



Ankit Metal & Power Ltd.

CIN No. : L2710IWB2002PLC094979

**Corporate & Communication Office :**

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**Works :**

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**Date: 14th February, 2022**

To The Listing Department <b>BSE Limited</b> P. J. Towers, 25 <sup>th</sup> floor Dalal Street, Mumbai - 400 001  <b>Ref: Scrip Code 532870</b>	To The Listing Department <b>National Stock Exchange of India Limited</b> Exchange Plaza Bandra Kurla Complex Mumbai - 400 051  <b>Ref: Scrip Symbol - ANKITMETAL</b>
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**Sub: Outcome of Board Meeting - Regulation 30 and 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015**

Dear Sir/Madam,

Pursuant to Regulation 30 and 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the Un-audited Financial Results of the Company for the quarter ended 31st December, 2021 in the specified format, along with the Statutory Auditors Report as considered and approved by the Board of Directors of the Company at its meeting held today, i.e. Monday, 14th February, 2022 commenced at 17:40 hrs and concluded at 18:15 hrs.

This is for your information. Kindly take the same on your record.

Thanking You,  
For **Ankit Metal & Power Limited**

*Vineeta Barmecha*

**Vineeta Barmecha**  
(Company Secretary & Compliance Officer)

Encl.: As above

# J. B. S. & Company

Phone: 2282 6809

**CHARTERED ACCOUNTANTS**

**60, BENTINCK STREET, 4TH FLOOR  
KOLKATA - 700 069**

## **Independent Auditor's Review Report on Unaudited Financial Results of Ankit Metal & Power Limited**

To  
The Board of Directors  
M/s. Ankit Metal & Power Limited

1. We have reviewed the accompanying statement of unaudited Financial Results of ANKIT METAL & POWER LIMITED ("the Company") for the quarter and nine months ended 31st December 2021, together with notes thereon attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulation"), as amended.
2. 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 Indian Accounting Standard 34 (Ind AS) for Interim Financial Reporting ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 as amended, ("the Act") read with relevant rules issued there under and other accounting principles generally accepted in India and in compliance with Regulation 33 of Listing Regulations. Our responsibility is to issue a report on these Financial Statements based on our review.
3. We conducted our review of the statement in accordance with the Standard on Review Engagement (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 analytical procedures, 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.
4. Based on our review conducted as stated above, except for the possible effects of the matter described in the paragraph 5 below "Basis for qualified conclusion" and read with our comments in paragraph 6 & 7 below, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with the



recognition and measurement principles laid down in the applicable Ind AS as prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued there under and other accounting practices and policies generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

#### 5. Basis for qualified conclusion

*We draw your attention to Note No.4 of the accompanying Financial Statements regarding non provision of interest expense on the borrowings of the Company amounting to Rs. 3,417.73 Lacs for the quarter ended 31<sup>st</sup> December, 2021 (Cumulative Non Provisioning of Rs. 76,002.19 Lacs till 31.12.2021) and penal interest and charges thereof (amount remaining unascertained) which is not in accordance with the requirements of Ind AS 23: Borrowing Costs read with Ind AS 109: Financial Instruments.*

*Had the aforesaid interest expense been recognized, the finance cost for the quarter ended 31<sup>st</sup> December, 2021 would have been Rs. 3,557.98 Lacs instead of Rs. 140.25 Lacs. The total expenses for the quarter ended 31<sup>st</sup> December, 2021 would have been Rs. 18,983.73 Lacs instead of Rs. 15,566 Lacs. The Net Loss after tax for the quarter ended 31<sup>st</sup> December, 2021 would have been Rs. 4,049.11 Lacs instead of reported amount of Rs. 631.38 Lacs. Total comprehensive Loss for the quarter ended 31<sup>st</sup> December, 2021 would have been Rs. 4043.86 Lacs instead of reported amount of Rs. 626.13 Lacs.*

*The above reported interest has been calculated using Simple Interest rate.*

#### 6. Material Uncertainty Relating to Going Concern

We draw your attention to Note No. 5 of the financial statements regarding preparation of the financial statements on going concern basis, for the reason mentioned therein. The company has accumulated losses and has also incurred losses during the quarter and nine months ended 31<sup>st</sup> December, 2021, and net worth of the company has also been fully eroded as on date. These conditions indicate the existence of a material uncertainty that may cast significant doubt on the company's ability to continue as going concern. The appropriateness of assumption of going concern is critically dependent upon the debt resolution of the company which is under process, the company's ability to raise requisite finance, generation of cash flows in future to meet its obligation and to earn profit in future.

Our opinion is not modified in these matters.



