## METALYST FØRGINGS LIMITED

(formerly known as Ahmednagar Forgings Limited)

Registered Office : Gat No.614, Village Kuruli Khed, Pune, Maharashtra - 410501 Tel.: +91-8087090023 CIN No. is L28910MH1977PLC019569

Ref.No.: MFL/BSE/2022-23

Date: 09.11.2022

То

The Secretary, BSE Limited, Phiroze Jeejeebhoy, Towers Limited, Dalal Street, Mumbai - 400001,

Scrip Code: 513335.

#### Sub: Statement of Impact for the Financial year ended 31st March 2022

#### Dear Sir/Ma'am,

This is with reference to the intimation submitted dated 01<sup>st</sup> November 2022 regarding Audited Standalone Financial Results along with Auditors Report for the quarter and year ended March 31<sup>st</sup> 2022. Please find attached herewith the statement of Impact in terms of circular number CIR/CFD/CMD/56/2016 dated May 27<sup>th</sup> 2016 for the year ended 31<sup>st</sup> March 2022.

This is for your information and record.

Thanking You, Yours faithfully,

#### For Metalyst Forgings Limited (A Company under Corporate Insolvency Resolution Process)

Divya Srivastava Company Secretary & Compliance Officer Issued with Approval of Mr. Dinkar Tiruvannadapuram Venkatasubramanian (Resolution Professional) IP Registration no. IBBI/IPA-001/IP-P00003/2016-17/10011

(Metalyst Forgings Limited is under Corporate Insolvency Resolution Process of the Insolvency and Bankruptcy Code, 2016. Its affairs, business and assets are being managed by the Resolution Professional, Mr. Dinkar T. Venkatasubramanian, appointed as Interim Resolution Professional by the National Company Law Tribunal by order dated 15 December, 2017 and continued as Resolution Professional by the Committee of Creditors in its meeting held on 12 January, 2018 under provisions of the code)

Encl: a/a

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#### **ANNEXURE I**

### <u>Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted</u> along-with Annual Audited Financial Results - (*Standalone and Consolidated separately*)

