income on fixed deposits has not been considered by the Company for the quarter.*

Emphasis of Matter in the books of the Subsidiary (Maithan Ispat Limited):

1. The total assets of the company stand at Rs 671.25 crores (Rs 670.96 crores as on 31st March 2021), and the total liabilities as on 30th June 2021 are Rs 827.23 crores (Rs 818.46 crores as on 31st March 2021). The accumulated losses for the company as on 30th June 2021 are Rs 940.12 crores (Rs 931.65 crores as on 31st March 2021) and the Net worth is negative Rs 155.97 crores (negative Rs 147.50 crores as on 31st March 2021).

   The plant has been shut down since January 2019 and has not yet started its activities as on date. However, as on the date of this report, all the term loans from banks and financial institutions, have been paid off under an "One Time Settlement" and we have also been provided with a letter dated 16th November 2021, issued by the State Bank of India, stating that the loan accounts of the Company held with the banks have been settled and closed under compromise, sanctioned by the competent authority of individual member banks. Further, the company has also received the consent to operate in October 2021 and has started the procedure for procurement of raw materials for manufacturing.

ARUN TODARWAL & ASSOCIATES LLP
CHARTERED ACCOUNTANTS

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Taking the above facts into consideration, there may be no doubt on the Company's ability to continue as a going concern.

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

For **ARUN TODARWAL & ASSOCIATES LLP**
Chartered Accountants
Firm Reg No.: W100291

ARUN LALCHAND TODARWAL
Digitally signed by ARUN LALCHAND TODARWAL
Date: 2022.08.05 16:55:51 +05'30'

Arun Todarwal
Partner
Membership No. 032822
Place: Mumbai
Date: 5th August 2022
UDIN: 22032822AOJKTP9164