



30th Annual Report

2021-2022

FOR THE ATTENTION OF SHAREHOLDERS

Since trading of shares on the Bombay Stock Exchange Ltd. is only in demat form, the shareholders holding shares in physical form are requested to get the shares dematerialized. For this you are required to open a demat account with any Depository Participant (DP) and send the shares to Registrar and Share Transfer Agent (RTA) through DP for dematerialization. In case your shares are not traceable, you may get in touch with the Registrar and Share Transfer Agent for the procedure to get the duplicate share certificates and/or any other help/clarification. The contact detail of RTA are: M/s Skyline Financial Services Private Limited, D-153A, 1st Floor, Okhla Industrial Area, Phase-1, New Delhi-110020, Ph. Nos. 011-40450193 to 97, Email : rai_nisl2007@yahoo.com.

Year ended 31st March 2022

BOARD OF DIRECTORS

CHAIRMAN

Mr. H. C. Verma

WHOLE TIME DIRECTOR

Mr. H. C. Verma

DIRECTORS

Mr. Dinesh Kumar Yadav

Mrs. Sumiran Aggarwal

Mr. Suraj Prakash Chaudhary

COMPANY SECRETARY

Mr. Dheeraj Kumar

AUDITORS

M/s MNRS & ASSOCIATES

Chartered Accountants

I-35B, First Floor, Lajpat Nagar - 2

South Delhi - 110024

Phone: 011-46502975, 46102975

E-mail: neeraj@mnrindia.com

Web : www.mnrindia.com

BANKERS

Punjab National Bank

Axis Bank Ltd.

REGISTERED OFFICE

Village Dagori,

Tehsil Belha, Distt-Bilaspur

(Chhattisgarh)- 495224

PLANT

Village Dagori, Tehsil-Belha

Distt-Bilaspur, (Chhattisgarh)-495224

Ph. No.: 07752-285206, 285217

Fax No.: 07752-285213

REGISTRAR AND SHARE TRANSFER AGENT

Skyline Financial Services Private Limited

D-153A, 1st Floor, Okhla Industrial Area,

Phase- 1, New Delhi – 110020

Tel: +91 011 40450193 to 97, Fax +91 11 30857562

Contact Person : Mr. Virender Rana

Email: viren@skylinerta.com

EMAIL : raj_nisl2007@yahoo.com

WEBSITE : www.novaironsteel.com

CIN No.: L02710CT1989PLC010052

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BOARD REPORT

To Members,
Nova Iron and Steel Limited
Registered office: Village-Dagori,
Tehsil-Belha, Distt.-Bilaspur
Chhattisgarh

Your Directors have pleasure in presenting the 30th Annual Report together with Standalone Audited Accounts for the year ended 31st March, 2022.

FINANCIAL HIGHLIGHTS

(Rs. in Lacs)

Particulars	2021-22 (12 Months)	2020-21 (12 Months)
Gross Revenue	61382.67	35150.55
Profit/Loss before Interest, Depreciation and Tax	2405.74	1442.08
Interest & Financial Cost	2486.66	52.76
Depreciation & Amortization	993.01	871.42
Profit/(Loss) before Exceptional item & tax	(1073.92)	517.90
Exceptional item	-	-
Profit/(Loss) after Exceptional item & before Tax	(1073.92)	517.90
Tax Expenses:		
Current Tax	-	4.23
Deferred Tax	404.26	1704.87
Net Profit/(Loss) after tax	(1478.18)	(1191.21)

PERFORMANCE

During the year under review, the Company achieved highest Gross Sales of Rs. 613.83 crores as against Rs. 351.51 crores in the previous year reflecting growth of 74% over the previous year. The EBITDA for the year was Rs. 24.06 crores as against Rs. 14.41 crores in the previous year, up by 67% over the previous year. However, after providing for interest, depreciation and tax, Company incurred losses of Rs. 14.78 crore as compare to previous year Rs. 11.91 crore due to increase in Interest & Financial Cost. In first two quarters impact of Covid-19 pandemic in the country and during the year increase in prices of key raw material, rupee depreciation impacted the profitability and thus the loss for the year. The performance of the Company was satisfactory during the year despite the economy having been impacted by the COVID pandemic. Although the year was marked by high volatility in the raw material prices, the Company was able to insulate itself to a significant extent.

FUTURE OUTLOOK

Over previous year the Company has entered operation and Management Agreement with M/s R.K. Sponge Iron Pvt. Ltd. The performance of said Agreement was satisfactory and for next coming years this will provide long term stability to the operations of the Company and improve its operating and financial performance. This shall go a long way in enhancing the revenue and profitability of the Company. The Company is taking all necessary measures in terms of mitigating the impact of the challenges being faced in the business. It is focused on controlling the fixed costs, maintaining liquidity and closely monitoring the supply chain to ensure that the manufacturing facilities operate smoothly.

CAPITAL & RESERVES

During the year there is no change in the capital of the Company. Company has not transferred any amount to the General Reserve. Balance of profit has been transferred to Reserve and Surplus.

DIVIDEND

In view of loss during the year, Board of Directors has not recommended Dividend for distribution.

CHANGE IN NATURE OF BUSINESS

There was no change in the nature of business of the Company during the financial year.

BOARD MEETINGS

During the financial year Seven meetings of Board of Directors of the Company held including one Meeting of the Independent Directors.

AUDIT COMMITTEE

Composition of Audit Committee comprises, 3(three) members, Mrs. Sumiran Aggarwal, Independent Director, Mr. Suraj Prakash Choudhary, Independent Director and Mr. Dinesh Kumar Yadav, Director. Mr. Suraj Prakash Choudhary is Chairman of the Committee. Audit Committee have powers and authority as provided under the provisions of Companies Act, 2013 and Regulation 18 of SEBI (LODR) Regulations 2015, in accordance with the terms of reference specified by the Board of Directors from time to time. Board has accepted all recommendations of the Committee made during the year. During the year 4 meeting of audit committee held and committee has reviewed related party transactions periodically.

EXTRACT OF ANNUAL RETURN

The extract of the Annual Return in Form MGT-9 under Companies Act, 2013 (“Act”) and rules made thereunder is at **Annexure -1** attached to Board’s Report.

AUDITORS AND AUDITORS’ REPORTS

The Board of Directors have appointed M/s MNRS & Associates, Chartered Accountants, (FRN: 018340N) as Statutory Auditors of the Company to fill the casual vacancy caused by resignation of M/s Ashwani & Associates, Chartered Accountant (FRN: 000497N), Ludhiana up to the conclusion of ensuing Annual General Meeting.

The Auditors in their Report to the members, have given qualified opinions and the explanations of Board with respect to it in pursuant to section 134(3)(f) of Companies Act, 2013 are as follows:

Explanations to note on Basis for Qualified opinion of Independent Auditors Report.

(a) Property, Plant and Equipment register has contained full particulars and updating with particular as described under the Companies (Auditor’s Report) Order, 2020. Further management is implementing a systematic procedure for physical verification at regular intervals.

(b) Fair Valuation of investment of Rs. 315.92 lacs in equity instruments was not possible because of Balance Sheets of the investee companies were not audited and not available at the balance sheet date and accordingly carried these investments at the old carrying value.

(c) Company has sent confirmation letters to suppliers carrying advance in the financial statements at Rs. 3977.82 lacs and copy of said letter along with dispatch evidence has been provided to the Statutory Auditor of the Company.

(d) Management is implementing a systematic procedure for physical verification of inventories at regular intervals.

(e) The Management is contesting the borrowings from Bhushan Power and Steel Limited and disputing that such demand is not due and payable, copy of the all correspondence has been provided to the auditors.

(f) Out of Borrowing from other parties amount of Rs. 10199.01 lacs has been settled through Arbitration Award, copy of the same has been provided to the auditors.

(g) Company has sent confirmation letters to trade payables carried in the financial statements at Rs.12292.59 lacs and copy of said letters along with dispatch evidence has been provided to the Statutory Auditor of the Company.

(h) Company is taking necessary steps to measure the contingent liabilities Rs.4760.30 lacs and Borrowing of Rs.33187.53 lakhs which are under dispute and accordingly company will make provision or necessary arrangements against said contingent liabilities.

Explanations to note on Basis for Emphasis of Matter of Independent Auditors Report.:

a) no further comments required, statement is self-explanatory.

b) no further comments required, statement is self-explanatory.

c) Company is implementing the procedure to identify details of struck off companies with Ministry of Corporate Affairs portal and sending letters of confirmation.

d) Company has given advertisement many times but no candidate is ready to join the company because the location of registered office is in backward areas, however, company is putting best efforts to appoint Chief Financial Officer in terms of the requirements of the Companies Act, 2013.

SECRETARIAL AUDITOR

In terms of Section 204 of the Act read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Board at its meeting held on 12/02/2021 appointed M/s K.V. Bindra & Associates, Practicing Company Secretary, Chandigarh as the Secretarial Auditor of the Company, to conduct the Secretarial Audit for the financial year 31/03/2022 and to submit Secretarial Audit Report in Form No. MR-3. A copy of the Secretarial Audit Report is at **Annexure-2** attached to Board Report.

COST AUDIT

Pursuant to Section 148(1) of the Companies Act, 2013, Company is required to maintain cost records as specified by the Central Government and accordingly such accounts and records are made and maintained. Accordingly, the Board of Directors in its meeting held on 20/09/2022 has appointed M/s. J.K. Kabra & Company, Cost Accountant, Delhi, on the recommendation of the Audit Committee, for auditing the cost records of the Company for the Financial Year 2022-23. Appropriate resolution seeking your ratification of the remuneration of Cost Auditors, is included in the Notice convening the 30th Annual General Meeting of the Company.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Company's Board is duly constituted which is in compliance with the requirements of the Companies Act, and SEBI (LODR) Regulation, 2015.

Since last Financial year, the following changes have taken place in the Directorship/KMPs of the Company.

Sh. Dinesh Kumar Yadav, has been appointed as Director (Technical) of the Company w.e.f. 14/08/2021.

Sh. Suraj Prakash Choudhary has been appointment as Independent Director of the Company w.e.f. 14/08/2021.

Sh. V.P. Chhabra, has been resigned as Director of the Company w.e.f. 15/01/2022.

Sh. Narsingh Awatar, Independent Director of the Company has vacation of the office under section 167 of the act, w.e.f. 02/12/2021.

None of the Directors has incurred disqualification under Section 164 of the Act or liable to cease director under section 167 of the Act, except Sh. Narsingh Awatar, Director of the Company.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(3)(c) of the Act, with regard to Directors' Responsibility Statement, your Directors hereby confirm that:

- (a) in the preparation of the annual accounts, for the year ended 31/03/2022 the applicable accounting standards have been followed to the extent of its applicability along with proper explanation relating to material departures and the annual accounts have been prepared in compliance with the provisions of the Companies Act, 2013;
- (b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the year;
- (c) the Directors have taken proper and sufficient care of the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) the Directors have prepared the annual accounts on a going concern basis.
- (e) the internal financial controls to be followed by the company were laid down and such internal financial controls were adequate and were operating effectively.
- (f) proper systems to ensure compliance with the provisions of all applicable laws were devised.

DIRECTOR IDENTIFICATION NUMBER (DIN)

Present Directors have obtained Director Identification Number (DIN) under Director Identification Rules, 2006 which is valid DIN under Companies (Appointment and Qualification of Directors) Rules, 2014.

NOMINATION AND REMUNERATION POLICY FOR DIRECTORS, KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES

Board of Directors of the Company has approved a policy for nomination and remuneration for directors, KMP and other employees containing interalia criteria for determining qualifications, positive attributes, independence of a director, payment of Managerial remuneration, and other related matters is at **Annexure-3** attached to the Board's Report which can be assessed at Company's weblink; <http://www.novaironsteel.com/pdfs/Remuneration%20Policy.pdf>.

PARTICULARS RELATING TO TECHNOLOGY ABSORPTION, CONSERVATION OF ENERGY & FOREIGN EXCHANGE EARNINGS AND OUTGO

Information pursuant to Section 134(3)(m) of the Act regarding conservation of Energy, Technology Absorption, foreign exchange earnings and outgo is enclosed at **Annexure – 4** attached to Board's Report.

