

**CHETAN & CO**  
**CHARTERED ACCOUNTANTS**  
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**INDEPENDENT AUDITOR'S REPORT**

**TO THE BOARD OF DIRECTORS OF ORIENT STEEL & INDUSTRIES LIMITED**

**Report on the audit of the Financial Results**

**Opinion**

We have audited the accompanying quarterly Financial Results of **Orient Steel & Industries Limited** (the "Company"), for the quarter ended 31<sup>st</sup> March 2021 and the year-to-date Results for the period from 1<sup>st</sup> April 2020 to 31<sup>st</sup> March 2021 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 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 accounting principles generally accepted in India, of the total net profit and other Financial information for the quarter ended 31<sup>st</sup> March 2021 as well as the year to date Results for the period from 1<sup>st</sup> April 2020 to 31<sup>st</sup> March 2021.

**Basis for Qualified Opinion**

- i. Liability towards Leave encashment has not been determined by actuary and not provided for in the books of accounts in accordance with Accounting Standard (AS) 15. "Employee Benefits" on accrual basis and its consequential impact has not been ascertained at this stage;
- ii. No provision had been made against the dues of INR 412.01 Lacs (PY: 412.01 Lacs) pending for realization from customers in the accounts as at March 31, 2021 for the reason stated therein. In absence of any corroborate evidences of the party we are unable to comment on the extent of realizability of these outstanding dues; and
- iii. Balances of Trade payables of INR 320.49 Lacs, Other Current Liabilities of INR 541.55 Lacs, Trade receivables of INR 1858.66 Lacs and Short Term Loans and advances of INR 133.71 Lacs as at March 31, 2021 has not been confirmed as such its consequential impact upon receipt of such confirmation/reconciliation of such balances, if any is not ascertainable at this stage;

We further report that the overall impact of matters mentioned under aforesaid paragraph, the effect of which cannot be determined and commented upon by us.

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 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.



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

These quarterly Financial Results as well as the year to date Financial Results have been prepared on the basis of the Financial statements. The Company's Board of Directors are responsible for the preparation of these Financial Results that give a true and fair view of the net profit and other comprehensive profit and other Financial information in accordance with the recognition and measurement principles laid down in accounting principles generally accepted in India and in compliance with Regulation 33 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 judgements 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 Financial Results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the 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 is also responsible for overseeing the Company's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the 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 Financial Results.

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

- Identify and assess the risks of material misstatement of the 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 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 Financial Results, including the disclosures, and whether the 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.

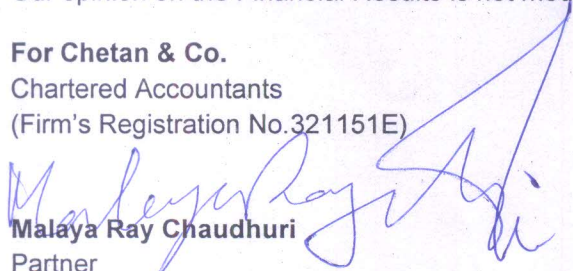
**Other Matter**

Due to the outbreak of COVID-19 pandemic that caused nationwide lockdown and other travel restrictions imposed by the Central and State Governments/local administration during the period of our audit, we could not travel to the Units/Regional Sales offices and carry out the audit processes physically at the respective Units/Regional Sales offices. Necessary records/ reports/ documents/ certificates of the respective Units/ Regional Sales offices were made available to us at head office by the management through e-mail on which were relied upon as audit evidence for conducting the audit and reporting for the current period.

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

**For Chetan & Co.**

Chartered Accountants  
(Firm's Registration No. 321151E)

  
**Malaya Ray Chaudhuri**  
Partner  
(Membership No. 053201)



Place: Kolkata

Date: 30<sup>th</sup> June, 2021

UDIN: 21053201A AAA Q6532

**ORIENT STEEL AND INDUSTRIES LIMITED**  
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**Phone No:+91-33-40070944 Email: accounts@orientsteel.com**  
**Website: www.orientsteel.com**  
**CIN No: L27109WB1956PLC023119**

**STATEMENT OF AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH 2021**

(INR in Lakhs except EPS)

