ASHIANA ISPAT LIMITED
CIN : L27107RJ1992PLC006611
www.ashianaispat.in

Regd. Office & Works :
A-1116, RIICO Industrial Area, Phase-III
Bhiwadi-301019, Distt. Alwar (Rajasthan)
Phone : 01493-619167, 619125
Email : hr@ashianaispat.in
rkashiana42@gmail.com

Dt. 29.11.2024

BSE Limited
Listing Department,
Phiroze Jeejeebhoy Towers,
Dalal Street,

Mumbai-400 001

Scrip Code: 513401

Sub: Outcome of Board Meeting held on November 29, 2024.

Dear Sir/ Madam

In continuation of our earlier intimation dated 30.10.2024 Board meeting was scheduled to held on 14.11.2024 to approve the unaudited Financial Results Financial Results for the Quarter and Half year ended 30th September, 2024 and the said Board Meeting was adjourned and held on 29.11.2024 and approved the unaudited Financial Results Financial Results for the Quarter and Half year ended 30th September, 2024.

In accordance with the provisions of Regulation 4 and 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), we wish to inform you that the Board of Directors of the Company at its meeting held today. i.e Friday, November 29 , 2024 has, inter alia,:

Approved the Unaudited Financial Results for the Quarter and Half year ended 30th September, 2024.

We are enclosing the following documents:

a. Unaudited Financial Results for the Quarter and Half year ended 30th September, 2024.
b. Limited Review Report on quarterly and half yearly results by M/s Khiwani Sood & Associates, Chartered Accountants.
c. Statement on Impact of Audit Qualifications for the Half Year ended September 30, 2024.

Kindly take the above on record.

The Board Meeting commenced at 2:30 PM and concluded at 4.50 PM.

We request you to kindly take the above on record and disseminate the same on your website.

Thanking you.

Yours faithfully,
For Ashiana Ispat Limited

ASHIANA ISPAT LIMITED DELHI

(Puneet Jain)
Managing Director
DIN: 00814312

Corporate Office :
908-910, Pearls Best Height-II
Netaji Subhash Place
Pitampura, New Delhi-110034
Ph. : 011-49032928, 49032938
E-mail : ail@ashianaispat.in
ashianagroup@yahoo.co.in

ASHIANA ISPAT LIMITED

Regd. Office: A-1116, RIICO , Industrial Area, Phase-III, Bhiwadi, Distt. Alwar (Rajasthan)-301019
E-mail. ashianagroup@yahoo.co.in, Web: www.ashianaispat.in
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Statement of Unaudited Financial Results for the quarter and half year ended September 30, 2024

(Rs. In Lakhs)