INTERNAL AUDITORS AND ADEQUACY OF INTERNAL FINANCIAL CONTROLS

Company has appointed M/s Ankit Singla & Co., Chartered Accountants as Internal Auditor of the Company. Internal control framework of the Company is adequate and commensurate with the nature of the business and size of the Company. The internal auditors monitor and evaluate the efficacy and adequacy of Internal Financial Control system in the company, its compliance with operating system, accounting procedures and policy. Internal Auditors submit his report to Audit committee yearly.

PARTICULARS OF LOAN, GUARANTEE, INVESTMENT OR PROVIDING SECURITY

During the financial year, Company has neither given loan nor given guarantee nor provided security or made investment u/s 186 of the Act. (Please refer notes attached to financial statements of the Company in respect of investments of the Company).

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

During the year under review, there is no contract and arrangement entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013. Hence no disclosure in Form AOC-2 is required to be attached with Board's Report.

EMPLOYEES STOCK OPTION

Company has not issued Sweat Equity Shares or ESOP (Employees Stock Option) to its employees.

LISTING

The Equity shares of the company are listed at Bombay Stock Exchange. The Company has paid listing fees to the Stock Exchange for the FY 2022-23.

Further, during the year trading of securities of the Company was suspended by Bombay Stock Exchange Limited due to penal provision of non-compliance of SEBI (LODR) Regulations, 2015. However, company has complied with said regulations and file an application for Revocation of Suspension of Trading of Securities with Bombay Stock Exchange which is in process.

BUY BACK OF SHARES

During the year, Company has not made buy back of its shares nor it has given any loan for purchase of its own shares.

MATERIAL CHANGE(S)

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statement relate and the date of this Report.

RISK MANAGEMENT POLICY

Board of Directors has adopted a Risk Management Policy/Plan for the Company, whereby, risks are broadly categorized. The Policy outlines the parameters of identification, assessment, monitoring and mitigation of various risks which are key to business objectives which is also available at Company's weblink: <http://www.novaironsteel.com/pdfs/Risk%20Management%20Policy.pdf>.

PERFORMANCE EVALUATION OF BOARD

During the year under report Board of Directors evaluated performance of Committees and all the individual Directors including Independent Directors and concluded by affirming that the Board summarizing as a whole as well as all of its Directors, individually and the Committees of the Board continued to good governance and contribute its best in the overall growth of the organisation. Independent Directors also held separate meeting to evaluate annual performance of Chairman and executive directors and expressed satisfaction on their performance.

DEPOSITS

During the year under report, company has not accepted any deposits under Chapter V of the Act, from the public and as such no amount of principal or interest was outstanding on the date of Balance Sheet. Information under Rule 8(5)(v)(vi) of Companies (Accounts), Rules 2014 be treated as Nil.

SEGMENT REPORTING

The Company is primarily engaged in the business of manufacturing / trading of Iron & Steel, Metals, Securities & Natural Resources business. So accordingly no segment report required to be disclosed.

SIGNIFICANT AND MATERIAL ORDERS

During the year there was no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

PARTICULARS RELATING TO REMUNERATION OF EMPLOYEES OF THE COMPANY

Details pursuant to section 197(12) of the Act read with Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is at **Annexure -5** attached to the Board' Report. During the year no employee has remuneration equal to or more than prescribed limit under Rule 5(2) and 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, hence information under these rules be treated as NIL. Pursuant to MCA Notification dated 30.06.2016 detail of top ten employees as attached to Board Report is at **Annexure-6**.

CODE OF CONDUCT

Declaration pursuant to Regulation 34(3) of SEBI (LODR) Regulations, 2015 in respect of compliance with code of conduct by Whole Time Director/CEO is at **Annexure-7** attach to the Board Report.

CORPORATE SOCIAL RESPONSIBILITY POLICY

Company has constituted Corporate Social Responsibility (CSR) Committee. Mr. Hardev Chand Verma, Whole Time Director, Mr. Dinesh Kumar Yadav, Director and Mr. Suraj Prakash Choudhary, Independent Director are members of the Committee. Mr. Suraj Prakash Choudhary is the Chairman of the Committee. On the recommendation of CSR Committee, CSR Policy of the Company has been approved by the Board which is uploaded at Company's weblink: <http://www.novaironsteel.com/pdfs/CSR%20Policy.pdf>. The Annual Report on CSR activities as per Companies (Corporate Social Responsibility Policy) Rules, 2014 is at **Annexure -8** attached to the Board's Report.

SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES

Company do not have Subsidiary or Associates or Joint Venture company. Therefore, consolidated financial statement in form AOC-1 annexed to the Board' Report is not applicable.

VIGIL MECHANISM /WHISTLE BLOWER POLICY

Company has in place a composite 'Vigil Mechanism' Policy/Whistle Blower Policy available to the employees and directors to blow the whistle/ highlight any fraud, irregularity, wrongdoing etc. which is also available at weblink: <https://www.novaironsteel.com/pdfs/Vigil%20Mechanism.pdf> Board's Report in compliance of SEBI (LODR) Regulations, 2015.

GENERAL**(i) ENVIRONMENT & OTHER APPLICABLE LAW**

The Company is committed to the protection of environment and is not involved in any activity hazardous to environment. The Company adheres to the provisions of the applicable provisions of environment laws.

(ii) HEALTH & SAFETY

In order to build a sustainable work place environment, a common health and safety management system is being implemented. All efforts are being made to enhance safety standards and processes in order to minimize safety risks in all our operations.

(iii) SEXUAL HARASSMENT OF WOMEN

The Company has zero tolerance towards sexual harassment at the workplace. During the Financial Year 2021-22, the Company has received no complaints of sexual harassment since there is no female employee.

(iv) INDUSTRIAL RELATIONS

Relations between the Management and its Employees/ Workmen have been cordial and management expressed their appreciation for the co-operation and dedication of the employees/workmen at all levels of the Company.

ACKNOWLEDGEMENTS

Your Directors convey their sincere thanks to the Bankers, various departments in Central and State Governments and all others associated with the Company for their co-operation, continued support and confidence reposed by them in the Company.

For and on behalf of the Board

(H.C. Verma)
Chairman
DIN:00007681

Place: New Delhi
Date: 03/11/2022

**Form No. MGT-9
EXTRACT OF ANNUAL RETURN**

as on the financial year ended on 31st March, 2022

[Pursuant to section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS

i.	CIN	L02710CT1989PLC010052
ii.	Registration Date	01/05/1989
iii.	Name of Company	Nova Iron & Steel Limited
iv.	Category / Sub-Category of the Company	Company limited by shares/ Indian Non-government Company.
v.	Address of the Registered office and contact details	Village-Dagori, Tehsil Belha, Bilaspur, Chhattisgarh-495224 Tel:07752-285217, Fax:07752-285213 Email: rai_nisl2007@yahoo.com
vi.	Whether listed company	Yes
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	Skyline Financial Services Private Limited, D-153A, 1 st Floor, Okhla Industrial Area, Phase-I, New Delhi 1100020, Tel+91 11 40450193 to 97

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated:

Sl. No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the company
1.	Iron & Steel	271	98.63

III. PARTICULARS OF HOLDING, SUBSIDIARY AND JOINT VENTURE, ASSOCIATE COMPANIES

S. No	Name and address of the company	CIN/GLN	Holding/ subsidiary /Associate	% of equity shares held	Applicable section
Nil					

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)
i) Category-wise Share Holding

Category of Shareholders	No. of Equity Shares held at the beginning of the year				No. of Equity Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Equity Shares	Demat	Physical	Total	% of Total Equity Shares	
A. PROMOTERS									
(1) Indian									
(a) Individual/HUF	4355000	0	4355000	12.05	4355000	0	4355000	12.05	-
(b) Central Govt.	-	-	-	-	-	-	-	-	-
(c) State Govt.	-	-	-	-	-	-	-	-	-
(d) Bodies Corp.	20873821	0	20873821	57.76	20873821	0	20873821	57.76	-
(e) Banks/FI	-	-	-	-	-	-	-	-	-
(f) Any other...	-	-	-	-	-	-	-	-	-
Sub- Total (A) (1) :-	25228821	0	25228821	69.81	25228821	0	25228821	69.81	-
(2) FOREIGN									
(a) NRIs- Individuals	-	-	-	-	-	-	-	-	-
(b) Other- Individuals	-	-	-	-	-	-	-	-	-
(c) Bodies Corp.	-	-	-	-	-	-	-	-	-
(d) Banks/FI	-	-	-	-	-	-	-	-	-
(e) Any other.....	-	-	-	-	-	-	-	-	-
Sub- Total(A) (2) :-	-	-	-	-	-	-	-	-	-

Total Shareholding of Promoter (A)= (A)(1)+A(2)	25228821	0	25228821	69.81	25228821	0	25228821	69.81	-
B. Public Shareholding									
1. INSTITUTIONS									
a) Mutual Funds	3600	472296	475896	1.32	3600	472296	475896	1.32	-
b) Banks /FI	0	144	144	0	0	144	144	0	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (Specify)	-	-	-	-	-	-	-	-	-
Sub- Total (B) (1) :-	3600	472440	476040	1.32	3600	472440	476040	1.32	-
2. NON-INSTITUTIONS									
(a) BODIES CORP.									
(i) Indian	1938428	16944	1955372	5.41	1924543	16944	1941487	5.37	-0.04
(ii) Overseas	-	-	-	-	-	-	-	-	-
(b) INDIVIDUALS									
(i) Individual Shareholders holding nominal share capital upto Rs. 1 Lakh	1937293	5519190	7456483	20.63	1989799	5494038	7483837	20.71	0.08
(ii) Individual Shareholders holding nominal share Capital in excess of Rs. 1 Lakh	742179	43872	786051	2.18	738723	43872	782595	2.17	-0.01
(c) Others (Specify)									
Non-Resident Indian (NRI)	21391	142512	163903	0.45	24576	142392	166968	0.46	0.01
Trust	120	0	120	0	72	0	72	0	0
HUF	68489	120	68609	0.19	58133	120	58253	0.16	-0.03
Clearing Member	4089	0	4089	0.01	1415	0	1415	0.00	-0.01
Sub- Total (B) (2) :-	4711989	5722638	10434627	28.87	4737261	5697366	10434627	28.87	-
Total Shareholding (B)= (B)(1)+(B)(2)	4711989	5722638	10434627	30.19	4740861	6169806	10910667	30.19	-
C. Shares held by custodian for GDRs & ADRS	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	29941770	6197718	36139488	100.00	29969682	6169806	36139488	100.00	-

(ii) Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in Equity share holding during the year
		No. of Equity Shares	% of total Equity Shares of the company	% of Equity Shares Pledged/ encumbered to total Equity shares	No. of Equity Shares	% of total Equity Shares of the company	% of Equity Shares Pledged/ encumbered to total Equity shares	
1	Bhushan Power & Steel Ltd.	9269146	25.65	-	9269146	25.65	-	-
2	Ambey Steel and Power Pvt. Ltd.	959675	2.66	-	959675	2.66	-	-
3	Aniket Singal	4345000	12.02	-	4345000	12.02	-	-
4	Shivalikview Steel Trading Private Limited	94000	0.26	-	94000	0.26	-	-
5	Vintage Steel Private Limited	94000	0.26	-	94000	0.26	-	-

6	Olympian Steel Industries Limited	94000	0.26	-	94000	0.26	-	-
7	Titanic Steel Industries Limited	94000	0.26	-	94000	0.26	-	-
8	Aromatic Steel Private Limited	3418000	9.46	-	3418000	9.46	-	-
9	Aarti Iron & Power Limited	94000	0.26	-	94000	0.26	-	-
10	Rockland Steel Trading Private Limited	94000	0.26	-	94000	0.26	-	-
11	RGF Holiday Resorts Private Limited	3332000	9.22	-	3332000	9.22	-	-
12	RGF Real Estate Private Limited	3331000	9.22	-	3331000	9.22	-	-
13	Priyanka Ankit Miglani	5000	0.01	-	5000	0.01	-	-
14	Radhika Saurabh Dhoot	5000	0.01	-	5000	0.01	-	-
	Total	25228821	69.81	-	25228821	69.81	-	-

