

CHETAN & CO

CHARTERED ACCOUNTANTS

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Independent Auditor's Report on Audited Financial Results for Quarter and Year ended 31st March, 2023 of the Company pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended

TO
THE BOARD OF DIRECTORS
ORIENT STEEL & INDUSTRIES LIMITED KOLKATA

Report on the Audit of the Financial Results

Qualified Opinion

1. We have audited the accompanying statement of Financial Results of **Orient Steel & Industries Limited** ("the Company") for the quarter and year ended March 31, 2023 ("herein after referred to as "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 (the "Listing Regulations").
2. In our opinion and to the best of our information and according to the explanations given to us, the 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 profit, other comprehensive income and other financial information of the company for the quarter and year ended March 31, 2023 *except for the possible effects of the matters described in the Basis for Qualified Opinion section of our report.*

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 Indian Accounting Standard (Ind AS) 19 "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 335.80 Lacs** pending for realization from customers in the accounts as at March 31, 2023. 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 426.91 Lacs**, Other Current Liabilities of **INR 326.05 Lacs**, Trade Receivables of **INR 1545.22 Lacs** and Short-Term Loans and Advances of **NR 677.85 Lacs** as at March 31, 2023 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 above in the said 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, as amended ('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 (ICAI) together with the ethical requirements that are relevant to our audit of the Statements under the provisions of the Act and the rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our qualified opinion on the financial results.

Management's Responsibility for the Financial Results

3. The Financial Results have been prepared on the basis of the Annual Financial Statement. The company's Board of Directors are responsible for the preparation and presentation of the Financial Results that give a true and fair view of the net profit, other comprehensive income of the company and other financial information of the company in accordance with the recognition and measurement principles laid down under applicable Indian Accounting Standards prescribed under section 133 of the Act read with relevant rules issued there under and other accounting principle 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 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 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 are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Results

4. 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 judgment 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 Under Section 143(3)(i) of the Act, we are also responsible for expressing an opinion whether the Company has adequate internal financial



controls with respect to Financial Statements in place and the operating effectiveness of such controls 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 auditors' 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 auditors' 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 Matters

5. The Financial Results include the results for the quarter ended 31st March, 2023, being the balancing figures between audited figures in respect of the full financial year ended 31st March, 2023 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, as required under the listing regulations.

For Chetan & Co.
Chartered Accountants
(Firm's Registration No.321151E)

Malaya Ray Chaudhuri
Partner
(Membership No.053201)

UDIN: 23053201BGZHQF6170

Place: Kolkata
Date: May 30,2023



ORIENT STEEL & INDUSTRIES LIMITED
BALANCE SHEET AS AT MARCH 31, 2023

	As at	March 31, 2023	As at	March 31, 2022
PARTICULARS				
ASSETS				
1 NON CURRENT ASSETS				
a) Property, Plant and Equipment		3316,51,448		3567,58,626
b) Capital Work in Progress		319,66,400		310,43,274
c) Right of Use Assets				
d) Investment Property				
e) Intangible Assets				
f) Financial Assets				
i) Investments		500		500
ii) Loans		45,00,000		45,00,000
iii) Others				
g) Non Current Tax Assets (Net)		239,73,676		104,02,717
h) Other Non Current Assets		48,92,725		54,76,448
TOTAL NON CURRENT ASSETS		3969,84,749		4081,81,565
2 CURRENT ASSETS				
a) Inventories		3716,03,318		2492,76,987
b) Financial Assets				
i) Investments				
ii) Trade Receivables		1545,22,019		1545,22,754
iii) Cash and Cash equivalents		5,68,955		6,65,983
iv) Bank balances other than cash and cash equivalents		384,00,713		490,66,306
v) Loans		677,85,113		692,38,445
vi) Others				
c) Current Tax Assets (Net)				
d) Other Current Assets		416,43,009		354,96,024
TOTAL CURRENT ASSETS		6745,23,126		5582,66,499
TOTAL ASSETS		10715,07,875		9664,48,064
EQUITY & LIABILITIES				
1 EQUITY				
a) Equity Share Capital		294,28,000		294,28,000
b) Other Equity		5895,96,473		4548,93,399
		6190,24,473		4843,21,399
2 LIABILITIES				
3 Non-Current Liabilities				
a) Financial Liabilities				
i) Borrowings		-		-
ia) Lease Liabilities		-		-
ii) Other Financial Liabilities		-		-
b) Provision		413,85,254		326,40,286
c) Deferred Tax Liabilities (Net)		-		-
d) Other Non Current Liabilities		-		-
TOTAL NON CURRENT LIABILITIES		413,85,254		326,40,286
4 Current Liabilities				
a) Financial Liabilities				
i) Borrowings		3304,34,008		3897,61,430
ia) Lease Liabilities				
ii) Trade Payables		426,91,388		345,37,281
iii) Other Financial Liabilities				
b) Other Current Liabilities		326,04,632		219,22,951
c) Provisions		53,68,122		32,64,717
d) Current Tax Liabilities (Net)				
TOTAL CURRENT LIABILITIES		4110,98,151		4494,86,380
TOTAL EQUITY AND LIABILITIES		10715,07,875		9664,48,064