		Stand alone					
		Quarter ended as on	Quarter ended as on	Quarter ended as on	Six months ended on	Six months ended on	Financial Year ended on
S. No	Particulars	30.09.2024	30.06.2024	30.09.2023	30.09.2023	30.09.2024	31.03.2024
1	**Income**	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
	(a) Revenue from operations	3,221.96	10,879.28	9,663.70	15,592.56	14,101.24	32,183.60
	(b) Other income	2.09	2.61	0.69	0.70	4.70	263.27
	Total Income {1(a)+1(b)}	**3,224.05**	**10,881.89**	**9,664.39**	**15,593.26**	**14,105.94**	**32,446.87**
2	**Expenses**						
	(a) Cost of Material Consumed	2,607.32	9100.46	8856.25	13,713.15	11,707.78	27,803.73
	(b) Purchases of Stock in Trade	30.30	-	-	22.53	30.30	22.53
	(c) Changes in inventories of finished goods, work-in progress and Stock-in Trade	384.81	140.01	(442.00)	(362.82)	524.82	-65.99
	(d) Employee benefit expense	95.83	106.82	113.35	224.29	202.65	468.52
	(e) Finance Cost	179.06	238.84	182.44	407.98	417.90	901.95
	(f) Depreciation and amortisation expense	45.11	44.17	47.71	97.54	89.28	191.78
	(g) Other Expenses	363.59	924.23	808.98	1,427.59	1,287.82	2,924.24
	Total Expenses {2(a) to 2(g)}	**3,706.02**	**10,554.53**	**9,566.73**	**15,530.26**	**14,260.55**	**32,246.76**
						-	
3	Profit/ (Loss) before exceptional items and tax (1-2)	(481.97)	327.36	97.66	63.00	(154.61)	200.10
4	Exceptional items		-	-		-	-
5	**Profit/ (Loss) before tax (3-4)**	(481.97)	**327.36**	**97.66**	**63.00**	**(154.61)**	**200.10**
6	Tax expenses					-	
	Current tax		-	-		-	
	Deferred tax	7.04	10.28	11.32	20.31	17.32	52.66
	Income Tax for earlier year						0.27
7	**Profit/ (Loss) for the period (5-6)**	**(489.01)**	**317.08**	**86.34**	**42.69**	**(171.93)**	**147.18**
8	**Other Comprehensive Income** A (i) Items that will not be reclassified to profit or loss (net) (ii) Income tax relating to items that will not be reclassified to profit or loss B (i) Items that will be reclassified to profit or loss (ii) Income tax relating to items that will be reclassified to profit or loss (iii) Re-measurement of defined employee benefit plans						8.14
9	Total other comprehensive income/ loss	-	-	-		-	8.14
10	**Total Comprehensive Income for the period (7+9)**	**(489.01)**	**317.08**	**86.34**	**42.69**	**(171.93)**	**155.31**
11	Paid-up Equity Capital (face value of Rs. 10/- each)	796.48	796.48	796.48	796.48	796.48	796.48
12	Other equity		-	-		2,900.98	3,072.91
13	Earning per Share in Rupees (of face value Rs. 10/- each) (not annualised)						
	Basic	(6.14)	3.98	1.08	0.54	(2.16)	1.85
	Diluted	(6.14)	3.98	1.08	0.54	(2.16)	1.85

ASHIANA ISPAT LIMITED DELHI

Notes

1 Unaudited Statement of Asset and Liabilities

STATEMENT OF ASSETS AND LIABILITIES AS AT 30TH SEPTEMBER, 2024 (Rs. In Lakhs)

	Particulars	As at 30.09.2024	As at 31.03.2024
	ASSETS		
1	**Non- Current Assets**		
(a)	Property, plant and equipment	2,862.92	2,942.85
(b)	Capital Work in Progress	-	-
(c)	Other intangible assets	-	-
(d)	Financial assets		
	(i) Investments	13.50	13.50
	(ii) Loans	-	-
	(iii) Others	65.36	60.89
(e)	Other non-current assets	49.59	30.33
2	**Current Assets**		
(a)	Inventories	3,406.95	4,396.56
(b)	Financial assets		
	(i) Trade receivables	5,231.22	6,229.56
	(ii) Investments	-	-
	(iii) Cash and cash equivalents	19.14	17.85
	(iv) Bank Balances other than (iii) above	121.63	199.30
(c)	Current Tax Assets (Net)	17.34	36.50
(d)	Other current assets	3,646.61	3,409.46
	Total Assets	**15,434.26**	**17,336.78**
1	**EQUITY AND LIABILITIES**		
	EQUITY		
(a)	Equity Share Capital	796.48	796.48
(b)	Other Equity	2,900.98	3,072.91
	LIABILITIES		
	Non-Current liabilities		
(a)	Financial liabilities		
	(i) Borrowings	3,492.83	2,170.05
-	(ii) Other financial liabilities	-	-
(b)	Deferred tax liabilities (net)	248.07	230.75
(c)	Other non-current Liabilities	-	-
(d)	Long Term Provisions Provisions	43.84	36.28
2	**Current Liabilities**		
(a)	Financial liabilities		
	(i) Borrowings	5,785.18	7,963.27
	(ii) Trade and other Payables		
	(A) Total outstanding dues of Micro enterprises and small enterprises	14.48	17.98
	(B) Total outstanding dues of Creditors other than Micro enterprises and small enterprises	1,477.39	2,528.70
	(iii) Other financial liabilities	76.85	89.37
(b)	Other Current Liabilities	585.62	412.23
(c)	Short Term Provisions	12.54	18.74
	Total Equity & Liabilities	**15,434.26**	**17,336.78**