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sr. no.	Name of the Promoters	At the Beginning of The year		Date wise increase / decrease in shareholding specifying reasons for increase /decrease (e.g. allotment /transfer/bonus/sweat equity etc)			Cumulative Shareholding during the year		At the end of the year (or on the date of separation, if separated during the year)	
		No of Equity Shares	%age to total Eq. Shares	As on Benpos Date	No of Equity Shares	Reasons	No of Equity Shares	%age to total Eq. Shares	No of Equity Shares	%age to total Eq. Shares
----- NIL -----										

(iv) Shareholding Pattern of top ten shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. No.	Name of Shareholder	At the beginning of the year		Date wise increase/decrease in shareholding specifying reason for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc.)			Cumulative shareholding during the year		At the end of year (or on the date of separation, if separated during the year)	
		No of Equity Shares	% to total Equity Shares	As on Benpos Date	No of Equity Shares	Reasons	No of Equity Shares	% to total Equity Shares	No of Equity Shares	% to total Equity Shares
1	Shrim Investment Solutions Private Ltd.	1624072	4.49	-	-	-	-	-	1624072	4.49
2	ShrigauriBuildtech Pvt Ltd	204474	0.57	-	-	-	-	-	204474	0.57
3	Raj Kumar Kedia	181237	0.50	-	-	-	-	-	181237	0.50
4	Indian Bank	145392	0.40	-	-	-	-	-	145392	0.40
5	Stock Holding Corpn of India Ltd	96576	0.27	-	-	-	-	-	96576	0.27
6	Canara Bank	87576	0.24	-	-	-	-	-	87576	0.24
7	Bank of India	61920	0.17	-	-	-	-	-	61920	0.17
8	Vandana Bajaj	49083	0.14	-	-	-	-	-	49083	0.14
9	Kanwaljit Singh	47280	0.13	-	-	-	-	-	47280	0.13
10	Dhanraj Singh	46576	0.13	09.04.2021	10	Transfer	46586	0.13	46586	0.13
11	Sanjay Kumar Sarawagi	58460	0.16	06.08.2021	-17972	Transfer	40488	0.11	0	0.00
				13.08.2021	-4883	Transfer	35605	0.10		
				20.08.2021	-10	Transfer	35595	0.10		
				15.10.2021	-1457	Transfer	34138	0.09		
				29.10.2021	-34138	Transfer	0	0.00		

(v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Name of the Shareholder	At the Beginning of the year		Date wise increase / decrease in shareholding specifying reasons for increase /decrease (e.g. allotment /transfer/bonus/sweat equity etc)			Cumulative Shareholding during the year		At the end of the year (or on the date of separation, if separated during the year)	
		No of Equity Shares	%age to total Eq. Shares	As on Benpos Date	No of Equity Shares	Reasons	No of Equity Shares	%age to total Eq. Shares	No of Equity Shares	%age to total Eq. Shares
1	H.C. Verma	-	-	-	-	-	-	-	-	-
2	Dinesh Kumar Yadav	-	-	-	-	-	-	-	-	-

3	Suraj Prakash Choudhary	-	-	-	-	-	-	-	-	-
4	Sumiran Aggarwal	-	-	-	-	-	-	-	-	-
5	Dheeraj Kumar	-	-	-	-	-	-	-	-	-

V. INDEBTEDNESS
Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans Excluding deposits (Rs.)	Unsecured Loans (Rs.)	Deposits (Rs.)	Total Indebtedness (Rs)
Indebtedness at the beginning of the financial year				
i) Principal Amount	NIL	279,70,85,379	NIL	279,70,85,379
ii) Interest due but not paid*	NIL	31,77,16,370	NIL	31,77,16,370
iii) Interest accrued but not due	NIL	0	NIL	0
Total (i+ii+iii)	NIL	311,48,01,749	NIL	311,48,01,749
Change in Indebtedness during the financial year				
i) Addition	NIL	23,94,51,569	NIL	23,94,51,569
ii) Reduction	NIL	3,55,00,000	NIL	3,55,00,000
Net Change	NIL	20,39,51,569	NIL	20,39,51,569
Indebtedness at the end of the financial year				
i) Principal Amount	NIL	276,22,35,378	NIL	276,22,35,378
ii) Interest due but not paid *	NIL	55,65,17,940	NIL	55,65,17,940
iii) Interest accrued but not due	NIL	0	NIL	0
Total(i+ii+iii)	NIL	331,87,53,318	NIL	331,87,53,318

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL
A. Remuneration to Managing Director, Whole-time Directors and/or Manager

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount (Rupees)
		Hardev Chand Verma (WTD)	Dinesh Kumar Yadav (Director Technical)	
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-Tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of Salary under Section 17 (3) Income Tax, 1961	2500000	1155000	3655000
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission - as% of profit - others, specify...	-	-	-
5	Others, please specify	-	-	-
	Total(A)	2500000	1155000	3655000
	Ceiling as per the Act	Remuneration payable by company having no profit or inadequate profit as per Section II of Part II of Schedule V of Companies Act, 2013 is Rs. 84 lakhs.		

B. Remuneration to other directors:

Sl. no.	Particulars of Remuneration	Name of Directors		Total Amount
		Suraj Prakash Choudhary	Sumiran Aggarwal	
1	Independent Directors · Fee for attending board committee meetings · Commission · Others, please specify	5000	5000	10000
	Total(1)	5000	5000	10000
2	Other Non-Executive Directors · Fee for attending board committee meetings · Commission · Others, please specify	-	-	-
	Total(2)	-	-	-
	Total(B)=(1+2)	-	-	-
	Total Managerial Remuneration	5000	5000	10000

Overall Ceiling as per the Act	Remuneration payable by company having no profit or inadequate profit as per Section II of Part II of Schedule V of Companies Act, 2013 is Rs. 84 lakhs.
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C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/ MANAGER / WTD

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1	Gross salary (a)Salary as per provisions contained in section17(1) of the Income-Tax Act,1961 (b)Value of perquisites u/s17(2)Income-Tax Act,1961 (c)Profits in lieu of salary under section17(3)Income-Tax Act,1961	-	693000	-	693000
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission - as % of profit	-	-	-	-
5	Others, please specify	-	-	-	-
	Total	-	693000	-	693000

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD/ NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
B. DIRECTORS					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
C. OTHER OFFICERS IN DEFAULT					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL

(H.C. Verma)
Chairman
DIN 00007681

Place: New Delhi
Date: 03/11/2022

Form No. MR-3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31.03.2022

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To

The Members**Nova Iron and Steel Limited****Village Dagori, Tehsil Belha, Bilaspur****(CIN: L02710CT1989PLC010052)**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Nova Iron and Steel Limited** (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the Financial Year ended on 31st March, 2022 (Audit Period) complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2022 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
 - There was no Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings as per the information provided to us.
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; No such transaction during the period under review
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; No such transaction during the period under review
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018- No such transaction during the period under review
 - d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (with effect from 13th August, 2021)- No such transaction during the period under review

- e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (with effect from 16th August, 2021) - No such transaction during the period under review.
- f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act 2013 and dealing with client - No such transaction during the period under review
- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 and The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 (with effect from 10th June 2021)- No such transaction during the period under review
- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 - No such transaction during the period under review

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India for Board and General Meeting
- (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

During the period under review, as per the explanations and clarifications given to us and the representations made by the management, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except the trading of Securities of the Company was suspended due to penal provision and securities of the promoters are frozen due to delay in submission of financial results for the period ending 30.06.2021, 30.09.2021 and 31.12.2021. As per the records of the Company, Stock exchange has imposed fine during the audit period in the company for delay in the Compliance of proviso to Regulation 33 of SEBI (LODR) Regulations. However, the Company has complied with Regulation 33 of SEBI (LODR) Regulation 2015 on 23.05.2022 and filed application for revocation of suspension of trading on 26.05.2022.

We further report that we have relied upon the representation made and other documents provided by the Company, its officers and on the examination of the same on test check basis, the Company has complied with the following applicable laws:

1. The Factories Act, 1948;
2. The Payment of Wages Act, 1936 and The Payment of Wages (Amendment) Act, 2017;
3. The Payment of Bonus Act, 1965 and The Payment of Bonus (Amendment) Act, 2015;
4. The Payment of Gratuity Act, 1972;
5. The Industrial Employment (Standing Orders) Act, 1946;
6. The Industrial Disputes Act, 1947;
7. The Employees' State Insurance Act, 1948;
8. The Employees' Provident Funds and Miscellaneous Provisions Act, 1952;
9. The Environment (Protection) Act, 1986;
10. Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016;
11. The Water (Prevention and Control of Pollution) Act, 1974;
12. The Air (Prevention and Control of Pollution) Act, 1981;
13. The Boilers Act, 1923 and The Indian Boilers (Amendment) Act, 2007.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act. However, the Company did not comply with the provisions of Section 204 of the Companies Act, 2013 in regard to the appointment of Chief Financial Officer of the Company.

Adequate notice was given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All the decisions of the Board of Directors were approved unanimously or by majority and were recorded as part of the minutes.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

For K V BINDRA AND ASSOCIATES
(Company Secretaries)

Karan Vir Bindra
Proprietor
(Membership No.: FCS 10074)
(Certificate of Practice No.: 12962)
UDIN:F010074D000826197
Peer Review Certificate No. 2522/2022

Place: Chandigarh
Date: 22.08.2022

**NOMINATION AND REMUNERATION POLICY
(FOR THE DIRECTORS, KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES)**

1. Regulatory Requirement

Pursuant Section 178 and other applicable provisions of Companies Act, 2013, (Act) and rules made thereunder and SEBI (LODR) Regulations 2015, the Nomination and Remuneration Committee ("Committee") shall formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.

The Policy has been framed by the Nomination and Remuneration Committee of the Board of Directors and based on its recommendation, approved by the Board of Directors of the Company. The policy may be reviewed by the Nomination and Remuneration Committee of the Board of Directors.

2. Purpose

Remuneration Policy ("Policy") provides a framework for remuneration to be paid to the members of the Board of Directors ("Board") and Key Managerial Personnel ("KMP") of the Company (collectively referred to as "Executives"). The expression KMP shall have the same meaning as defined under the provisions of Act. The Policy also provides a framework for identification of persons who are qualified to become directors.

3. Objectives

3.1 The remuneration policy seeks to enable the company to provide a well-balanced and performance-related compensation package, taking into account shareholder interests, industry practices and relevant Indian corporate regulations.

3.2 The remuneration policy will ensure that the interests of Executives are aligned with the business strategy and risk tolerance, objectives, values and long-term interests of the company and will be consistent with the "pay-for-performance" principle.

3.3 The remuneration policy will ensure that remuneration to Executives involves a balance between fixed pay and incentive (by way of increment/bonus/ promotion/any other form) reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

4. Principles of Remuneration and Criteria for determining Remuneration

4.1 The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors and KMP of the quality required to run the company successfully;

4.2 Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

4.3 Remuneration to directors, key managerial personnel and senior management involves a balance between short and long term performance objectives appropriate to the working of the company and its goals

The criteria for determining the remuneration shall be broadly guided by:

4.4 Skills,

4.5 Requisite qualification, commensurate with the Job profile

4.6 characteristics and

4.7 experience in business, government, academics, technology, human resources, social responsibilities, finance, law etc. and in such other areas as may be considered relevant or desirable to conduct the Company's business in a holistic manner and as may be decided by Committee.

4.8 Director should possess high level of personal and professional ethics, integrity and values. They should be able to balance the legitimate interest and concerns of all the Company's stakeholders in arriving at decisions, rather than advancing the interests of a particular constituency.

4.9 Directors must be willing to devote time and energy in carrying out their duties and responsibilities effectively. They must have the aptitude to critically evaluate management working.