I.     Audited Figures in lakhs     Adjusted Figures in (audited figures a adjusting for       Sl.     Particulars     (as reported)		[See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]						
1.       Total Expenditure       48,373       48,373         2.       Total Expenditure       48,373       48,373         3.       Net Profit/(Loss)       -25,247       -25,247         4.       Earnings Per Share (in Rs.)       -57.97       -57.97         5.       Total Assets       2,13,249       2,13,249         6.       Total Liabilities       2,13,249       2,13,249         7.       Net Worth       -2,21,188       -2,21,188         8.       Any other financial item(s) (as felt appropriate by the management)       -       -         II.       Audit Qualification (each audit qualification separately):       -       -         II.       Audit Qualification 1:       -       -       -         Audit Qualification 1:       -       -       -       -         8.       management)       -       -       -         II.       Audit Qualification 1:       -       -       -         a. Details of Audit Qualification:       As per "IND AS 36 Impairment of Assets", the company should assess at the end of each reporting per whether there is an indication that an asset may be impaired. If any such indication exists, the entity estimate the recoverable amount of asset. As per "IND AS 109 Financial Instruments" the Company is recognize a loss allowance for expected credit losses on	Ι.			Audited Figures in lakhs (as reported before adjusting	Adjusted Figures in lakh (audited figures after adjusting for qualifications)			
2.       Note Profit/(Loss)       -25,247       -25,247         3.       Net Profit/(Loss)       -57.97       -57.97         4.       Earnings Per Share (in Rs.)       -57.97       -57.97         5.       Total Assets       2,13,249       2,13,249         6.       Total Liabilities       2,13,249       2,13,249         7.       Net Worth       -2,21,188       -2,21,188         8.       management)       -       -         Audit Qualification (each audit qualification separately):         II.       Audit Qualification 1:       -       -         Audit Qualification 1:         Audit Qualification 1:         Audit Qualification 1:         Audit Qualification:         As per "IND AS 36 Impairment of Assets", the company should assess at the end of each reporting per whether there is an indication that an asset may be impaired. If any such indication exists, the entity estimate the recoverable amount of asset. As per "IND AS 105 Financial Instruments" the Company is under CIRP process and RP and COC are in the process of finalization of successful resolution, the Company management has not determined value of these assets in use. Accordingly, we are unable to ascerta possible effect of the same on the statements.         b. Type of Audit Qualification: Whether appeared first time / repetitive / since how long continuing Repetitive as th		1.	Turnover / Total income	23,126	23,126			
3.       Territority (cost)         4.       Earnings Per Share (in Rs.)         5.       Total Assets         2,13,249       2,13,249         6.       Total Liabilities         7.       Net Worth         8.       Any other financial item(s) (as felt appropriate by the management)         8.       Any other financial item(s) (as felt appropriate by the management)         11.       Audit Qualification (each audit qualification separately):         11.       Audit Qualification 1:         a. Details of Audit Qualification: As per "IND AS 36 Impairment of Assets", the company should assess at the end of each reporting per whether there is an indication that an asset may be impaired. If any such indication exists, the entity estimate the recoverable amount of asset. As per "IND AS 109 Financial Instruments" the Company is recognize a loss allowance for expected credit losses on a financial asset. Since the Company is unde CIRP process and RP and COC are in the process of finalization of successful resolution, the Company management has not determined value of these assets in use. Accordingly, we are unable to ascerta possible effect of the same on the statements.         b. Type of Audit Qualification: Whether appeared first time / repetitive / since how long continuing Repetitive as the Company is under Corporate Insolvency Resolution Process (CIRP)         d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: Not Quantified by Auditor		2.	Total Expenditure	48,373	48,373			
4.       Lating Y et of divergination of the set		3.	Net Profit/(Loss)	-25,247	-25,247			
1.1       Net Notes       2,13,249       2,13,249         1.1       Net Worth       -2,21,188       -2,21,188         1.1       Any other financial item(s) (as felt appropriate by the management)       1.1       1.1         1.1       Audit Qualification (each audit qualification separately):       1.1         1.1       Audit Qualification 1:       1.1         2.1       Audit Qualification 1:       1.1         3.1       Details of Audit Qualification: As per "IND AS 36 Impairment of Assets", the company should assess at the end of each reporting per whether there is an indication that an asset may be impaired. If any such indication exists, the entity estimate the recoverable amount of asset. As per "IND AS 109 Financial Instruments" the Company si recognize a loss allowance for expected credit losses on a financial asset. Since the Company is undee CIRP process and RP and COC are in the process of finalization of successful resolution, the Company management has not determined value of these assets in use. Accordingly, we are unable to ascerta possible effect of the same on the statements.         b. Type of Audit Qualification: Whether appeared first time / repetitive / since how long continuing Repetitive as the Company is under Corporate Insolvency Resolution Process (CIRP)         d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: Not Quantified by Auditor		4.	Earnings Per Share (in Rs.)	-57.97	-57.97			
0.       Net Worth       -2,21,188       -2,21,188         7.       Net Worth       -2,21,188       -2,21,188         8.       management)		5.	Total Assets	2,13,249	2,13,249			
Interview       Any other financial item(s) (as felt appropriate by the management)       Any other financial item(s) (as felt appropriate by the management)         II.       Audit Qualification (each audit qualification separately):         II.       Audit Qualification 1:         a. Details of Audit Qualification: As per "IND AS 36 Impairment of Assets", the company should assess at the end of each reporting per whether there is an indication that an asset may be impaired. If any such indication exists, the entity estimate the recoverable amount of asset. As per "IND AS 109 Financial Instruments" the Company is recognize a loss allowance for expected credit losses on a financial asset. Since the Company is unde CIRP process and RP and COC are in the process of finalization of successful resolution, the Company management has not determined value of these assets in use. Accordingly, we are unable to ascerta possible effect of the same on the statements.         b. Type of Audit Qualification: Whether appeared first time / repetitive / since how long continuing Repetitive as the Company is under Corporate Insolvency Resolution Process (CIRP)         d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: Not Quantified by Auditor		6.	Total Liabilities	2,13,249	2,13,249			
8.       management)         Audit Qualification (each audit qualification separately):         II.       Audit Qualification (each audit qualification separately):         Audit Qualification 1:       a. Details of Audit Qualification: As per "IND AS 36 Impairment of Assets", the company should assess at the end of each reporting per whether there is an indication that an asset may be impaired. If any such indication exists, the entity estimate the recoverable amount of asset. As per "IND AS 109 Financial Instruments" the Company second is allowance for expected credit losses on a financial asset. Since the Company is unde CIRP process and RP and COC are in the process of finalization of successful resolution, the Company management has not determined value of these assets in use. Accordingly, we are unable to ascerta possible effect of the same on the statements.         b. Type of Audit Qualification: Whether appeared first time / repetitive / since how long continuing Repetitive as the Company is under Corporate Insolvency Resolution Process (CIRP)         d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: Not Quantified by Auditor		7.	Net Worth	-2,21,188	-2,21,188			
II.       Audit Qualification (each audit qualification separately):         Audit Qualification 1:       Audit Qualification 1:         a. Details of Audit Qualification:       As per "IND AS 36 Impairment of Assets", the company should assess at the end of each reporting per whether there is an indication that an asset may be impaired. If any such indication exists, the entity estimate the recoverable amount of asset. As per "IND AS 109 Financial Instruments" the Company second recognize a loss allowance for expected credit losses on a financial asset. Since the Company is under CIRP process and RP and COC are in the process of finalization of successful resolution, the Company management has not determined value of these assets in use. Accordingly, we are unable to ascerta possible effect of the same on the statements.         b. Type of Audit Qualification: Whether appeared first time / repetitive / since how long continuing Repetitive as the Company is under Corporate Insolvency Resolution Process (CIRP)         d.       For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: Not Quantified by Auditor		8.			-			
<ul> <li>a. Details of Audit Qualification: As per "IND AS 36 Impairment of Assets", the company should assess at the end of each reporting per whether there is an indication that an asset may be impaired. If any such indication exists, the entity estimate the recoverable amount of asset. As per "IND AS 109 Financial Instruments" the Company is recognize a loss allowance for expected credit losses on a financial asset. Since the Company is under CIRP process and RP and COC are in the process of finalization of successful resolution, the Company management has not determined value of these assets in use. Accordingly, we are unable to ascerta possible effect of the same on the statements.</li> <li>b. Type of Audit Qualification : Qualified Opinion / Disclaimer of Opinion / Adverse Opinion</li> <li>c. Frequency of qualification: Whether appeared first time / repetitive / since how long continuing Repetitive as the Company is under Corporate Insolvency Resolution Process (CIRP)</li> <li>d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: Not Quantified by Auditor</li> </ul>	п.	Audit						
<ul> <li>As per "IND AS 36 Impairment of Assets", the company should assess at the end of each reporting per whether there is an indication that an asset may be impaired. If any such indication exists, the entity estimate the recoverable amount of asset. As per "IND AS 109 Financial Instruments" the Company is recognize a loss allowance for expected credit losses on a financial asset. Since the Company is under CIRP process and RP and COC are in the process of finalization of successful resolution, the Company management has not determined value of these assets in use. Accordingly, we are unable to ascerta possible effect of the same on the statements.</li> <li>b. Type of Audit Qualification : Qualified Opinion / Disclaimer of Opinion / Adverse Opinion</li> <li>c. Frequency of qualification: Whether appeared first time / repetitive / since how long continuing Repetitive as the Company is under Corporate Insolvency Resolution Process (CIRP)</li> <li>d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: Not Quantified by Auditor</li> </ul>		Audit Qualification 1:						
<ul> <li>c. Frequency of qualification: Whether appeared first time / repetitive / since how long continuing Repetitive as the Company is under Corporate Insolvency Resolution Process (CIRP)</li> <li>d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: Not Quantified by Auditor</li> </ul>			. Details of Audit Qualification:	should proces at the an	d of each reporting period			
Repetitive as the Company is under Corporate Insolvency Resolution Process (CIRP)         d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:         Not Quantified by Auditor			. Details of Audit Qualification: As per "IND AS 36 Impairment of Assets", the company whether there is an indication that an asset may be im estimate the recoverable amount of asset. As per "IND recognize a loss allowance for expected credit losses of CIRP process and RP and COC are in the process of fina management has not determined value of these assets	paired. If any such indica AS 109 Financial Instrum n a financial asset. Since lization of successful reso	tion exists, the entity shall nents" the Company shoul the Company is under the olution, the Company and			
Not Quantified by Auditor		a	Details of Audit Qualification: As per "IND AS 36 Impairment of Assets", the company whether there is an indication that an asset may be im- estimate the recoverable amount of asset. As per "IND recognize a loss allowance for expected credit losses of CIRP process and RP and COC are in the process of fina management has not determined value of these assets possible effect of the same on the statements.	paired. If any such indica AS 109 Financial Instrum n a financial asset. Since lization of successful reso s in use. Accordingly, we	tion exists, the entity shall nents" the Company shoul the Company is under the olution, the Company and are unable to ascertain the			
e. For Audit Qualification(s) where the impact is not quantified by the auditor:		b	<ul> <li>Details of Audit Qualification:         As per "IND AS 36 Impairment of Assets", the company whether there is an indication that an asset may be impestimate the recoverable amount of asset. As per "IND recognize a loss allowance for expected credit losses of CIRP process and RP and COC are in the process of fina management has not determined value of these assets possible effect of the same on the statements.     </li> <li>Type of Audit Qualification: Whether appeared first times and the same of the statements.</li> </ul>	paired. If any such indica AS 109 Financial Instrum n a financial asset. Since lization of successful reso s in use. Accordingly, we laimer of Opinion / Adver me / repetitive / since ho	tion exists, the entity shall hents" the Company shoul the Company is under the olution, the Company and are unable to ascertain the ese Opinion w long continuing			
(i) Management's estimation on the impact of audit qualification: Unable to Estimate		a b c	<ul> <li>Details of Audit Qualification: As per "IND AS 36 Impairment of Assets", the company whether there is an indication that an asset may be im- estimate the recoverable amount of asset. As per "IND recognize a loss allowance for expected credit losses on CIRP process and RP and COC are in the process of fina management has not determined value of these assets possible effect of the same on the statements.</li> <li>Type of Audit Qualification : Qualified Opinion / Discl Frequency of qualification: Whether appeared first tin Repetitive as the Company is under Corporate Insolv</li> <li>For Audit Qualification(s) where the impact is quantified</li> </ul>	paired. If any such indica AS 109 Financial Instrum n a financial asset. Since lization of successful resust in use. Accordingly, we laimer of Opinion / Adver me / repetitive / since ho rency Resolution Process	tion exists, the entity shall nents" the Company shoul the Company is under the olution, the Company and are unable to ascertain the rse Opinion w long continuing s (CIRP)			