ASHIANA ISPAT LIMITED DELHI

2 Unaudited Cash Flow Statement

CASH FLOW STATEMENT FOR THE YEAR ENDED 30TH SEPTEMBER, 2024			(Rs. In Lakhs)
	Particulars	**30.09.2024 Unaudited**	**31.03.2024 Audited**
[A]	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Net Profit before Tax	(154.61)	200.10
	Adjusted For :-		
	Depreciation and amortisation expenses	89.27	191.78
	Finance Cost	417.90	901.95
	Interest Income	(4.70)	19.73
	Employee Benefits Expenses	1.35	8.14
	Loss/ (Gain) on Fair Value Changes (net)	-	(3.50)
	Sundry Balance written off	55.30	-
	Loss / (Gain) on Sale of Property, Plant and Equipment	12.46	(103.19)
	Operating Profit Before Working Capital Changes	**416.98**	**1,215.01**
	Adjusted For :-		
	(Increase) / Decrease in trade receivables	998.33	1,094.41
	(Increase) / Decrease in Other Assets	(279.68)	(534.42)
	(Increase) / Decrease in Inventories	989.61	(984.08)
	Increase / (Decrease) in trade payables	(1,054.82)	(930.16)
	Increase / (Decrease) in Other Liabilities	151.99	(22.98)
	Increase / (Decrease) in Provisions Increase / (Decrease) in Provisions (Excluding current tax provision)	-	2.71
	Cash Generated from Operations	**1,222.41**	**(159.50)**
	Cash Flow Before Extraordinary Items		
	Income Tax Paid (net of earlier year)	(17.34)	(0.27)
	Net Cash From Operating Activities	**1,205.07**	**(159.77)**
[B]	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Purchase Of Property, plant and equipment	(46.81)	(28.80)
	Sale of Property, plant and equipment	25.00	189.67
	Interest Received	4.70	(19.73)
	FDR with Bank	77.67	(87.84)
	Net (Cash Used) in Investing Activities	**60.56**	**53.30**
[C]	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Interest on Borrowing	(409.03)	(901.95)
	Proceeds / (Repayment) from long term borrowings	1,322.78	(1,098.00)
	Proceeds / (Repayment) from short term borrowings	(2,178.10)	2,107.58
	Net (Cash Used) / Generated in Financing Activities	**(1,264.34)**	**107.63**
	Net Increase/ (Decrease) In Cash and Cash Equivalents	**1.30**	**1.16**
	Cash and Cash Equivalents as at the beginning of the year	17.85	16.69
	Cash and Cash Equivalents as at the end of the year	**19.14**	**17.85**
	Cash and Cash Equivalents included in the cash flow statement comprise the following:		
	Cash in Hand	16.16	16.56
	Balance with banks:		
	-In Current Accounts	2.98	1.29
		19.14	**17.85**

Note to cash flow statement:

Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'.

