

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

To

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

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

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2022				
[See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]				
I.	Sl. No.	Particulars	Audited Figures in lakhs (as reported before adjusting for qualifications)	Adjusted Figures in lakhs (audited figures after adjusting for qualifications)
	1.	Turnover / Total income	23,126	23,126
	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):			
	Audit Qualification 1:			
	<p>a. Details of Audit Qualification: As per "IND AS 36 Impairment of Assets", the company should assess at the end of each reporting period whether there is an indication that an asset may be impaired. If any such indication exists, the entity shall estimate the recoverable amount of asset. As per "IND AS 109 Financial Instruments" the Company should recognize a loss allowance for expected credit losses on a financial asset. Since the Company is under the CIRP process and RP and COC are in the process of finalization of successful resolution, the Company and management has not determined value of these assets in use. Accordingly, we are unable to ascertain the possible effect of the same on the statements.</p>			
	<p>b. Type of Audit Qualification : Qualified Opinion / Disclaimer of Opinion / Adverse Opinion</p>			
	<p>c. Frequency of qualification: Whether appeared first time / repetitive / since how long continuing Repetitive as the Company is under Corporate Insolvency Resolution Process (CIRP)</p>			
	<p>d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: Not Quantified by Auditor</p>			
	<p>e. For Audit Qualification(s) where the impact is not quantified by the auditor:</p>			
	(i) Management's estimation on the impact of audit qualification: Unable to Estimate			

	<p>(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.</p>
	<p>(iii) Auditors' Comments on (i) or (ii) above:</p>
	<p>Audit report is self explanatory.</p>
	<p>Audit Qualification 2:</p>
	<p>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.</p>
	<p>b. Type of Audit Qualification: Qualified Opinion / Disclaimer of Opinion / Adverse Opinion</p>
	<p>c. Frequency of qualification: Whether appeared first time / repetitive / since how long continuing Repetitive as the Company is under Corporate Insolvency Resolution Process (CIRP)</p>
	<p>d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: Not Quantified by Auditor</p>
	<p>e. For Audit Qualification(s) where the impact is not quantified by the auditor:</p>
	<p>i) Management's estimation on the impact of audit qualification: Unable to Estimate</p>
	<p>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.</p>
	<p>iii) Auditors' Comments on (i) or (ii) above:</p>
	<p>Audit report is self explanatory.</p>
	<p>Audit Qualification 3:</p>
	<p>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.</p>
	<p>b. Type of Audit Qualification: Qualified Opinion / Disclaimer of Opinion / Adverse Opinion</p>
	<p>c. Frequency of qualification: Whether appeared first time / repetitive / since how long continuing Repetitive as the Company is under Corporate Insolvency Resolution Process (CIRP)</p>
	<p>d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: Not Quantified by Auditor</p>
	<p>e. For Audit Qualification(s) where the impact is not quantified by the auditor:</p>
	<p>i) Management's estimation on the impact of audit qualification: Unable to Estimate</p>
	<p>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.</p>
	<p>iii) Auditors' Comments on (i) or (ii) above:</p>

	Management should prepare fixed asset register as per prescribed format as per Companies Act,2013
	Audit Qualification 4:
	<p>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.</p>
	<p>b. Type of Audit Qualification: Qualified Opinion / Disclaimer of Opinion / Adverse Opinion</p>
	<p>c. Frequency of qualification: Whether appeared first time / repetitive / since how long continuing Since March 2021</p>
	<p>d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:</p>
	<p>e. For Audit Qualification(s) where the impact is not quantified by the auditor:</p>
	<p>i) Management's estimation on the impact of audit qualification:</p>
	<p>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.</p>
	<p>iii) Auditors' Comments on (i) or (ii) above: Audit report is self explanatory.</p>
	Audit Qualification 5:
	<p>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.</p>
	<p>b. Type of Audit Qualification: Qualified Opinion / Disclaimer of Opinion / Adverse Opinion</p>
	<p>c. Frequency of qualification: Whether appeared first time / repetitive / since how long continuing Repetitive as the Company is under Corporate Insolvency Resolution Process (CIRP)</p>
	<p>d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:</p>
	<p>e. For Audit Qualification(s) where the impact is not quantified by the auditor:</p>
	<p>i) Management's estimation on the impact of audit qualification: Unable to Estimate</p>
	<p>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.</p>
	<p>iii) Auditors' Comments on (i) or (ii) above: Management should approach banks to get the required details.</p>
	Audit Qualification 6:

	<p>a. 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.</p>
	<p>b. Type of Audit Qualification: Qualified Opinion / Disclaimer of Opinion / Adverse Opinion</p>
	<p>c. Frequency of qualification: Whether appeared first time / repetitive / since how long continuing Repetitive as the Company is under Corporate Insolvency Resolution Process (CIRP)</p>
	<p>d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:</p>
	<p>e. For Audit Qualification(s) where the impact is not quantified by the auditor:</p>
	<p>i) Management's estimation on the impact of audit qualification: Unable to Estimate</p>
	<p>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.</p>
	<p>iii) Auditors' Comments on (i) or (ii) above: Audit report is self explanatory.</p>
III.	<p>Signatories:</p> <ul style="list-style-type: none"> • Chief Financial Officer (CFO)  • Statutory Auditor  • Resolution Professional (RP)  <p>Place: Pune</p> <p>Date: 29/09/2022</p>