	(ii) If management is unable to estimate the impact, reasons for the same: The company has been under Corporate Insolvency Resolution Process (CIRP) since December 15, 2017 under the provisions of the Insolvency & Bankruptcy Code 2016 (Code). Since the company is still under the process of CIRP and Resolution Professional & Committee of Creditors are in the process of finalization of successful resolution applicant, it is not possible to determine the impact.			
	(iii) Auditors' Comments on (i) or (ii) above:			
•	Audit report is self explanatory.			
	Audit Qualification 2: a. Details of Audit Qualification:			
	a. Details of Audit Qualification: As per "IND AS 36 Impairment of Assets", the company should perform impairment testing on Property, Plant and Equipment having net block value of Rs.1,49,880.62 lakhs and Capital WIP having closing value of Rs.13,947.34 lakhs. We are informed by the management that since the company is under CIRP process, it is not possible for them to determine value in use and hence impairment testing has not been carried out. Accordingly, we are unable to ascertain the possible effects of the same on the Standalone Financial statements.			
	b.Type of Audit Qualification: Qualified Opinion / Disclaimer of Opinion / Adverse Opinion			
	c. Frequency of qualification: Whether appeared first time / repetitive / since how long continuing Repetitive as the Company is under Corporate Insolvency Resolution Process (CIRP)			
	d.For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: Not Quantified by Auditor			
	e.For Audit Qualification(s) where the impact is not quantified by the auditor:			
	i) Management's estimation on the impact of audit qualification: Unable to Estimate			
	ii) If management is unable to estimate the impact, reasons for the same: The company has been under Corporate Insolvency Resolution Process (CIRP) since December 15, 2017 under the provisions of the Insolvency & Bankruptcy Code 2016 (Code). Since the company is still under the process of CIRP and Resolution Professional & Committee of Creditors are in the process of finalization of successful resolution applicant, it is not possible to determine the impact.			
	iii) Auditors' Comments on (i) or (ii) above:			
	Audit report is self explanatory.			
	Audit Qualification 3:			
	a. Details of Audit Qualification: The Company has not maintained Fixed Asset register. Accordingly, we cannot comment on accuracy of the value of PPE, current and accumulated depreciation and its possible impact on the Standalone Financial Statements.			
	b. Type of Audit Qualification: Qualified Opinion / Disclaimer of Opinion / Adverse Opinion			
	c. Frequency of qualification: Whether appeared first time / repetitive / since how long continuing Repetitive as the Company is under Corporate Insolvency Resolution Process (CIRP)			
	<ul> <li>d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:</li> <li>Not Quantified by Auditor</li> </ul>			
	e.For Audit Qualification(s) where the impact is not quantified by the auditor:			
	i) Management's estimation on the impact of audit qualification: Unable to Estimate			
	ii) If management is unable to estimate the impact, reasons for the same: The company has been under Corporate Insolvency Resolution Process (CIRP) since December 15, 2017 under the provisions of the Insolvency & Bankruptcy Code 2016 (Code). Since the company is still under the process of CIRP and Resolution Professional & Committee of Creditors are in the process of finalization of successful resolution applicant, it is not possible to determine the impact.			
	iii)Auditors' Comments on (i) or (ii) above:			