4.10 In case of other employees other than director, KMP, the criteria will be decided by the HR department.

5. Remuneration to Executives

5.1 Executives may be paid remuneration by way of fixed salary and allowances as per Company rules subject to the provisions of Companies Act, 2013

5.2 **Personal benefits** Executives may have access to benefits/perquisites as per the rules and regulations of the Company. Executives may also be entitled to retirement benefits such as provident fund, gratuity and/or such other benefits as per the rules of the Company.

5.3 The Remuneration of other employees other than Executives will be decided by the HR department of the Company in accordance with the skill, qualification and etc.

6. Remuneration to non-executive Directors

- 6.1 Non - Executive Directors may be paid remuneration by way of sitting fee and reimbursement of expenses for participation in the Board and other meetings and commission and/or such other payments as may be permitted by the law applicable to such payments. Such payments shall be subject to the provisions of Companies Act, 2013.

7. Amendments to this Policy

The Nomination and Remuneration Committee is entitled to amend this policy including any amendment or discontinuation of one or more incentive programs introduced in accordance with this Policy.

(H.C.Verma)
Chairman
DIN 00007681

Place: New Delhi

Date: 03/11/2022

ANNEXURE -4
INFORMATION AS PER SECTION 134(3) (M) OF COMPANIES ACT, 2013 AND FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH 2022
CONSERVATION OF ENERGY:

1	Steps taken or impact on conservation of energy	All business units are continuously putting in their efforts to improve energy usage efficiencies and increase contributions from renewable sources of energy. Energy saving initiatives throughout the plants helped the Company in reducing energy cost.
2	Steps taken by the company for utilizing alternate sources of energy	Use of natural light by placing transparent roof and side glass windows in day time for panel manufacturing unit to reach green building concepts
3	Capital investment on energy conservation equipments	Nil

TECHNOLOGY ABSORPTION, ADAPTATION & INNOVATION:

1.	Efforts in brief made towards technology absorption, adaptation and innovation.	In the past five years no new technology has been adopted
2.	Benefits derived as a result of above efforts e.g. product improvement, cost reduction, product development, import substitution etc.	NOT APPLICABLE
3.	In case of imported technology (imported during the last 5 years reckoned from the beginning of the financial year) following information may be furnished.	NIL
a.	Technology Imported	Not Applicable
b.	Year of Import	Not Applicable
c.	Has Technology been fully absorbed.	Not Applicable
d.	If not fully absorbed, areas where this has not taken place reason thereof and future plan of action.	Not Applicable

FOREIGN EXCHANGE EARNINGS AND OUTGO:

1	The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows.	Presently Company is not exporting its products in international market. Used : NIL Earned :Rs. 31.94 lacs
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(H.C.Verma)
Chairman
DIN 00007681

Place: New Delhi
Date: 03/11/2022

Annexure – 5
DETAILS PURSUANT TO THE PROVISIONS OF SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

Relevant clause u/r 5(1)	Prescribed Requirement	Particulars
(i)	The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year	Ratio of the remuneration of Shri Hardev Chand Verma, Whole Time Director to the median remuneration of the employees – 1:17.83
(ii)	The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year	Sh. Hardev Chand Verma (WTD) – Sh. Dinesh Kumar Yadav, Director (Tech.) – Sh. Suraj Prakash Choudhary, Director – Smt. Sumiran Aggarwal, Director – Mr. Dheeraj Kumar, CS – 68.18%
(iii)	The percentage increase in the median remuneration of employees in the financial year	7.83%
(iv)	The number of permanent employees on the rolls of Company	243
(v)	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	Median Remuneration of employees increased by 7.83% in FY 2021-22. The Salary increase is based on company policy.
(vi)	Affirmation that the remuneration is as per the remuneration policy of the company	Affirmed

(H.C.Verma)
Chairman
DIN 00007681

Place: New Delhi
Date: 03/11/2022

Annexure-6

**Pursuant to Rule 5(2) of Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014
Detail of top ten employees in terms of Remuneration drawn**

Name	Salary Per month In Rs.	Designation	Nature of employment whether contractual or otherwise	qualification and experience of the employee	date of commencement of employment	the age of such employee	the last employment held by such employee before joining the company	the percentage of equity shares held by the employee in the company within the meaning of clause (iii) of sub-rule (2) above and	Whether any such employee is a relative of any director or manager of the company and if so, name of such director or manager.
Mr. H.C. Verma	250000	Director	Contractual	Graduation	30.05.2014	70	Bhushan Power & Steel Ltd	NIL	N.A.
Mr. Dinesh Kumar Yadav	165000	Director	Contractual	Diploma	01.04.2021	50	Bhushan Power & Steel Ltd	NIL	N.A.
Mr. Nitin Yadav	90000	A.G.M.	Contractual	B.E.	08.02.2022	37	Bhushan Power & Steel Ltd.	NIL	N.A.
Mr. Dheeraj Kumar	74000	CS	Contractual	CS LLB	01.07.2013	38	Indswift Laboratories Ltd.	NIL	N.A.
Mr. Prabhakar Singh Thakur	70200	Manager	Contractual	Dip In Elect. Engg.	21/02/2019	44	Top Worth Steel & Power Ltd	NIL	N.A.
Mr. Devendra Chaudhary	63000	Manager	Contractual	Dip In Elect. Engg.	01/05/2019	49	Bhushan Power & Steel Limited	NIL	N.A.
Mr. Dina Nath Singh	60000	AGM	Contractual	B Com	12.07.2021	61	Bhushan Power & Steel Ltd.	NIL	N.A.
Mr. Sudhir Sharma	57700	Dy. Manager	Contractual	B.E. (Mech.)	25/12/2018	39	MSP Steel Private Limited	NIL	NA
Mr. Mahimanada Satruj	50000	Dy. Manager	Contractual	Diploma (Mech)	22/01/2019	40	Reliance Power Ltd.	NIL	NA
Mr. Baristar	47600	Senior Foreman	Contractual	12 th	01/03/2019	59	Joravar Steel, Siltara	NIL	NA

**(H.C. Verma)
Chairman
DIN 00007681**

**Place: New Delhi
Date: 03/11/2022**

ANNEXURE- 7

**Declaration Regarding Compliance by Board Members and
Senior Management Personnel with the Code of Conduct**

I hereby confirm that the Company has received declaration of Compliance of Code of Conduct as applicable to them from the senior management personnel of the Company and the Members of the Board in respect of the Financial Year ended 31st March, 2022.

Place: New Delhi
Dated: 03/11/2022

(H.C. Verma)
Whole Time Director
DIN 00007681

ANNUAL REPORT ON CSR PURSUANT TO RULES 8 & 9 OF COMPANIES (CORPORATE SOCIAL RESPONSIBILITY POLICY) RULES, 2014

Sl. No	Particulars		Remarks	
1	A brief outline of the company's CSR policy including overview of projects or programme proposed to be undertaken and a reference to web-link to CSR policy and projections or programme.		CSR policy, reflecting ethos of the company, broad areas of interest and overview of activities, purposes, rural focus and woman empowerment can be reached at http://www.novaironsteel.com/pdfs/csr%20policy.pdf Policy states the list of activities/projects undertaken/to be undertaken in future.	
2	The composition of the CSR Committee:			
Sr. No.	Name of Director	Designation / Nature of Directorship	Number of Meetings of CSR committee held during the year	Number of meetings of CSR committee attended during the year
i)	Hardev Chand Verma	Whole Time Director	1	0
ii)	Dinesh Kumar Yadav	Executive Director (Technical)	1	1
iii)	Suraj Prakash Choudhary	Chairman, Non-executive, Independent Director	1	1
3	Web link(s) where Composition of CSR Committee, CSR Policy and CSR Projects approved by the board are disclosed on the website of the company.		https://www.novaironsteel.com/pdfs/CSR%20Policy.pdf	
4	Executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable		Not Applicable	
5	Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any :		Not Applicable	
6	Average Net Profit of the company as per section 135(5)		Loss Rs. (6282.82) lacs	
7	(a) Two percent of average net profit of the company as per section 135(5) :		Nil	
	(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years. :		NA	
	(c) Amount required to be set off for the financial year, if any :		Nil	
	(d) Total CSR obligation for the financial year (7a+7b-7c).		Nil	

8. (a) CSR amount spent or unspent for the financial years:

Total amount to be spent for the financial year	Nil
amount un spent:	
-Total Amount transferred to Unspent CSR Account as per section 135(6)	NA
-Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)	NA

(b) Details of CSR amount spent against ongoing projects for the financial year : Not Applicable

(1) Sl. No.	(2) Name of the Project	(3) Item from the list of activities in Schedule VII to the Act	(4) Local area (Yes/No)	(5) Location of the project		(6) Project duration	(7) Amount allocated for the project (Rs.)	(8) Amount spent in the current financial Year (Rs.)	(9) Amount transferred to Unspent CSR Account for the project as per Section 135(6) (Rs.)	(10) Mode of Implementation - Direct (Yes/No)	(11) Mode of Implementation- Through Implementing Agency	
				State	District						Name	CSR Registration number
1	-	-	-	-	-	-	-	-	-	-	-	-

(c) Details of CSR amount spent against other than ongoing projects for the financial year : Amount in lakhs)

(1) Sl. No.	(2) Name of the Project	(3) Item from the list of activities in schedule VII to the Act	(4) Local area (Yes/No)	(5) Location of the project		(6) Amount spent in The current Financial Year (Rs.)	(7) Mode of Implementation - Direct (Yes/No)	(8) Mode of Implementation- Through Implementing Agency	
				State	District			Name	CSR Registration number
1	-	-	-	-	-	-	-	-	-

(d) Amount spent in Administrative Overheads : NIL

(e) Amount spent on Impact Assessment, if applicable : Not Applicable

(f) Total amount spent for the Financial Year (8b+8c+8d+8e) : Not Applicable

(g) Excess amount for set off, if any : NIL

Sr. No.	Particular	Amount (Rs. In lacs)
(i)	Two percent of average net profit of the company as per section 135(5)	Nil
(ii)	Total amount spent for the Financial Year	NA
(iii)	Excess amount spent for the financial year [(ii)-(i)]	NA
(iv)	Surplus arising out of the CSR projects or programmes or activities of the - previous financial years, if any	NA
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	NA

9. (a) Details of Unspent CSR amount for the preceding three financial years: Amount (in lakhs)

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (Rs.)	Amount spent in the reporting Financial Year (Rs.)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years (Rs.)
				Name of the Fund	Amount (Rs.)	Date of transfer	
1	2018-19	NA	-	-	-	-	
2	2019-20	NA	-	-	-	-	
3	2020-21	NA	-	-	-	-	

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1) Sl. No.	(2) Project ID	(3) Name of the Project	(4) Financial Year in which the project was commenced	(5) Project Duration	(6) Total amount allocated for the project (in Rs.)	(7) Amount spent on the project in thereporting Financial Year (Rs.)	(8) Cumulative amount spent at the end of reporting Financial Year (Rs.)	(9) Status of the project - Completed / Ongoing
NIL								

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year

(Asset-wise details) : Not Applicable

(a) Date of creation or acquisition of the capital asset(s).

(b) Amount of CSR spent for creation or acquisition of capital asset.

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).

11. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per section 135(5). : Not Applicable

For Nova Iron and Steel Limited
(H.C.Verma)
Chairman
DIN 00007681

Place: New Delhi
Dated: 03/11/2022

REPORT ON CORPORATE GOVERNANCE
1. Company's Philosophy

The Company is committed to good Corporate Governance practices. Your Directors endeavour to adhere to the Standards set out by the Securities & Exchange Board of India (SEBI). Your Company is, therefore, complying in all material respects the mandatory requirements as explained hereunder.

2. Board of Directors
a) Composition

In compliance of SEBI (LODR) Regulations 2015, Board consists of four Directors, comprising two Executive Directors and two Independent Director including one woman independent Director. Chairman of the Company is Executive Director.

b),c),d) Meetings and attendance records of each Director

During the year six meetings of Board of Directors were held on 12/04/2021, 29/06/2021, 14/08/2021, 13/11/2021, 02/12/2021 and 28/03/2022 and a separate Meeting of the Independent Directors was held on 28/03/2022. The intervening period between the two Board Meetings was well within the maximum prescribed period.