	Particulars	Quarter ended			Year ended	
		31.03.2021	31.12.2020	31.03.2020	31.03.2021	31.03.2020
		(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
I	Revenue from Operations	1,105.27	1,204.89	2,487.30	4,642.75	7,082.53
II	Other Income	78.22	74.98	54.97	235.08	318.08
III	<b>Total Revenue (I+II)</b>	<b>1,183.49</b>	<b>1,279.87</b>	<b>2,542.27</b>	<b>4,877.83</b>	<b>7,400.61</b>
IV	<b>2. Expenses</b>	-	-	-	-	-
	(a) Cost of Materials consumed	619.80	355.18	(233.85)	2,638.00	4,747.58
	(b) Purchase of stock-in-trade	-	-	-	-	-
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	107.06	339.07	1,402.28	40.93	(304.38)
	(d) Employee benefits expense	35.55	41.24	46.51	125.44	194.33
	(e) Finance Cost	98.70	7.77	143.99	483.11	549.10
	(f) Depreciation and amortisation expense	69.34	66.10	69.08	266.81	259.42
	(g) Other expenses	442.31	175.43	846.13	679.96	1,362.73
	Total Expenses	1,372.77	984.79	2,274.13	4,234.26	6,808.77
V	<b>Profit / (Loss) before exceptional and extraordinary items and tax (III-IV)</b>	<b>(189.28)</b>	<b>295.08</b>	<b>268.14</b>	<b>643.57</b>	<b>591.84</b>
VI	Exceptional Items	-	-	-	-	-
VII	<b>Profit / (Loss) before extraordinary items and tax (V-VI)</b>	<b>(189.28)</b>	<b>295.08</b>	<b>268.14</b>	<b>643.57</b>	<b>591.84</b>
VIII	Extraordinary items	-	-	-	-	-
IX	<b>Profit before Tax (VII-VIII)</b>	<b>(189.28)</b>	<b>295.08</b>	<b>268.14</b>	<b>643.57</b>	<b>591.84</b>
X	Tax Expense	(107.27)	235.00	179.28	127.73	253.34
XI	<b>Profit / (Loss) for the period from Continuing Operations (IX-X)</b>	<b>(82.01)</b>	<b>60.08</b>	<b>88.86</b>	<b>515.84</b>	<b>338.50</b>
XII	Profit / (Loss) for the period from Discontinuing Operations	-	-	-	-	-
XIII	Tax expense of Discontinuing Operations	-	-	-	-	-
XIV	<b>Profit / (Loss) for the period from Discontinuing Operations after Tax (XI-XII)</b>	<b>(82.01)</b>	<b>60.08</b>	<b>88.86</b>	<b>515.84</b>	<b>338.50</b>
XV	<b>Profit / (Loss) for the period (X+XIII)</b>	<b>(82.01)</b>	<b>60.08</b>	<b>88.86</b>	<b>515.84</b>	<b>338.50</b>
	Earning per Equity Share					
	(1) Basic	(2.79)	2.04	3.02	17.53	11.50
	(2) Diluted	(2.79)	2.04	3.02	17.53	11.50
	See accompanying note to the Financial Results					



ORIENT STEEL & INDUSTRIES LTD.

*Nilesh Rajgarhia*

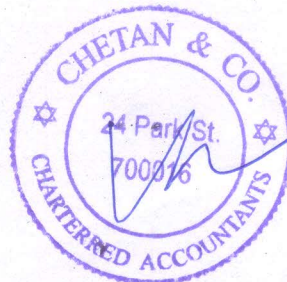
Executive Director  
Nilesh Rajgarhia  
(Executive Director)  
Din No. 00439715

**ORIENT STEEL AND INDUSTRIES LIMITED**

**Statement of Assets and Liabilities as at 31st March 2021**

(INR in Lakhs)

PARTICULARS	31.03.2021	31.03.2020
	(Audited)	(Audited)
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
a) Fixed assets		
i) Tangible assets	3755.13	4012.50
ii) Capital Work in Progress	307.72	306.68
b) Non-Current Investments	0.01	0.01
c) Deffered Tax Assets(Net)	97.86	74.72
d) Long Term Loan and Advances	101.86	114.74
e) Other Non Current Assets	2.75	21.62
<b>Total Non Current Assets</b>	<b>4265.33</b>	<b>4530.27</b>
<b>Current Assets</b>		
a) Inventories	2388.38	2632.29
b) Trade receivable	1858.66	2419.85
c) Cash & cash equivalents	98.22	131.52
d) Short-term loans and advances	133.71	37.30
e) Other Current Assets	1084.76	834.48
<b>Total Current Assets</b>	<b>5563.73</b>	<b>6055.45</b>
<b>TOTAL Assets</b>	<b>9829.06</b>	<b>10585.72</b>
<b>EQUITY &amp; LIABILITIES</b>		
<b>Shareholders' Funds</b>		
a) Share Capital	294.28	294.28
b) Reserves & Surplus	3874.14	3345.44
<b>Total Equity</b>	<b>4168.42</b>	<b>3639.72</b>
<b>Share Application Money Pending Allotment</b>		
<b>Non-Current Liabilities</b>		
a) Long Term Loan	3.20	19.35
b) Defered Tax Liabilities		
b) Other Long Term Liabilities		
c) Long Term Provision	404.72	289.69
<b>Total Non-Current Liabilities</b>	<b>407.92</b>	<b>309.03</b>
<b>Current Liabilities</b>		
a) Short term borrowings	4362.30	4687.76
b) Trade Payables	320.49	868.08
c) Other current liabilities	541.55	1071.30
d) Short-term provisions	28.39	9.83
<b>Total Current Liabilities</b>	<b>5252.73</b>	<b>6636.97</b>
<b>TOTAL Liabilities</b>	<b>9829.06</b>	<b>10585.72</b>



ORIENT STEEL & INDUSTRIES LTD.

*Narayan K. Bhatnagar*  
Executive Director