ASHIANA ISPAT LIMITED DELHI

3	The financial results of the Company have been prepared in accordance with the principles and procedures of Indian Accounting Standards ("Ind AS") as notified under the Companies (Ind AS) Rules, 2015, as specified in section 133 of the Companies Act, 2013.
4	The above results for the quarter and half year ended 30.09.2024 were reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on November 29, 2024.The unaudited results for the current quarter and the half year have been subjected to limited review by the statutory auditor of the company.
5	The Chief Financial Officer has certified that the financial results for the year ended Sep 30, 2024, do not contain any false or misleading statement or figures and do not omit any material fact which may make the statements or figures contained therein misleading
6	Trade Receivables amounting to Rs. 660.80 Lakhs are due from companies undergoing proceedings under the Corporate Insolvency Resolution Process (CIRP) with the National Company Law Tribunal (NCLT). The company's claim has been admitted and accepted by the NCLT. However, management of the Company believes and acknowledges that these companies are financial worthy and have sufficient net worth and has financial capabilities. Therefore it was classified as undisputed trade receivables considered as good.
7	The company has requested confirmation for the balances of Trade Payables, Trade Receivables, Loans and Advances, and Current Liabilities from the respective parties. However, as of the date of this report, the company has received responses only in few cases to these confirmation requests.
8	The figures for the last quarter ended 30th Sep 2024 is the balancing figures between the unaudited figures in respect of the half year ending 30th Sep, 2024 and the published year to date figures up to the Second quarter of the respective financial year.
9	The Company operates exclusively in one segment namely "Iron & Steel" and there are no reportable segments in accordance with IND AS-108 on "Operating Segments".
10	The financial results of the Company for the quarter ended Sep 30, 2024, are available at the Company's website, https://www.ashianaispat.in and Bombay Stock Exchange website, www.bseindia.com.
11	The Company's operations were intermittently disrupted during the 2nd Quarter of the financial year 2023-24. Intermittent disruption was caused to relocating some portions of the plant to its own land, necessitating significant modifications resulting in disruption of production of iron bars. The ongoing modifications have caused a significant operational downturn, leading to reduced sales and financial losses for the quarter. The company anticipates that the plant will be operational by the end of the third quarter
12	The Company entered into an agreement with M/s Kamdhenu Limited on December 26, 2002, granting it the rights to use the trademark "KAMDHENU" for a period of 99 years. Subsequently, in January 2021, a new license agreement was executed, allowing the Company to use the trademarks "KAMDHENU" and "KAMDHENU NXT" for a period of 80 years. During the period under review, Kamdhenu Limited unilaterally terminated the Company's rights to use the trademarks "KAMDHENU" and "KAMDHENU NXT" via a letter dated September 19, 2024, without providing the Company an opportunity to be heard. In response to this wrongful act by Kamdhenu Limited, the Company is pursuing appropriate legal remedies to seek the restoration of its rights to use the trademarks. The Company believes that there shall be no impact on the operations of the company due to illegal termination of the right to use the trademark by Kamdhenu Limited.
13	The company is in the process of entering a strategic alliance with Legend Group located at Gurugram, Haryana to fully utilize the capacity of the plant and expansion of the business beyond the present horizon of the business sphere. The said fact has already been reported to BSE Ltd via letter dated 25.11.2024.
14	The unaudited Standalone comparative financial figures of the Company for the quarter and half year ended 30th Sep, 2023 are reviewed by the predecessor auditor vide its report, in which the predecessor auditor has expressed an unmodified opinion.
15	The figures of the previous year/quarter have been regrouped/rearranged wherever necessary to correspond with the current year figures.

Place: Delhi
Date: 29.11.2024

For Ashiana Ispat Limited
For and on behalf of the Board of Directors

(Puneet Jain)
Managing Director
DIN: 00814312

ASHIANA ISPAT LIMITED
DELHI

KHIWANI SOOD & ASSOCIATES
CHARTERED ACCOUNTANTS

Limited Review report for the Standalone Unaudited Quarterly/Half Yearly Financial Results of ASHIANA ISPAT LIMITED pursuant to Regulation 33 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 as amended

Review report to,
The Board of Directors
ASHIANA ISPAT LIMITED
908-910 Pearls Best Heights-II
Netaji Subhash Place, Pitampura
Delhi-110034

We have reviewed the accompanying statement of unaudited financial results of M/s **"ASHIANA ISPAT LIMITED"** for Quarter ended 30th September, 2024 and year to date from 01st April 2024 to 30th September 2024 (the statement) attached herewith, being submitted by the company pursuant to the requirements of regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations").

This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.

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 financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and an analytical procedure applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Basis for Qualified Conclusion

1. **Operational Disruption and Impact on Production:**
   - 1.1. The Company's operations were intermittently disrupted from the month of August'2024 due to the below mentioned reasons.
     - 1.1.1. The plant, located on the company's own property, includes certain parts situated on land owned by other company. During the period under review, the company had to vacate such area.
     - 1.1.2. Consequently, the company had to relocate portions of the plant to its own land, necessitating significant modifications resulting in disruption of production of iron bars. The ongoing modifications have caused a significant operational downturn, leading to reduced sales and financial losses for the quarter. The company anticipates that the plant will be operational by the end of the third quarter.

Khiwani Sood & Associates Chartered Accountants FRN:040433N New Delhi

1.2. The intermittent disruption impacted the company's working capital, causing delays in meeting financial obligations, such as taxes, bank/financial institutions loans, and payments to creditors. This disruption in production and revenue generation has strained the company's cash flow and liquidity.