Attendance record of Directors at Board/ Committee/ General Meetings and details of directorship/ committee membership/Chairmanship during the year ended 31st March 2022 are given below:-

Sr. No.	Name of Director	Category	Attendance Particulars			No. of Other Directorship and Committee Member/ Chairmanship			Remarks
			No. of Board Meetings held	No. of Board Meetings attended	Attendance at last AGM	Other Directorships	Committee Members(**)	Committee Chairmanships (**)	
1.	Mr. Hardev Chand Verma	Non-Independent	6	2	No	1	0	0	
2.	*Mr. V.P. Chhabra	Non-Independent	5	3	No	0	0	0	
3.	*Mr. NarsinghAwatar	Independent	4	0	No	0	0	0	
4.	Mr. Dinesh Kumar Yadav	Non-Independent	3	2	No	0	0	0	
5.	Mrs. Sumiran Aggarwal	Independent	7	7	Yes	1	3	3	
6.	Mr. Suraj Prakash Choudhary	Independent	4	4	Yes	1	0	0	

(*) Mr. V.P. Chhabra, Director has resigned w.e.f. 15/01/2022 and vacation of the office of Directorship of Mr. Narsingh Awatar on 02/12/2021.

(**) Committee here means Audit Committee, Nomination and Remuneration Committee, Stakeholder Relationship Committee.

e) Disclosure of relationships between directors inter-se:

The Non-Executive Directors had no pecuniary relationship or transactions with the Company in their personal capacity during the year under review.

f) Number of shares and convertible instruments held by non-executive directors: nil
g) Familiarization Program for Independent Directors

All Independent Directors are apprised/familiarized about the company, its business, industry etc and roles, rights, responsibilities of independent Directors, nature of the industry in which the company operates, business model of the company, etc. from time to time. Detailed agenda is provided to all the Directors to take informed decisions and perform its functions and fulfill its role effectively. The details of such familiarization Programs are disclosed at weblink : <http://www.novaironsteel.com/pdfs/Familiarisation%20Programme%20for%20Independisent%20Director.pdf>.

Committees of Board of Directors

3. Audit Committee:

(a) Brief description of terms of reference

The terms of reference of the Audit Committee as defined under the relevant provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (LODR) Regulations, 2015 are as under:

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation audit fees.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference to:
 - a. Matters required to be included in the Directors' Responsibility Statement to be included in the Board's report in terms of clause (5) of section 134 of the Companies Act, 2013.
 - b. Changes, if any, in accounting policies and practices and reasons for the same.
 - c. Major accounting entries involving estimates based on the exercise of judgment by management.
 - d. Significant adjustments made in the financial statements arising out of audit findings.
 - e. Compliance with listing and other legal requirements relating to financial statements.
 - f. Disclosure of any related party transactions.
 - g. Qualifications in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.
6. Review and monitor the Auditor's independence, and effectiveness of audit process;
7. Approval or any subsequent modification of transactions of the company with related parties.
8. Scrutiny of inter-corporate loans and investments.
9. Valuation of undertakings or assets of the company, wherever it is necessary.
10. Evaluation of internal financial controls and risk management systems.
11. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
12. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
13. Discussion with internal auditors any significant findings and follow up thereon.
14. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control system of a material nature and reporting the matter to the board.
15. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
16. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
17. Reviewing the functioning of Whistle Blower mechanism in the Company.
18. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
19. Considering such other matters the Board may specify.
20. Reviewing other areas that may be brought under the purview of role of Audit Committee as specified in SEBI (LODR) Regulations, 2015 and the Companies Act, as and when amended.

(b) Composition, name of members and chairperson

The Company has an Audit Committee and at present the composition of the Committee consists 3 members namely Mr. Suraj Prakash Choudhary, Independent Director, Mr. Dinesh Kumar Yadav, Director and Mrs. Sumiran Aggarwal, Independent Director as its members. Mr. Suraj Prakash Choudhary is Chairman of the Committee and he is independent Director. He is a practicing Company Secretary.

(c) **Meeting and attendance during the year**

The committee met four times during the year i.e. on 29/06/2021, 14/08/2021, 02/12/2021 and 28/03/2022 and attendance is as under.

Name	Designation	Meeting Attended (No. of Meeting(s) held: 4)
Mr. Suraj Prakash Choudhary	Chairman	02
Mrs. Sumiran Aggarwal	Member	04
Mr. Dinesh Kumar Yadav	Member	0
Mr. N. Awatar (Resigned w.e.f. 02/12/2021)	Member	0
Mr. Ved Prakash Chhabra (Resigned w.e.f. 15/01/2022)	Member	02

Representative(s) of the Statutory Auditors normally attends meetings of Audit Committee.

4. NOMINATION AND REMUNERATION COMMITTEE

(a) **Brief description of terms of reference**

The terms of reference decided by the Board for the functioning of Nomination and Remuneration Committee, inter alia, to determine Company's remuneration policy, parameters for appointment of directors, key managerial personnel and determine remuneration structure performance based as well as the nomination and also covers such functions and scope as prescribed under section 178 of the Companies Act, 2013 read with allied Rules framed thereunder and Regulation 19 of SEBI (LODR) Regulations, 2015.

(b) **Composition, name of members and chairperson**

The Nomination and Remuneration Committee consists Mr. Suraj Prakash Choudhary, Independent Directors, Mr. Dinesh Kumar Yadav, Director and Mrs. Sumiran Aggarwal, independent directors as members of the Committee. Mr. Suraj Prakash Choudhary is the Chairman of the Committee.

(c) **Meeting and attendance during the year**

The committee has met one time during the year.

(d) **Performance evaluation criteria for Independent Directors**

The Nomination and Remuneration Committee of the Board has laid out the evaluation criteria for performance evaluation of the Board, its Committees and all the independent directors, in adherence to SEBI (LODR), Regulations 2015. The performance evaluation criteria includes attendance of directors, active participation in discussion, discussion of the item at length with import latest knowledge of industry and business etc.

5. Remuneration of Directors:

(a) **All pecuniary relationship or transactions of the non-executive directors**

The Non-Executive Directors had no pecuniary relationship or transactions with the Company in their personal capacity during the year under review.

(b) **Criteria of making payments to non-executive directors**

Company has adopted a Nomination and Remuneration Policy for Directors, Key Managerial Personnel and other Employees; regulated by the Nomination and Remuneration Committee of the Board. The policy provides the criteria and qualification for appointment of Directors, KMP, remuneration to them. The Policy is also available on the website of the Company www.novaironsteel.com in the investor section. (Also refer Annexure – 3 of Board's Report).

The remuneration to the Whole-time Director(s) is paid on the scale determined by the Nomination and Remuneration Committee within the limits approved by the Shareholders at the General Meeting. The Non-Executive, Independent Directors, are entitled to sitting fees for attending meetings of the Board, its Committees.

(c) Disclosure with respect to remuneration:

SN	Name of Director	Element of Remuneration Package	Details of fixed component	Sitting fee Paid/Payable	Service Contract , Notice period , severance fee	Stock option details , if any	No of shares held by non -executive directors
1	Mr. H.C. Verma (Whole Time Director)	25,00,000	Fixed	-	Contract for three years. Notice period three months. Salary in lieu of notice short of agreed period.	NIL	N.A.
3	Mr. Dinesh Kumar Yadav (Executive Director) Technical	11,55,000	-	-	Contract for five years. Notice period three months. Salary in lieu of notice short of agreed period.	-	-
5	Mrs. Sumiran Aggarwal (Woman Independent Director)	-	-	5000	-	-	-
6	Mr. Suraj Prakash Choudhary (Independent Director)	-	-	5000	-	-	-

6. STAKEHOLDER RELATIONSHIP COMMITTEE
(a) Name of non-executive director heading the committee:

Committee consists Mrs. Sumiran Aggarwal, Independent Director, Mr. Dinesh Kumar Yadav, Director and Mr. Suraj Prakash Choudhary, Independent Director as members of the committee. Mrs. Sumiran Aggarwal, is Chairman of the Committee. During the year under review four Meetings of Stakeholders Relationship Committee were held on 15.04.2021, 15.07.2021, 15.10.2021 and 15.01.2022.

(b) Name and designation of compliance officer:

Mr. Dheeraj Kumar, Company Secretary is the Compliance Officer.

(c),(d),(e) Number of shareholders complaints received so far, Number not solved to the satisfaction of shareholder and Number of pending complaints:

During the year 8 Nos. of complaints were received from various shareholders and all of them have been replied/resolved to the satisfaction of the complainants. As on date there is no complaint pending.

SHARE TRANSFER COMMITTEE

Mrs. Sumiran Aggarwal, Independent Director and Mr. Suraj Prakash Choudhary are the Members of the Committee. During the year under review Meetings of Share Transfer Committee were held every transaction/fortnight.

CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

Corporate Social Responsibility Committee constituted pursuant to section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 and CSR Committee recommend to the Board, a Corporate Social Responsibility Policy indicating the activities to be undertaken by the Company as specified in Schedule VII to the Act and amount of expenditure to be incurred on such activities/programs and to monitor the Corporate Social Responsibility Policy from time to time. Mr. Suraj Prakash Choudhary, Independent Director, Mr. H. C. Verma, Whole Time Director and Mr. Dinesh Kumar Yadav, Director are the Members of the Committee. Mr. Suraj Prakash Choudhary is the Chairman of the Committee.

The Corporate Social Responsibility Policy of the Company is available on the weblink of the Company <http://www.novaironsteel.com/pdfs/CSR%20Policy.pdf>.

7. GENERAL BODY MEETINGS:

Sr. No.	Last three AGM	2018-19	2019-20	2020-21
(a)	Location and time, where last three annual general meetings held;	28/09/2019 at 11:00 am at Registered office	18/12/2020 and adjourned on 25/12/202 at 11:30 am through VC/OAVM	31/12/2021 and adjourned on 7/1/2022 at 11:30 am through VC/OAVM
(b)	Whether any special resolution passed in the previous three annual general meeting	(i) Appointment of Statutory Auditors to fill the Vacancy	(i) Re-appointment of Mrs. Sumiran Aggarwal (DIN 07147212) as an Independent Director for second term of five years (ii) Re-appointment of Sh. Hardev Chand Verma (DIN 00007681) as Whole Time Director of the Company (iii) Further Issue of Securities	(i) Appointment of and Remuneration to be paid to Sh. Dinesh Kumar Yadav (DIN 07051856) as Director (Technical) of the Company
(c)	Whether any special resolution passed last year through postal ballot-details of voting pattern	No		
(d)	Person who conducted the postal ballot exercise	NA		
(e)	Whether any special resolution is proposed to be conducted through postal ballot	NA		
(f)	Procedure for postal ballot	NA		

8. MEANS OF COMMUNICATION:

- (a) **Quarterly Results:**
Prior intimation of Board Meeting where to consider and approve Unaudited/Audited Financial Results of the Company is given to the Stock Exchanges and also disseminated on the website of the Company at www.novaironsteel.com
- (b) **Newspapers wherein results normally published:**
The Company normally publishes quarterly, half yearly and annual financial results in Financial Express, English daily, in Jansatta, a Hindi daily and Samvet Shikhar, regional daily widely circulated.
- (c) **Any website, where displayed:**
Company's website www.novaironsteel.com
- (d) **Official news release:**
Official new releases including news on financial results of the company are sent to the Stock Exchange and the same are simultaneously hosted on the website of the Company.
- (e) **Presentations made to institutional investors or to the analysts:**
All price sensitive information is promptly intimated to the Stock Exchanges before releasing to the Media, other stakeholders and uploading on Company website.