7. **Emphasis of Matters**

i) We draw your attention to Note No. 3 to the financial result which explains the uncertainties and the management's assessment of the financial impact due to the lock-downs and other restrictions and conditions related to the COVID-19 pandemic situation, for which a definitive assessment of the impact in the subsequent period is highly dependent upon circumstances as they evolve.

ii) As referred in Note No. 6 of the Financial Results, Certain balances of "Trade Receivables", "Trade Payables", "Borrowings", "Advances from Customers", "Advances Recoverable In Cash or Kind", "Advance to Suppliers and Other Parties", "Current Accounts and Cash Credit Accounts in Banks" etc includes balances remaining outstanding for a substantial period. The balances are subject to confirmation/reconciliation. The reported Financials might have consequential impact which remains unascertained.

iii) Substantial amount of statutory dues amounting to **Rs. 1,560.42** Lacs has become overdue and remain unpaid. Interest, penalty if any in respect of the same has remained unascertained and unaccounted for.

Our opinion is not modified in these matters.

For J.B.S & Company  
Chartered Accountants  
Firm Reg. No: 323734E



*Paul*

CA. Gouranga Paul  
Partner  
Membership No: 063711

Date : 14<sup>th</sup> February, 2022  
Place : Kolkata  
UDIN : 22063711ACBAIK5828

**Statement of Unaudited Financial Results for the quarter and nine months ended 31st December, 2021**

(₹ in lacs except EPS)

Sl. No.	Particulars	Quarter ended			Nine months ended		Year ended
		31.12.2021	30.09.2021	31.12.2020	31.12.2021	31.12.2020	31.03.2021
		(Unaudited)			(Unaudited)		(Audited)
<b>1</b>	<b>Income from Operations</b>						
	(a) Revenue from Operations	12,617.65	19,857.07	6,122.73	45,584.67	20,195.12	34,481.51
	(b) Other Operating Income	2,313.83	773.47	476.09	4,042.19	692.37	7,304.99
	<b>Revenue from Operations (a+b)</b>	<b>14,931.48</b>	<b>20,630.54</b>	<b>6,598.82</b>	<b>49,626.86</b>	<b>20,887.49</b>	<b>41,786.50</b>
	(c) Other Income	3.15	570.72	1.72	2,182.73	5.16	5.18
	<b>Total Income from Operations (a+b+c)</b>	<b>14,934.63</b>	<b>21,201.26</b>	<b>6,600.54</b>	<b>51,809.59</b>	<b>20,892.65</b>	<b>41,791.68</b>
<b>2</b>	<b>Expenses</b>						
	(a) Cost of material consumed	10,142.36	15,127.83	13,039.30	33,446.10	29,176.61	47,962.26
	(b) Purchase of Stock-in-Trade	1,642.71	1,677.85	626.07	4,267.29	1,754.54	3,253.04
	(c) Changes in inventories of finished goods and work-in- progress	(529.95)	(112.97)	(9,774.63)	1,552.26	(16,036.69)	(19,284.76)
	(d) Employee Benefit Expense	221.08	346.14	329.08	869.58	642.23	977.40
	(e) Finance Cost	140.26	169.88	345.04	477.48	1,679.80	1,864.67
	(f) Depreciation and Amortization Expenses	958.10	1,088.81	903.20	3,297.07	3,031.04	4,431.05
	(g) Power	1,337.04	2,066.37	1,162.91	7,051.27	2,255.78	3,373.92
	(h) Other Expenses	1,654.41	2,010.92	1,992.80	6,570.71	4,636.51	6,784.64
	<b>Total Expenses</b>	<b>15,566.01</b>	<b>22,374.83</b>	<b>8,623.77</b>	<b>57,531.76</b>	<b>27,139.82</b>	<b>49,362.22</b>
<b>3</b>	<b>Profit/(Loss) before exceptional items and Tax (1-2)</b>	<b>(631.38)</b>	<b>(1,173.57)</b>	<b>(2,023.23)</b>	<b>(5,722.17)</b>	<b>(6,247.17)</b>	<b>(7,570.54)</b>
<b>4</b>	<b>Exceptional Items</b>	-	-	-	-	-	-
<b>5</b>	<b>Profit/(Loss) before Tax (3-4)</b>	<b>(631.38)</b>	<b>(1,173.57)</b>	<b>(2,023.23)</b>	<b>(5,722.17)</b>	<b>(6,247.17)</b>	<b>(7,570.54)</b>
<b>6</b>	<b>Tax Expenses</b>	-	-	-	-	-	-
<b>7</b>	<b>Profit/(Loss) for the period/year (5-6)</b>	<b>(631.38)</b>	<b>(1,173.57)</b>	<b>(2,023.23)</b>	<b>(5,722.17)</b>	<b>(6,247.17)</b>	<b>(7,570.54)</b>
<b>8</b>	<b>Other Comprehensive Income/(Loss) (net of tax)</b>						
	(A) (i) Items that will not be reclassified to Profit/ Loss	5.25	5.24	5.51	15.74	20.09	24.53
	(ii) Income tax relating to items that will not be reclassified to Profit/ Loss	-	-	-	-	-	-
	(B) (i) Items that will be reclassified to Profit/ Loss	-	-	-	-	-	-
	(ii) Income tax relating to items that will be reclassified to Profit/ Loss	-	-	-	-	-	-
<b>9</b>	<b>Total Comprehensive Income/(Loss) for the period/year (7+8)</b>	<b>(626.13)</b>	<b>(1,168.33)</b>	<b>(2,017.72)</b>	<b>(5,706.43)</b>	<b>(6,227.08)</b>	<b>(7,546.01)</b>
<b>10</b>	<b>Paid-up Equity Share Capital (Face value of ₹ 10/- each)</b>	<b>14,111.05</b>	<b>14,111.05</b>	<b>14,111.05</b>	<b>14,111.05</b>	<b>14,111.05</b>	<b>14,111.05</b>
<b>11</b>	<b>Earnings per Share (Face Value of ₹ 10/- each)</b>						
	(a) Basic (₹)	(0.45)	(0.83)	(1.43)	(4.06)	(4.43)	(5.36)
	(b) Diluted (₹)	(0.45)	(0.83)	(1.43)	(4.06)	(4.43)	(5.36)