 Management should prepare fixed asset register as per prescribed format as per Companies Act,2013
Audit Qualification 4:
a. Details of Audit Qualification: Company has shown "Refund receivable under MVAT Act" under non-current assets to an extent of Rs 707.73 lakhs for FY 2014-15, FY 2015-16 and FY 2016-17. Assessments for these years have been completed by VAT department and as per the assessment orders, there is total demand of Rs. 516.39 Lakhs. The company has filed application for rectification of the orders and requested not to adjust such refunds against dues for previous years. In absence of rectification order from VAT department, the non-current assets are overstated and expenses & accumulated losses are understated to the extent of Rs 707.73 Lakhs.
b. Type of Audit Qualification: Qualified Opinion / Disclaimer of Opinion / Adverse Opinion
 c. Frequency of qualification: Whether appeared first time / repetitive / since how long continuing Since March 2021
d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:
 e. For Audit Qualification(s) where the impact is not quantified by the auditor: i) Management's estimation on the impact of audit qualification:
ii)If management is unable to estimate the impact, reasons for the same: The company has been under Corporate Insolvency Resolution Process (CIRP) since December 15, 2017 under the provisions of the Insolvency & Bankruptcy Code 2016 (Code). Since the company is still under the process of CIRP and Resolution Professional & Committee of Creditors are in the process of finalization of successful resolution applicant, it is not possible to determine the impact.
iii)Auditors' Comments on (i) or (ii) above:
 Audit report is self explanatory.
 Audit Qualification 5:
 <ul> <li>a. Details of Audit Qualification: Out of Rs 475.20 lakhs, balances of certain current accounts having aggregate balance of Rs. 25.46 Lakhs are not confirmed due to non-availability of confirmation from respective Banks. Out of Rs. 921.87 lakhs, balances of other bank accounts having aggregate balances of Rs. 50.66 lakhs are not confirmed due to non-availability of confirmation from respective Banks. In absence of these details, we are unable to ascertain the possible effect on financial statements.</li> </ul>
b. Type of Audit Qualification: Qualified Opinion / Disclaimer of Opinion / Adverse Opinion
c. Frequency of qualification: Whether appeared first time / repetitive / since how long continuing Repetitive as the Company is under Corporate Insolvency Resolution Process (CIRP)
d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:
e. For Audit Qualification(s) where the impact is not quantified by the auditor:
i) Management's estimation on the impact of audit qualification: Unable to Estimate
ii)If management is unable to estimate the impact, reasons for the same: The company has been under Corporate Insolvency Resolution Process (CIRP) since December 15, 2017 under the provisions of the Insolvency & Bankruptcy Code 2016 (Code). Since the company is still under the process of CIRP and Resolution Professional & Committee of Creditors are in the process of finalization of successful resolution applicant, it is not possible to determine the impact.
 iii)Auditors' Comments on (i) or (ii) above:
 Management should approach banks to get the required details.
 Audit Qualification 6:

	<ul> <li>Details of Audit Qualification: Balance of Trade receivables, loans and advances and Trade payables are subject to confirmations and consequent adjustments, if required. In absence of balance confirmations, financial impact on financial results is not ascertainable.</li> </ul>		
ing a contractor	b. Type of Audit Qualification: Qualified Opinion / Disclalmer of Opinion / Adverse Opinion		
×	c. Frequency of qualification: Whether appeared first time / repetitive / since how long continuing Repetitive as the Company is under Corporate Insolvency Resolution Process (CIRP)		
-	d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:		
	e. For Audit Qualification(s) where the impact is not quantified by the auditor:		
1.000 - 0.000	i) Management's estimation on the impact of audit qualification: Unable to Estimate		
	ii) If management is unable to estimate the impact, reasons for the same: The company has been under Corporate Insolvency Resolution Process (CIRP) since Decem 15, 2017 under the provisions of the Insolvency & Bankruptcy Code 2016 (Code). Since the company is still under the process of CIRP and Resolution Professional & Committee of Creditors are in the process of finalization of successful resolution applicant, it is not possit to determine the impact.		
	iii)Auditors' Comments on (i) or (ii) above:		
	Audit report is self explanatory.		
	Signatories:		
	Chief Financial Officer (CFO)		
-	Statutory Auditor		
	Resolution Professional (RP)		
	Place: Pune		
1	Date: 29/09/2022		