9. GENERAL SHAREHOLDERS INFORMATION:

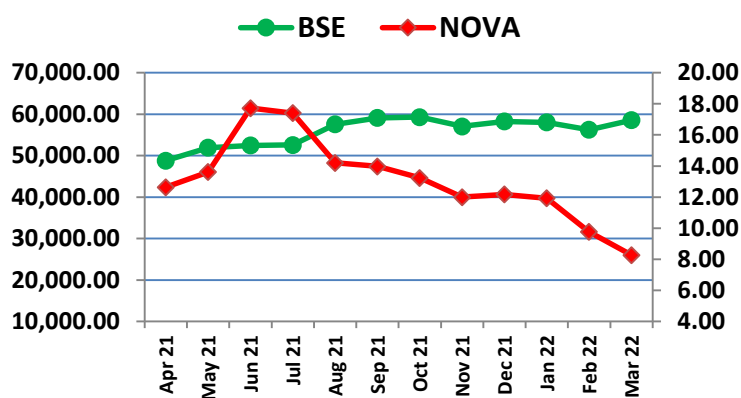
- a) Annual General Meeting for the year ended 31st March 2022 : 30th November, 2022 at 11:30 AM through VC/OAVM
- b) Financial year : 1st April to 31st March
- c) Dividend payment date : No dividend is recommended for the financial year ended 31st March 2022
- Dates of Book Closure : 24/11/2022 to 30/11/2022
- d) The name and address of each stock exchange(s) at which the listed entity's securities are listed and a confirmation about payment of annual listing fee to each of stock exchange(s) : Bombay Stock Exchange
Payment of Annual Listing fee upto 2021-22 has been paid

e) Stock Code : 513566

f) Market Price date- high, low during each month in:
last financial year

Month	High	Low	Volume
	(Rs. Per share)	(Rs. Per share)	(No. of Shares)
Apr-21	12.64	6.6	69650
May-21	16.27	12.89	63512
Jun-21	22.82	12.43	142857
Jul-21	19.3	15.35	137113
Aug-21	19.25	12.45	73685
Sep-21	15.99	12.6	56679
Oct-21	15.08	12.16	106417
Nov-21	13.86	9.11	79125
Dec-21	14.58	11.78	74888
Jan-22	13.25	11.57	65436
Feb-22	11.93	9.76	4860
Mar-22	10.24	7.97	12856

g) Performance in comparison to broad-
bases BSE sensex;



h) In case the securities are suspended from trading, the director report shall explain the reason thereof; : NA

i) Registrar and share transfer agents : M/s Skyline Financial Services Private Limited
D-153A, 1st Floor, Okhla Industrial Area, Phase-1, New Delhi - 110020.
Ph : 011-40450193 to 97
Fax : 011-30857562

j) Share transfer system : Board has delegated the authority for approving transfer, transmission etc. of the Company's securities to Share Transfer Committee. The decisions of Share Transfer Committee are placed at the next Board Meeting. The transfer requests are normally processed within 15 days of receipt of documents, if documents are found in order. Shares under objections are returned within two weeks. Transfer of shares held in physical form can be lodged with Registrar & Share Transfer Agent at the above mentioned address.

k) Distribution of shareholding :

Range	No. of Shareholders	No. of Shares	%age
1-500	154966	6436015	17.81
501-1000	453	320240	0.89
1001-2000	236	328866	0.91
2001-3000	94	223941	0.62
3001-4000	30	104016	0.29
4001-5000	24	114248	0.32
5001-10000	37	253364	0.7
10001 & above	53	28358798	78.47
Total	155893	36139488	100.01

- l) Dematerialization of shares and liquidity : Demat facility for demat of shares is available of both the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).
As at 31st March, 2022, 29969682 Equity shares out of 36139488 Equity Shares of the Company, forming 82.92% of the Company's paid up capital are held in the dematerialized form. The Company's shares are liquid and actively traded on the BSE.
- m) Outstanding global depository receipts or American depository receipts or warrants or any convertible instruments, conversion date and likely impact on equity : Nil
- n) Commodity price risk or foreign exchange risk and hedging activities : Nil
- o) Plant locations : Village Dagori, Tehsil Belha, Distt. Bilaspur, Chhattisgarh -495224
- p) Address for correspondence : Village Dagori, Tehsil Belha, Distt. Bilaspur, Chhattisgarh -495224

10. OTHER DISCLOSURES:

a) **Related party transactions**

The particulars of transactions between the company and its related parties as per the Indian Accounting Standard "Related Party Disclosures" are disclosed in Notes to Financial Statements. However these transactions are not likely to have any conflict with the Company's interest. All related party transactions are on arms' length price, and are in the ordinary course of business. The company has adopted the Related Party Transaction policy which is also available on the website of the Company at <https://www.novaironsteel.com/pdfs/Related%20Party%20Transaction%20policy.pdf>

b) **Compliances**

The Company has complied with the material requirements of the Stock Exchanges, SEBI and other Statutory Authorities on matters related to capital markets, Further during the year trading of securities of the Company was suspended by Bombay Stock Exchange Limited due to penal provision of non-compliance of SEBI (LODR) Regulations, 2015. However, company has complied with said regulations and filed an application for Revocation of Suspension of Trading of Securities with Bombay Stock Exchange which is in process. Penalties of Rs. 20,55,560/- have been imposed on the Company by the Stock Exchanges relating to the above, however, company filed an application for waiver of said penalties and same was waived of by the Bombay Stock Exchange vide Email dated 21/10/2022.

c) **Vigil Mechanism, Whistle Blower Policy and affirmation that no personnel has been denied access to the Audit Committee.**

Refer to details of establishment of Vigil/Whistle Blower Policy of Board's Report. The Policy empower any person associated with the organisation to file a grievance if he/ she notices any irregularity. No person has been denied access to the Audit Committee for any grievance.

(d) **Detail of compliance with mandatory and non-mandatory requirements:**

The Company has fully complied with the mandatory requirements of SEBI (LODR) Regulations, 2015. Adoption of Non-Mandatory requirements under SEBI (LODR) Regulations, 2015 are reviewed by the Board from time to time.

(e) **Web link where policy for determining material subsidiaries is disclosed:**

Company does not have a Material Subsidiary as defined under Regulation 16(1)(c) of the SEBI (LODR) Regulations, 2015. Company shall formulate a policy to determine material subsidiary as and when considered appropriate in the future.

(f) **Web link where policy on dealing with related party transaction:**

weblink:<http://www.novaironsteel.com/pdfs/Related%20Party%20Transaction%20policy.pdf>

(g) **Disclosure of commodity price risks and commodity hedging activities:**

Not Applicable

Auditor Certification on Corporate Governance

The Company has obtained a Certificate as stipulated in SEBI (LODR) Regulations, 2015 regarding compliance of conditions of Corporate Governance and a certificate from Company Secretary in Practice regarding Non – Disqualification of Directors are enclosed as **Annexure at 10 and 12.**

Whole Time Director and CFO Certification

As required under SEBI (LODR) Regulation, 2015, the Certificate of Whole Time Director/ Chief Financial Officer of the Company regarding Financial Statements for the year ended 31/03/2022 is at **Annexure-11.**

Disclosure with respect to demat suspense account/unclaimed suspense account: NIL

Company's Policy on Prohibition of Insider Trading

The Company has formulated a Policy for Prohibition of Insider Trading to deter the insider trading in the securities of the Company based on the unpublished price sensitive information. The policy envisages procedures to be followed and disclosures to be made while dealing in the securities of the Company. The full text of the policy is available on the weblink <http://www.novaironsteel.com/pdfs/Insider%20Trading%20Policy.pdf>.

Other Useful Information for Shareholders

Updation of E-mails for receiving notice/documents in e-mode:

The Ministry of Corporate Affairs (MCA) has through its circular issued in 2011, allowed service of documents by companies including Notice calling General Meeting(s), Annual Report etc., to their shareholders through electronic mode.

In accordance of the same, company has been sending notice calling General Meetings, Annual Report and other documents in electronic mode to the shareholders on their email addresses who has registered their email address with the Company/RTA and they may inform the company/RTA in case the shareholders wish to receive the above documents in physical form.

The shareholders who have not registered their email addresses with the Company are requested to kindly register their e-mail addresses with the Company.

Dematerialisation of Shares

Members are advised to consider dematerialization of their shareholding so as to avoid inconvenience involved in the physical shares such as mutilation, possibility of loss/misplacement, delay in transit etc. ISIN No. for dematerialisation of Equity Shares is INE608C01026 and Security Symbol in BSE is NOVVIS.

As per SEBI Circular SEBI/LAD-NRO/GN/2018/24 dated 08th June 2018, as amended to date, shareholders are advised to dematerialized their physical securities, since requests for transfer (except transmission or transposition) only be processed after dematerialized of physical securities.

Update your Correspondence Address/Bank Mandate/Email Id

To ensure all communication benefits received promptly, all shareholders holding shares in physical, demat form are requested to notify to the Company or their respective DPs, change in their address/bank details/email id instantly by written request under the signatures of sole/first joint holder.

Quote Folio No./DP ID No.

Shareholders/Beneficial Owners are requested to quote their Folio Nos./DP ID Nos., as the case may be, in all correspondence with the Company and their E-mail IDs, Contact/Fax numbers for prompt reply to their correspondence.

(H.C.Verma)
Chairman
DIN: 00007681

Place: New Delhi
Dated: 03/11/2022

CERTIFICATE
(Under Schedule V(E) of the SEBI (LODR) Regulations 2015

To
The Members of
Nova Iron & Steel Limited

We have examined the relevant record of Nova Iron & Steel Limited for the purpose of certifying the compliance of conditions of Corporate Governance as stipulated in SEBI (LODR) Regulations, 2015 for the year ended 31st March 2022.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance.

In our opinion and to the best of our information and according to the explanations given to us, the Company has complied with the conditions of Corporate Governance, as stipulated in SEBI (LODR) Regulations, 2015 for the year ended 31st March, 2022.

For KV Bindra & Associates
Company Secretaries
Membership No. 10074
C.P No.12962
Peer Review No.2522/2022
UDIN F010074D001249301

Place: Chandigarh
Dated: 15/10/2022

CERTIFICATION OF WHOLE TIME DIRECTOR AND CFO
(Under Regulation 17(8) of SEBI (LODR) Regulations, 2015)

To
The Board of Directors
Nova Iron & Steel Limited

We hereby Certify that

We have reviewed the financial statements and the cash flow statement for the year 2021-22 and to the best of our knowledge and belief:

- These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations;
- b. to the best of our knowledge and belief, no transactions entered into by the Company during the year 2021-22 are fraudulent, illegal or violated of the Company's code of conduct;
- c. We accept responsibility for establishing and maintaining internal controls and have evaluated the effectiveness of the internal control systems of the Company and have disclosed to the auditors and the Audit Committee, deficiencies, if any, in the design or operation of the internal control, of which We are aware of and steps have taken or propose to take to rectify these deficiencies.
- d. We have also indicated to the Auditors and the Audit Committee -
- There has not been any Significant changes in internal control over the financial reporting during the year
 - There has not been any Significant changes in accounting policies during the year except in respect of depreciation and the same have been disclosed in the notes to the financial statements; and
 - Instances of significant fraud of which I have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over the financial reporting.