2. Due to ongoing renovation to the plant and machinery, the inventory could not be verified during the limited review.

3. (a) Trade receivables include an amount of Rs. 1424.65 Lakhs that have been outstanding for more than three years. This has led to a significant increase in credit risk.
The company has not made any provision of Expected Credit Loss (ECL) as required under Indian Accounting Standard (Ind AS) 109, "Financial Instruments," where an entity is required to assess and recognize impairment losses based on the expected credit loss model.

   (b) Out of the Trade Receivables, an amount of Rs. 660.80 Lakhs is receivable from companies where proceedings under Corporate Insolvency Resolution Process (CIRP) are pending with the NCLT. The claim of the company has been admitted and accepted by NCLT.

4. In the absence of external confirmations for balances related to Trade Payables, Trade Receivables, Loans and Advances, and Current Liabilities, we were unable to obtain sufficient and appropriate audit evidence regarding these balances. As a result, we could not verify the completeness, existence, and accuracy of these balances as reported in the financial statements.

5. The loan statement from Financial Institution, having a closing balance of Rs. 1273.86 lakhs as on 30-09-2024, was not made available to us. In the absence of this statement, we are unable to verify or comment on the completeness, existence, and accuracy of these balances as reported in the financial statements.

6. The company has not deposited its statutory dues towards GST amounting to Rs 37.79 lakhs, Employee Provident fund amounting to Rs 4.38 lakhs, Employee State Insurance of amounting to Rs 1.04 lakhs and Tax Deduct at source and Collect at Source of amounting to Rs 4.07 lakhs.

7. The Company has made advances to various party amounting to Rs 455.67 lakhs during the review period ended 30th September 2024. The company has not made available to us any evidence in support of such advances and in the absence of the Supporting Documents we are unable to comment whether such funds have been made for business purposes.

8. A creditor has filed a petition under Section 9 of the Insolvency and Bankruptcy Code, 2016, before the Hon'ble National Company Law Tribunal (NCLT) against the company, seeking recovery of an outstanding amount of ₹1.87 crores. The company has entered into a settlement agreement with the creditor; However, the case is still pending before the NCLT.



Emphasis of Matters

1. Refer to Note No. 12, The Company entered into an agreement with M/s Kamdhenu Limited on December 26, 2002, granting it the rights to use the trademark "KAMDHENU" for a period of 99 years. Subsequently, in January 2021, a new license agreement was executed, allowing the Company to use the trademarks "KAMDHENU" and "KAMDHENU NXT" for a period of 80 years.

   During the period under review, Kamdhenu Limited unilaterally terminated the Company's rights to use the trademarks "KAMDHENU" and "KAMDHENU NXT" via a letter dated September 19, 2024, without providing the Company an opportunity to be heard. In response to this wrongful act by Kamdhenu Limited, the Company is pursuing appropriate legal remedies to seek the restoration of its rights to use the trademarks.

   The Company believes that there shall be no impact on the operations of the company due to illegal termination of the right to use the trademark by Kamdhenu Limited.

2. Refer to Note No. 13, The company is in the process of entering a strategic alliance with Legend Group located at Gurugram, Haryana to fully utilize the capacity of the plant and expansion of the business beyond the present horizon of the business sphere. The said fact has already been reported to BSE Ltd via letter dated 25.11.2024.

Qualified Conclusion

Based on our review conducted and procedures performed as stated in para above except for the effect of matter described in "Basis for qualified conclusion" paragraph nothing had come to our attention that causes us to believe that the accompanying unaudited financial result prepared in accordance with Recognition and Measurement principle lay down in applicable Indian Accounting Standard i.e. "Ind AS" In as prescribed under section 133 of Companies Act 2013, read with relevant rules issued thereunder and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of listing regulations, including the manner in which is to be disclosed or that it contains any material mis statement.