As per our report of even date attached

For ORIENT STEEL & INDUSTRIES LTD

For **Chetan & Co.**
Chartered Accountants
Firm Registration No. 321151E

Malaya Ray Chaudhuri
Membership No. 053201

Place : Kolkata
Date : 30-05-2023



Nawal Kishore Rajgarhia
Chairman & Managing Director
Din NO.00439689

Nilesh Rajgarhia
Executive Director
Din No. 00439715



STATEMENT OF AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH 2023

	Particulars	Quarter ended		Year ended	
		31.03.2023	31.12.2022	31.03.2022	31.03.2023
		(Audited)	(Unaudited)	(Audited)	(Audited)
I	Revenue from Operations	2,346.91	2,581.15	1,625.96	9,176.95
II	Other Income	64.91	89.51	70.28	368.08
III	Total Revenue (I+II)	2,411.82	2,670.66	1,696.24	9,545.03
IV	2. Expenses				
	(a) Cost of Materials consumed	1,682.40	1,774.16	1,301.93	5,961.36
	(b) Purchase of stock-in-trade	-	-	-	-
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(365.61)	(10.24)	(255.81)	(543.41)
	(d) Employee benefits expense	68.64	91.93	228.56	323.07
	(e) Finance Cost	78.63	82.93	77.87	350.77
	(f) Depreciation and amortisation expense	58.68	61.78	54.67	243.65
	(g) Other expenses	648.78	296.12	512.40	1,592.63
	Total Expenses	2,171.61	2,296.69	1,919.62	7,968.08
V	Profit / (Loss) before exceptional and extraordinary items and tax (III-IV)	240.21	373.97	(223.38)	1,636.95
VI	Exceptional Items	-	-	-	-
VII	Profit / (Loss) before extraordinary items and tax (V-VI)	240.21	373.97	(223.38)	1,636.95
VIII	Extraordinary Items	-	-	-	-
IX	Profit before Tax (VII-VIII)	240.21	373.97	(223.38)	1,636.95
X	Tax Expense	(86.39)	92.40	(89.75)	289.91
XI	Profit / (Loss) for the period from Continuing Operations (IX-X)	326.60	283.57	(133.63)	1,347.85
XIII	Profit / (Loss) for the period from Discontinuing Operations	-	-	-	-
XIV	Tax expense of Discontinuing Operations	-	-	-	-
XV	Profit / (Loss) for the period from Discontinuing Operations after Tax (XII-XIII)	-	-	-	-
XVI	Profit / (Loss) for the period (XI+XIV)	326.60	283.57	(133.63)	1,347.85
	Earning per Equity Share				
	(1) Basic	11.10	9.64	(4.54)	45.77
	(2) Diluted	11.10	9.64	(4.54)	45.77

See accompanying notes to the Financial Results

- The Financial Results of the Company for the quarter and year ended 31st March, 2023 have been prepared in accordance with the Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements), 2015
- Figures for the previous have been regrouped necessary, to conform to the current period's classification
- The above financial results were reviewed and recommended by the Audit Committee and approved by the Board of Directors at their respective meeting held on 30th May, 2023. The Statutory Auditors of the Company have expressed a modified opinion on these financial results.
- The Company is engaged in manufacturing of Iron and steel products and the operations are mainly in India. The company has windmill division, power generation at the state of Karnataka and also having income from windmill division. As per the requirement of IND AS-108 "Operating Segment" revenue from such business and segment results as well as segment assets related to such windmill division does not meet the criteria and hence do not qualify as a reportable segment.

For Chetan & Co.
Chartered Accountants
FRN: 32481E

Malaya Ray Chaudhuri
Partner
Membership No. - 053201

Place Kolkata
Date 30th May, 2023

For and on behalf of the Board of Directors
Orient Steel & Industries Limited

Nawal Kishore Rajgarhia
Chairman & Managing Director
DIN: 00439689

Nilesh Rajgarhia
Executive Director
DIN: 00439715