Place: New Delhi
Dated: 03/11/2022

H.C. Verma
Whole Time Director
DIN 00007681

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS
(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of
Nova Iron and Steel Limited
Village Dagori, Tehsil Belha, Distt. Bilaspur
Chhattisgarh

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Nova Iron and Steel Limited having CIN: L02710CT1989PLC010052 and having registered office at Village Dagori, Tehsil Belha, Distt. Bilaspur, Chhattisgarh 495224 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2022 after considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority

Sr. No.	Name of Director	DIN	Date of Appointment
1.	Hardev Chand Verma	00007681	05/08/2013
2.	Sumiran Aggarwal	07147212	02/04/2015
3.	Dinesh Kumar Yadav	07051856	14/08/2021
4.	Suraj Prakash Choudhary	09241286	14/08/2021

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For KV Bindra & Associates
Company Secretaries
Membership No. 10074
C.P No.12962
Peer Reviewer No.2522/2022
UDIN F010074D001249301

Place: Chandigarh
Dated: 15/10/2022

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

This report is an integral part of the Board' Report. The objective of this report is to convey the Management's perspective on the external environment and steel industry, as well as strategy, operating and financial performance, material developments in human resources and industrial relations, risks and opportunities, and internal control systems and their adequacy in the Company during the Financial Year 2021-22

Industry Structure and Development

The covid-19 pandemic sent the global economy into deep recession in 2020. Developed countries are now seeing a sharp economic recovery; GDP in all G20 economies (except the UK) either returned to pre-coronavirus GDP levels in 2021 or will do so this year. The global economy enters 2022 in a weaker position than previously expected. As the new Omicron COVID-19 variant spreads, countries have reimposed mobility restrictions. Rising energy prices and supply disruptions have resulted in higher and more broad-based inflation than anticipated, notably in the United States and many emerging market and developing economies. Further, the ongoing retrenchment of China's real estate sector and slower-than-expected recovery of private consumption and the ongoing tension between Russia and Ukraine have limited the growth prospects.

The US leads the way, with an economy that bounced back strongly in the first half of 2021, fueled by fiscal stimulus and a swift start to the vaccine rollout. The rise in US inflation reflects a combination of temporary and structural factors. Inflation is pushing up the prices of essential goods such as food, transport and utilities. The other two global economic powers, China and the euro zone, posted a strong growth last year. However, rising covid-19 cases and measures taken to address the Omicron variant still threaten the recovery in the short term. World crude steel production for the 64 countries reporting to the World Steel Association was 158.7 million tonnes (Mt) in 2021, a 3.0% decrease compared to 2020.

Overall the sectors that company operates in remained depressed, adversely impacting the business of the Company. Resolution under IBC and effective monitoring of credit quality by Banks is expected to provide stable and favorable markets.

Meanwhile, the Company is reorienting its business structure and entering into operation and management agreement with M/s R.K. Sponge and Iron Pvt. Ltd., Raipur, which will improve the performance of the Company.

Opportunity

The current forecast assumes that, with the progress of vaccinations across the world, the spread of variants of the COVID -19 virus will be less damaging and disruptive than seen in previous waves. Strong manufacturing activity bolstered by pent-up demand will remain as a significant contributor. The developed economies have outperformed the expectations by a larger margin than the developing economies, reflecting the positive benefit of higher vaccination rates and government support measures. In the emerging economies, especially in Asia, the recovery momentum was interrupted by the resurgence of pandemic. Significant opportunities of growth exists over the next few years in key sectors such as Steel, Ports, Mining and Power for equipment and life cycle services. PM Gati Shakti masterplan for expressways to be formulated this fiscal year to facilitate faster movement of people and goods. The approach is driven by seven engines - roads, railways, airports, ports, mass transport, waterways, and logistics infrastructure. Projects announced in the National Infra Pipeline will be aligned with PM Gati Shakti. INR 48,000 crore is allotted for PM AwasYojana; 80 lakh households to be covered under this scheme. Import duty concessions will deprived the local producers of a level playing field in areas like coal mining projects, power generation, transmission or distribution projects, railway and metro projects. Stability in the political environment and the Governments pro-reform approach continued to strengthen the confidence of entrepreneurs and investors. The Government "Make in India" initiative has also encouraged domestic entrepreneurs to match global best practices and also attracted FDI. "Source of information *The Indian Steel Association (ISA)*"

Threat

The general economic slowdown has a significant impact on major consumers like the automotive, construction, appliance, and industrial industries. China exports a lot of steel at competitive costs. Industry by nature is capital intensive and requires high capital investment. There has been significant increase in levies, duties and regulatory costs in the recent years. The key risks going forward include high inflation, high energy prices, prolonged Russia-Ukraine war, tapering of liquidity by Central Banks and likely increase in interest rates. Rising cost of input coupled with scarcity in supply. Volatility in prices of crude oil in international market. Volatility in foreign exchange currency. Weak rupee against USD.

Segment wise performance

The Company is engaged in the manufacturing/trading of Iron & Steel, Metals business which is considered the only business segments. The turnover of the Company is Rs. 605.40 crore.

Outlook

The renewed importance given by Government on affordable -housing, roads, sagarmala projects and other infrastructure projects is expected to create steel demand. The COVID pandemic presents a unique opportunity for India and its industries to increase influence in the global supply chain. With a likely realignment of global supply chains, India has the skill, resources and expertise to emerge as a location of choice. The Metals and Mining sector in India is expected to witness a major reform in the next few years, owing to reforms such as Atmanirbhar Bharat and Make in India Campaign. Construction and infrastructure remain the biggest sector driving the demand for steel. The Government's focus on developing the infrastructure sector is visible in the union budget for 2022- 23 with several announcements on new roads and highways, railways, cargo terminals, National Ropeways Development Program for hilly areas and housing projects. India is also leading producer of sponge iron with host of coal based units, located in the mineral-rich states of the country.

Others:

For Risk and Concern, Inter Control System and their Adequacy, Financial Performance with respect to operation performance, Material Development in Human Resources/Industrial Relations front, including number of people employed please refer to Board Report.

CAUTIONARY STATEMENT

The above Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectations may be "forward looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include external economic conditions affecting demand/supply influencing price conditions in the market in which the Company operates, changes in Government regulations, tax laws, and other incidental factors.

INDEPENDENT AUDITOR'S REPORT

To the Members of Nova Iron and Steel Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Nova Iron and Steel Limited (“the Company”), which comprise the balance sheet as at 31 March 2022, and the statement of Profit and Loss, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis of Qualified Opinion section of our report, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2022, and its profit, changes in equity and its cash flows for the year ended on that date.

Basis of Qualified Opinion

- a) The company's property, plant and equipment are carried in the financial statements at Rs. 35,689.55 lakh. The available property, plant and equipment register does not contain full particulars as described under the Companies (Auditor's Report) Order, 2020. Further, the management has not conducted physical verification exercise at regular intervals. The same has also been reported under clause 3(i) (a) and 3(i) (b) of Annexure “A” to this report.
- b) The company has investments of Rs. 315.92 lakh in equity instruments which are designated to be measured at fair value through other comprehensive income (FVTOCI). However, the management has not conducted fair valuation exercise at the balance sheet date and accordingly carried these investments at their old carrying value. We are unable to comment on the possible effects on the state of affairs of the company that the departure from valuation may have.
- c) The company's advance to suppliers is carried in the financial statements at Rs. 3,977.82 lakh. Due to non-response, the management was not able to facilitate external confirmation for most of the advances. Further, in the absence of ageing analysis of advances, non-response of external confirmations, and other alternate audit evidence, we are unable to comment on the appropriateness of advances as appearing in the financial statements.
- d) The inventories of the company are carried at Rs. 11,924.47 lakh. The management has not conducted physical verification of these inventories at regular intervals. The same has also been reported under clause 3(ii) (a) of Annexure “A” to this report.

- e) The company's borrowings from related party M/s Bhushan Power and Steel Limited, are carried at Rs. 15,158.79 lakh. The management is contesting the borrowings and disputing the payment of the same. The management could not arrange sufficient document / information in support of the borrowing. Further, we have not been facilitated with direct external confirmation. However, we have been provided with the demand notice received from the lender. In the absence of sufficient and appropriate audit evidence, we are unable to comment on the possible effects that borrowings may have upon finance cost on account of non-recognition of interest expense on such borrowings and contingent liability on account of the dispute.
- f) The company's borrowings from other parties are carried at Rs. 18,028.74 lakh. Out of these, the management was not able to facilitate us with loan agreements / sanction letters and balance confirmations from the lenders, for the borrowings of Rs. 8,422.08 lakh from various lenders. Therefore, we are unable to comment on the classification of these borrowings into long-term or short-term, repayment terms and conditions and security provided to avail these borrowings, as required under Schedule III to the Companies Act, 2013.
- g) The company's trade payables are carried in the financial statements at Rs. 12,292.59 lakh. Due to non-response, the management was not able to facilitate external confirmation for trade payables amounting to Rs. 8,457.91 lakh. Further, on account of non-response of external confirmation, and other alternate audit evidence, we are unable to comment on the appropriateness of trade payables.
Further, the company does not have any standard operating procedure (SoP) to identify entities registered under Micro, Small and Medium Enterprises Development Act, 2006.
- h) The company's contingent liabilities are carried at Rs. 4,760.30 lakh which, inter-alia, include claim against company and pending litigations under dispute. With borrowings of Rs. 33,187.53 lakh, the company may face financial difficulty to meet out these obligations if contingent liabilities are unfavourably decided against the company or borrowings are demanded on short notice. Further, the management has not made any provision or necessary arrangements against these liabilities.

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* 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 statements 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.

Emphasis of Matter

- a) We draw your attention to the fact that previous year financial statements were audited by another auditor. We have relied upon such audited financial statements, wherever possible, so far as opening balances, disclosures and presentation are concerned.

- b) The company has measured certain financial assets at amortised cost which were measured and carried at transaction price only till past period. The company has rectified these errors in the current period and made disclosure accordingly in the accompanying financial statements.
- c) The company has not established any procedure to identify details of struck off companies and transaction with such companies, if any. Therefore, the disclosure of “relationship with struck off companies” has been made with the limitation of insufficient information available with the management.
- d) The company does not have designated Chief Financial Officer (CFO) in terms of the requirements of the Companies Act, 2013.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
<p>a) Assessment of litigations and related disclosure of contingent liabilities</p> <p>Refer to note no 30 to the standalone financial statements which describes contingent liabilities.</p> <p>As at 31 March 2022, the company has exposure towards litigations relating to various matters set out in the aforesaid notes.</p> <p>Significant management judgement is required to assess such matters to determine probability of occurrence of material outflow of economic resources and whether a provision should be recognised, or a disclosure should be made.</p> <p>As the ultimate outcome of the matters are uncertain and the positions taken by the management are based on their best estimates and judgements, it is considered to be a key audit matter.</p>	<p>Our audit procedure included the followings:</p> <ul style="list-style-type: none"> • We understood, assessed the effectiveness of controls surrounding the assessment of litigations. • We discussed with management about the pending material litigations, their possible effects on the financial position of the company and their current status. • We performed an independent exercise to identify possible material litigation which may not have been disclosed to us. • We evaluated the management’s assessment around those matters that are not disclosed or not considered as contingent liability. • We assessed the adequacy of the company’s disclosure. <p>Based on the above work performed, the disclosure of contingent liabilities is reasonable. Refer para (h) of the <i>Basis of Qualified Opinion</i> section of our report.</p>
<p>b) Assessment of variance in cost of goods sold</p> <p>The company has high fluctuations in cost of goods compare to sales throughout the year.</p>	<p>Our audit procedure included the followings:</p> <ul style="list-style-type: none"> • We understood, assessed the cost formula used by the company.

<p>Considering the nature of expenses and significant amount, it is considered to be a key audit matter.</p>	<ul style="list-style-type: none"> • We evaluated the management responses to these high fluctuation on account of frequent changes in the price of raw materials. • We have received and analysed a justification report to quantify and ascertain the possible reasons for fluctuation in the amount of cost of goods sold. <p>Based on the work performed, the expenses related to the cost of goods sold are appropriate.</p>
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Information Other than the Financial Statements and Auditor’s Report Thereon

The Company’s Board of Directors is responsible for the other information. The other information comprises the information included in the Directors’ report but does not include the financial statements and our auditor’s report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company’s Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 (“the Act”) with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and *cash flows* of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. 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 statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is 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.

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements 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 statements.

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 statements, 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 Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's 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 statements 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 statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure A" statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

As required by Section 143(3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 except for the departure from certain Indian Accounting Standard as disclosed under the aforesaid financial statements and related qualification under para (b) of the *Basis of Qualified Opinion* section of our report.
- e) The observations or comments on the financial transactions or matters which may have adverse effect on the functioning of the company have been reported under *Basis of Qualified Opinion* and *Emphasis of Matter* section of our report.
- f) On the basis of the written representations received from the directors as on 31 March 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2022 from being appointed as a director in terms of Section 164(2) of the Act.
- g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure "B".
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) The Company has disclosed pending litigation under contingent liabilities under note no 30 of the aforesaid financial statements.