For Khiwani Sood and Associates
Chartered Accountants
FRN. 040433N



CA Rajesh Kumar Khiwani
Partner
M.N. 081792

Place: New Delhi
Date: 29.11.2024
UDIN: 24081792BKCEWM6230

Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along with Financial Results

Statement on Impact of Audit Qualifications for the Half Year ended September 30, 2024

[See Regulation 3 3 / 5 2 of the SEBI (LODR) (Amendment) Regulations, 2 0 1 6]

I	Sl. No.	Particulars	Financial Figures - (as reported on 30.09.2024 before adjusting for qualifications) Rs. In Cr.	Adjusted Figures (audited figures after adjusting for qualifications)
	1	Turnover/Total income	141.06	Since there is no impact of Audit Qualification, there is no adjustment.
	2	Total Expenditure	142.60	
	3	Net Profit/(Loss) (including other comprehensive income)	-1.72	
	4	Earnings Per Share	-2.16	
	5	Total Assets	154.34	
	6	Total Liabilities	154.34	
	7	Net Worth (Equity Share Capital plus Other Equity)	36.97	
	8	Any other financial item(s) (as felt appropriate by the management)	Nil	Nil
II		Audit Qualification (each audit qualification separately):		
	a	Details of Audit Qualification: Attention has been drawn by the Auditors' under the heading "Basis of Qualified Opinion" of the Limited review Report to the following notes of the financial results for the quarter and Half year ended 30.09. 2024 1. **Operational Disruption and Impact on Production:** 1.1. The Company's operations were intermittently disrupted from the month of August'2024 due to the below mentioned reasons. 1.1.1. The plant, located on the company's own property, includes certain parts situated on land owned by other company. During the period under review, the company had to vacate such area. 1.1.2. Consequently, the company had to relocate portions of the plant to its own land, necessitating significant modifications resulting in disruption of production of iron bars. The ongoing modifications have caused a significant operational downturn, leading to reduced sales		

ASHIANA ISPAT LIMITED DELHI

and financial losses for the quarter. The company anticipates that the plant will be operational by the end of the third quarter.

1.2. The intermittent disruption impacted the company's working capital, causing delays in meeting financial obligations, such as taxes, bank/financial institutions loans, and payments to creditors. This disruption in production and revenue generation has strained the company's cash flow and liquidity.

2. Due to ongoing renovation to the plant and machinery, the inventory could not be verified during the course of the limited review.

3. (a) Trade receivables include an amount of Rs. 1424.65 Lakhs that have been outstanding for more than three years. This has led to a significant increase in credit risk. The company has not made any provision of Expected Credit Loss (ECL) as required under Indian Accounting Standard (Ind AS) 109, "Financial Instruments," where an entity is required to assess and recognize impairment losses based on the expected credit loss model.

   (b) Out of the Trade Receivables, an amount of Rs. 660.80 Lakhs is receivable from companies where proceedings under Corporate Insolvency Resolution Process (CIRP) are pending with the NCLT. The claim of the company has been admitted and accepted by NCLT.

4. In the absence of external confirmations for balances related to Trade Payables, Trade Receivables, Loans and Advances, and Current Liabilities, we were unable to obtain sufficient and appropriate audit evidence regarding these balances. As a result, we could not verify the completeness, existence, and accuracy of these balances as reported in the financial statements.
5. The loan statements of various loan from Bank/Financial Institution/Others having an aggregate closing balance of Rs. 1273.86 lakhs as on 30-09-2024 was not made available to us and in the absence of the statement we are unable to verify/ comment on the completeness, existence, and accuracy of these balances as reported in the financial statements.

6. The company has not deposited its statutory dues towards GST amounting to Rs 37.79 lakhs, Employee Provident fund amounting to Rs 4.38 lakhs, Employee State

ASHIANA ISPAT LIMITED DELHI

		Insurance of amounting to Rs 1.04 lakhs and Tax Deduct at source and Collect at Source of amounting to Rs 4.07 lakhs.