NOTES:-

1) The above results for the quarter and nine months ended 31st December, 2021 have been prepared in accordance with Indian Accounting Standard (Ind AS) notified under section 133 of the Companies Act, 2013 read together with the Companies (Indian Accounting Standards) Rules, 2015 and have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 14th February, 2022.

2) The Company has planned to increase its Pellet production capacity from the existing capacity of 6,00,000 MT p.a to 12,00,000 MT p.a in F.Y. 2022-23 at an overall CAPEX outlay of ₹ 12,500 Lacs approx. These investments, efficiently executed, shall give the Company higher productivity, superior cost profile to serve a growing domestic and global market.

3) The COVID-19 pandemic has adversely impacted the economy and business. Supply Chain disruptions in India as a result of the outbreak started with restrictions on movement of goods, closure of borders etc., in several states followed by a nationwide lockdown to curb the spread of COVID-19. Due to this, the manufacturing operations of the Company along with supply and distribution got temporarily disrupted.

Accordingly, the sales volume for the nine months ended 31st December, 2021 has been impacted and therefore, the results of this period are not comparable to that of the previous corresponding period results. The Management has evaluated and assessed and does not anticipate any challenge with respect to recoverability of the carrying value of all assets.

The impact of the pandemic in the subsequent periods is dependent on the situation as they evolve.

4) Various credit facilities availed from SBI, Allahabad Bank, IOB, UBI and IDBI have been assigned by the respective banks and Asset Reconstruction Companies under various assignment agreements between the respective banks and Asset Reconstruction Companies. In absence of information about the terms of assignments, the Company is carrying the various credit facilities as appearing in the books as per the previous terms with the respective banks.

In view of the above, pending finalization of the restructuring plan, the Company has not provided accrued interest in its books during the quarter as the account was declared NPA by the banks. The amount of interest has been recognised in the books of accounts to the extent amount charged/realised by the banks as reflected in the Bank Statements. The amount of interest not so provided stands at ₹ 3,417.73 Lacs for the quarter ended 31st December, 2021 and penal interest and charges thereof (amount remaining unascertained). The unprovided liability in respect of interest on Long-Term and Short-Term Borrowings as on 31st December, 2021 amounted to ₹ 76,002.19 Lacs. The same have consequential impact on the reported figures.

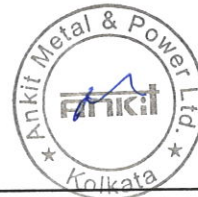
5) The Company has incurred loss of ₹ 626.13 Lacs for the quarter ended 31st December, 2021. The accumulated loss as on 31st December, 2021 is ₹ 1,23,756.43 Lacs which is in excess of the entire net worth of the Company. With the substantial improvement in raw materials availability, improvement in market scenario with notification of Minimum Import Price on steel, it is expected that the overall financial health would improve considerably. Considering the above developments and favourable impact thereof on the Company's operations and financials, the Company has prepared the financial results on the basis of 'Going Concern' assumption.

6) In the opinion of the management, current and non-current asset have a value of realization in the ordinary course of business at least equal to the amount at which they are stated in the accounts. Certain balances of "Trade Receivables", "Trade Payables", "Borrowings", "Advances from Customers", "Advances Recoverable in Cash or Kind", "Advance to Suppliers and Other Parties", "Current Accounts and Cash Credit Accounts in Banks", etc includes balances remaining outstanding for a substantial period. The balances are subject to confirmations and reconciliations. The Balance with revenue authorities are subject to final assessment order and/or submission of returns. The reported financials might have consequential impact once the confirmations are received and reconciliation if any is made.

7) Other Operating Revenue includes Net of Liabilities no longer required amounting to ₹ 2,045.29 Lacs written back during the quarter ended 31st December, 2021.

8) The Company operates in one reportable segment only viz. Iron & Steel. However, the Company also generates power which is entirely used for the captive consumption. Hence, Segment Reporting is not applicable.

9) The figures for the previous period/year have been regrouped and/or reclassified to conform to the classification of current period/year wherever necessary.



On behalf of the Board of Directors  
*Subham Bhagat*  
Subham Bhagat  
(Chairman cum Managing Director)

Place : Kolkata  
Date: 14th February, 2022