		7. The Company has made advances to various party amounting to Rs 455.67 lakhs during the review period ended 30th September 2024. The company has not made available to us any evidence in support of such advances and in the absence of the Supporting Documents we are unable to comment whether such funds have been made for business purposes. 8. A creditor has filed a petition under Section 9 of the Insolvency and Bankruptcy Code, 2016, before the Hon'ble National Company Law Tribunal (NCLT) against the company, seeking recovery of an outstanding amount of ₹1.87 crores. The company has entered into a settlement agreement with the creditor; However, the case is still pending before the NCLT.
	B	Type of Audit Qualification: Qualified Opinion
	c	Frequency of qualification: Whether appeared first time / repetitive / since how long continuing – Second Time
	d	For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: 9. Auditor has not quantified the impact of qualified opinion. 10. The management's view on the qualified opinions is as below: 10. Quote: 1 **Qualified opinion of statutory Auditor:** **Operational Disruption and Impact on Production:** 10.1. The Company's operations were intermittently disrupted from the month of August'2024 due to the below mentioned reasons. 10.1.1. The plant, located on the company's own property, includes certain parts situated on land owned by other company. During the period under review, the company had to vacate such area. 10.1.2. Consequently, the company had to relocate portions of the plant to its own land, necessitating significant modifications resulting in disruption of production of iron bars. The ongoing modifications have caused a significant

ASHIANA ISPAT LIMITED DELHI

operational downturn, leading to reduced sales and financial losses for the quarter. The company anticipates that the plant will be operational by the end of the third quarter.

10.2. The intermittent disruption impacted the company's working capital, causing delays in meeting financial obligations, such as taxes, bank/financial institutions loans, and payments to creditors. This disruption in production and revenue generation has strained the company's cash flow and liquidity.

Unquote: 1

Management's view:

For the above referred observation of the Auditors, the company provides the following clarifications:

Qualification raised by Auditors at Para no. 9.1, 9.1.1,9.1.2 are self- explanatory.

10.2 : Due to The intermittent disruption impacted the company's working capital, causing delays in meeting financial obligations, such as taxes, bank/financial institutions loans, and payments to creditors.
Management anticipates that the plant will be operational by the end of the third quarter and all the financial obligation will be met out and will be regularized.

10.2 **Quote: 2**

10.2 Qualified opinion of statutory Auditor

Due to ongoing renovation to the plant and machinery, the inventory could not be verified during the course of the limited review.

Unquote: 2

Management's view:

For the above referred observation of the Auditors, the company provides the following clarifications:

Since the renovation works is/are going on in the plant therefore Auditors could not verified the inventory therefore relied upon the verification of inventory made by Management of the company

10.3 Quote: 3

Qualified opinion of statutory Auditor:

1. (a) Trade receivables include an amount of Rs. 1424.65 Lakhs that have been outstanding for more than three years. This has led to a significant increase in credit risk.

ASHIANA ISPAT LIMITED DELHI

The company has not made any provision of Expected Credit Loss (ECL) as required under Indian Accounting Standard (Ind AS) 109, "Financial Instruments," where an entity is required to assess and recognize impairment losses based on the expected credit loss model.

(b) Out of the Trade Receivables, an amount of Rs. 660.80 Lakhs is receivable from companies where proceedings under Corporate Insolvency Resolution Process (CIRP) are pending with the NCLT. The claim of the company has been admitted and accepted by NCLT.

Unquote: 3

Management's view:

For the above referred observation of the Auditors, the company provides the following clarifications:

Receivables amounting to Rs. 1424.65 Lakhs consists the amount due towards the company facing insolvency process under IBC code. In the matter of holding company NINEX DEVELOPERS LIMITED Honb'le NCLT Pronounced their order on 15.02.2024 and directed RP to handover the assets, documents, records pertaining to the Corporate Debtor to the suspended management of the Corporate Debtor forthwith.

Since the Corporate Insolvency Resolution Process (CIRP) has been withdrawn, all the connected IA(s)/CA(s) stands disposed of.

Management of Ninex Group who are our debtor assured that Insolvency Resolution Process (CIRP) against the others company which are about 100%subsidiary of Ninex are also likely to be withdrawn.

As far as applicability of Indian Accounting Standard (Ind AS) 109 management's view is that carrying amount of debt is less than the recoverable amount and therefore there is no need to recognise the impairment loss.

Management have strong opinion and believe that once the insolvency process gets withdrawn the management of the corporate debtors will clear all dues with interest.

Management is in regular touch with others debtors and they are also in a process to clear the outstanding dues within shorter period.

10. 4 Quote:**4**

Qualified opinion of statutory Auditor:

In the absence of external confirmations for balances related to Trade Payables, Trade Receivables, Loans and Advances, and Current Liabilities, we were unable to obtain sufficient and appropriate audit evidence regarding these balances. As a result, we could not verify the completeness, existence, and accuracy of these balances as reported in the financial statements.

ASHIANA ISPAT LIMITED DELHI

Unquote:4

Management's view:

For the above referred observation of the Auditors, the company provides the following clarifications:

Company having more than two and half years old business relation with all our stakeholders including Debtors and Creditors. Concerned official of the Management is in regular touch with Debtors and creditors and management ensures to get Confirmation from all the Debtors and Creditors.

10.5 Quote ; 5

Qualified opinion of statutory Auditor:

The loan statements of various loan from Bank/Financial Institution/Others having an aggregate closing balance of Rs. 1273.86 lakhs as on 30-09-2024 was not made available to us and in the absence of the statement we are unable to verify/ comment on the completeness, existence, and accuracy of these balances as reported in the financial statements.

Unquote:5

Management's view:

Confirmation from the Financial Institutions/ Banks in respect of the some accounts could not made available to aggregately verify the outstanding dues of Rs. 1273.86 This happened unintentionally and management ensures to make available the confirmation of all those balances which could not be made available during the reviewing the half yearly results for the period ended 30.09.2024

10.6 Quote: 6

Qualified opinion of statutory Auditor:

The company has not deposited its statutory dues towards GST amounting to Rs 37.79 lakhs, Employee Provident fund amounting to Rs 4.38 lakhs, Employee State Insurance of amounting to Rs 1.04 lakhs and Tax Deduct at source and Collect at Source of amounting to Rs 4.07 lakhs.

Unquote:6

Management's view:

The intermittent disruption impacted the company's working capital, causing delays in meeting financial obligations, such as taxes, bank loans, and payments to creditors. This disruption in

ASHIANA ISPAT LIMITED DELHI

production and revenue generation has strained the company's cash flow and liquidity.

Operational activities is likely to start on full swing in the month of December,2024 and with resumption of operation cash flow and revenue generation will be streamlined and all the outstanding statutory dues will be paid.

10.7 Quote: 7
Qualified opinion of statutory Auditor:

The Company has made advances to various party amounting to Rs 455.67 lakhs during the review period ended 30th September 2024. The company has not made available to us any evidence in support of such advances and in the absence of the Supporting Documents we are unable to comment whether such funds have been made for business purposes.

Unquote:7

Management's view:

Material supplier gives cash discount on sales of material and therefore advance has been made to them. In the meanwhile due to intermittent disruption of production we could not procure the material against the advance payment made to them. Management ensure that with resumption of the production on full swing supplier will adjust the advance against supply of raw material.

10.8 , Quote: 8
Qualified opinion of statutory Auditor:

A creditor has filed a petition under Section 9 of the Insolvency and Bankruptcy Code, 2016, before the Hon'ble National Company Law Tribunal (NCLT) against the company, seeking recovery of an outstanding amount of ₹1.87 crores. The company has entered into a settlement agreement with the creditor; However, the case is still pending before the NCLT.

Unquote:8

Management's view:

There has been some dispute in the quality of the material supplied by the Creditor and therefore their payment was kept in abeyance. In the meanwhile creditors approached before the Hon'ble NCLT Bench of Jaipur, Rajasthan.
Company entered settlement agreement with R.K. Steel LLP, operational creditor and they are considering to withdraw the insolvency petition filed before the Hon'ble NCLT Bench of Jaipur, Rajasthan. Copy of the agreement has been made available to the statutory auditor.

ASHIANA ISPAT LIMITED DELHI

		For Audit Qualification(s) where the impact is not quantified by the auditor: 1. Management's estimation on the impact of audit qualification: Management is of the view that both the qualified opinion 1and 4 of the above have no impact and hence not quantified. 2. If management is unable to estimate the impact, reasons for the same: NA 3. Auditors' comment on (i) and (ii): Auditors have no comments

ASHIANA ISPAT LIMITED DELHI

Signatories:			
Managing Director	Puneet Jain		
Place: New Delhi Date: 29.11.2024			