- (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses
- (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- (iv)(i) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other persons or entities, including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever (“Ultimate Beneficiaries”) by or on behalf of the company or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (ii) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the company from any persons or entities, including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever (“Ultimate Beneficiaries”) by or on behalf of the Funding Party or provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries; and.
- (iii) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (iv) (i) and (iv) (ii) contain any material mis-statement.
- (v) The company has neither declared nor paid any dividend during the year.

For and on behalf of
MNRS & ASSOCIATES
Chartered Accountants
FRN: 018340N

Neeraj Kumar Agarwal
Partner
M.No:503441
UDIN: 22503441AOZUTN8373

Place: New Delhi, India
Date: 14 August 2022

Annexure A to the Independent Auditor's Report of Even Date on the Standalone Financial Statements of Nova Iron and Steel Limited

Based on audit procedures performed for the purpose of reporting a true and fair view on the financial statement of the company taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit and to the best of our knowledge and belief, we report that-

(i) (a) (A) The company is not maintaining proper records showing full particulars, including quantitative details and situation of property, plant, and equipment.

(B) The company does not have intangible assets. Accordingly, the provisions of clause 3(i) (a) (B) of the Order are not applicable.

(b) The property, plant and equipment have not been physically verified by the management of the company at reasonable intervals. Therefore, we are unable to comment on the provisions of clause 3(i) (b) of the Order.

(c) The title deeds of all the immovable properties (other than properties where the company is a lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the company, except certain immovable properties as below:

Description of property	Gross carrying value (In lakhs)	Held in the name of	Whether promoter, director or their relative or employee	Period held	Reason
Land	33.47	Mr Sunil Gupta	No	Since 2012	Not available
Land	160.87	Mr R.K. Rastogi	No	Since 2012	Not available

(d) The company has not revalued its property, plant and equipment including right-of-use assets during the year. Accordingly, the provisions of clause 3(i) (d) of the Order are not applicable.

(e) No proceedings have been initiated or are pending against the company for holding any benami property under Benami Transactions (Prohibition) Act, 1988 and rules made thereunder. Accordingly, the provisions of clause 3(i) (e) of the Order are not applicable.

(ii) (a) The inventories have not been physically verified by the management of the company at reasonable intervals. Therefore, we are unable to comment on the provisions of clause 3(ii) (a) of the Order.

(b) The company has not been sanctioned any working capital limits during the year. Accordingly, the provisions of clause 3(ii) (b) of the Order are not applicable.

(iii) (a) The company has not provided loans or advances in the nature of loans or guarantee or security to any other entity. Accordingly, the provisions of clause 3(iii) (a) of the Order are not applicable.

(iii) (b) The company has not provided loans or advances in the nature of loans or guarantee or security to any other entity. Accordingly, the provisions of clause 3(iii) (b) of the Order are not applicable.

(iii) (c) The company has not provided loans or advances in the nature of loans to any other entity. Accordingly, the provisions of clause 3(iii) (c) of the Order are not applicable.

(iii) (d) The company has not provided loans or advances in the nature of loans to any other entity. Accordingly, the provisions of clause 3(iii) (d) of the Order are not applicable.

(iii) (e) The company has not provided loans or advances in the nature of loans to any other entity. Accordingly, the provisions of clause 3(iii) (e) of the Order are not applicable.

(iii) (f) The company has not provided loans or advances in the nature of loans to any other entity. Accordingly, the provisions of clause 3(iii) (f) of the Order are not applicable.

(iv) The company has not provided loans, guarantees, and security as specified under the provisions of Section 185 and 186 of the Companies Act, 2013. In respect of investments, the company has complied with the provisions of the Section 185 and 186 of the Companies Act, 2013.

(v) The company has not accepted any deposits. Accordingly, the provisions of clause 3(v) of the Order are not applicable.

(vi) The maintenance of the cost records has been specified under Section 148 of the Companies Act, 2013. The company has maintained such accounts and records.

(vii) (a) The company is generally regular in depositing undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income tax, cess, and any other statutory dues to the appropriate authorities, except certain statutory dues as below:

Name of the Statute	Nature of the Dues	Amount (In lakhs)	Period	Due Date	Date of Payment
Employee Provident Fund and Miscellaneous Provisions Act, 1952	Provident Fund	0.15	Sep-Oct, 2021	Oct-Nov, 2021	Unpaid

(b) There are no statutory dues as referred to in sub-clause (a) pending on account of any dispute except those mentioned hereunder:

Name of the Statute	Nature of the Dues	Amount (in lakhs)	Period	Forum where dispute is pending
Excise Duty	MODVAT credit disallowed	72.62	AY 2004-05	CESTAT
Excise Duty	Demand	2.90	AY 2007-08	Central Commissioner of Excise
Excise Duty	Demand	57.58	Oct 1999 to Mar 2004	Central Commissioner of Excise
Excise Duty	Demand	126.70	April 2007 to July 2011	Central Commissioner of Excise
VAT	Demand	530.60	AY 2003-04	Additional Commissioner of Commercial Tax
VAT	Demand	594.08	AY 2004-05	Additional Commissioner of Commercial Tax
Entry Tax	Demand	5.05	AY 2006-07	Additional Commissioner of Commercial Tax

Income Tax	Demand	299.05	AY 2017	CIT(A)
Income Tax	Demand	397.87	AY 2016	CIT(A)
Income Tax	Demand	659.25	AY 2018	CIT(A)
Income Tax	Demand	303.87	AY 2007	CIT(A)
Income Tax	Demand	0.54	AY 2014	CIT(A)
Income Tax	Demand	20.56	AY 1994	CIT(A)

(viii) The company has not surrendered or disclosed any income during the year in the tax assessments under the Income Tax Act, 1961. Accordingly, the provisions of clause 3(viii) of the Order are not applicable.

(ix) (a) The company has outstanding borrowings amounting to Rs. 33,187.53 lakh. In the absence of loan agreement / sanction letters, terms and conditions for repayment of principal and interest thereon have not been stipulated. According to the information and explanations given to us, the company has not defaulted in repayment except for certain loans mentioned hereunder:

Nature of borrowings	Name of the lender	Amount not paid on due date (as demanded)	Whether principal and interest	No. of days delay or unpaid	Remarks
Loans from related parties repayable on demand	Bhushan Power and Steel Limited	12,583.89 lakhs	Principal	--	The management is contesting / disputing such demand and informed us that this demand is not due and payable.
Loans from related parties repayable on demand	Bhushan Power and Steel Limited	9,288.69 lakhs	Interest	--	

(b) The company has not been declared wilful defaulter by any bank or financial institution or other lender. Accordingly, the provisions of clause 3(ix) (b) of the Order are not applicable.

(c) The company has not availed any term loan during the year. Accordingly, the provisions of clause 3(ix) (c) of the Order are not applicable.

(d) The company has not raised funds on short term basis during the year. Accordingly, the provisions of clause 3(ix) (d) of the Order are not applicable.

(e) The company does not have any subsidiary, associates, or joint ventures. Accordingly, the provisions of clause 3(ix) (e) of the Order are not applicable.

(f) The company does not have any subsidiary, associates, or joint ventures. Accordingly, the provisions of clause 3(ix) (f) of the Order are not applicable.

(x) (a) The company has not raised moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, the provisions of clause 3(x) (a) of the Order are not applicable.

(b) The company has not made any preferential allotment or private placement of shares or fully, partly or optionally convertible debentures in terms of section 42 and 62 of the Companies Act, 2013. Accordingly, the provisions of clause 3(x) (b) of the Order are not applicable.

(xi) (a) No fraud by the company or on the company by its officers or employees has been noticed or reported during the year. Accordingly, the provisions of clause 3(xi) (a) of the Order are not applicable.

(b) No report under Section 143(12) of the Companies Act, 2013 has been filed by the auditor of the company.

(c) The company does not have adequate whistle blower process to handle anonymous complaints. Consequently, we have not received any whistle-blower complaint. Accordingly, we are unable to comment on the provisions of clause 3(xi) (c) of the Order.

(xii) The company is not a Nidhi company. Accordingly, the provisions of clause 3(xii) of the Order are not applicable.

(xiii) All transactions with the related parties are in compliance with section 177 and 188 of the Companies Act, 2013 and details of such transactions have been disclosed in the accompanying financial statements of the company as required by the applicable Indian Accounting Standards (Ind AS).

(xiv) (a) In our opinion and based on our examination of scope of work of internal audit, the company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit report of the company issued till date, for the period under audit.

(xv) The company has not entered into any non-cash transactions with the directors or person connected with him. Accordingly, the provisions of clause 3(xv) of the Order are not applicable.

(xvi) (a) The company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of clause 3(xvi) (a) of the Order are not applicable.

(b) The company has not conducted any Non-Banking Financial or Housing Finance activities during the year. Accordingly, the provisions of clause 3(xvi) (b) of the Order are not applicable.

(c) The company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the provisions of clause 3(xvi) (c) of the Order are not applicable.

(d) The Group does not have more than one Core Investment Company (CIC) as part of it. Accordingly, the provisions of clause 3(xvi) (d) of the Order are not applicable.

(xvii) The company has incurred cash losses during the year. However, the company has not incurred cash losses in immediately preceding financial year. The cash losses incurred during the year amount to Rs. 80.91 lakhs.

(xviii) The predecessor auditor of the company has resigned dated 09 March 2022. As per the communication with outgoing auditor, no issues, objections or concerns were raised by such auditor to us.

(xix) The company's contingent liabilities are carried at Rs. 4,760.30 lakh which, inter-alia, include claim against company and pending litigations under dispute. With borrowings of Rs. 33,187.53 and negative working capital, the company may face financial difficulty to meet these obligations if contingent liabilities are unfavourably decided against the company or borrowings are demanded. The management has, however, prepared the financial statements on going concern basis.

(xx) (a) The company is not covered under the provisions of the Section 135 of the Companies Act, 2013. Accordingly, the provisions of clause 3(xx) (a) of the Order are not applicable.

(b) The company is not covered under the provisions of the Section 135 of the Companies Act, 2013. Accordingly, the provisions of clause 3(xx) (b) of the Order are not applicable.

(xxi) The provisions of the clause 3(xxi) of the Order are applicable to the consolidated financial statements of the holding (parent) company. The accompanying financial statements not being the financial statements of holding (parent) company, the provisions of the said clause of the Order are not applicable.

For and on behalf of
MNRS & ASSOCIATES
Chartered Accountants
FRN: 018340N

Neeraj Kumar Agarwal
Partner
M.No: 503441
UDIN: 22503441AOZUTN8373

Place: New Delhi, India
Date: 14 August 2022

Annexure B to the Independent Auditor's Report of Even Date on the Standalone Financial Statements of Nova Iron and Steel Limited**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of Nova Iron and Steel Limited ("the Company") as of 31 March 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Qualified Opinion

According to the information and explanations given to us and based on the internal audit reports of the company, the following material weakness have been identified as at 31 March 2022:

- a) The company did not have a system of physical verification of inventories periodically at regular intervals. Further, the company is not maintaining inventory levels.
- b) The company did not have a system of physical verification of its property, plant and equipment periodically at regular intervals.
- c) The company did not have an appropriate internal control system for scrap sales. The company does not have standards operating procedures (SoPs) which will enable it to identify scrap dealers, better pricing, identification and recording of such scrap sales.
- d) The company did not have an internal control system for verification of third-party balances and their balances periodically.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual financial statements will not be prevented or detected on a timely basis.

In our opinion, except for the possible effects of the material weaknesses described above on the achievement of the objectives of the control criteria, the Company has maintained, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as of 31 March 2022.

We have considered the material weaknesses identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the 31 March 2022 and the effects of these material weaknesses on our opinion on the standalone financial statements of the Company has been disclosed under *Basis of Qualified Opinion* section of our report.

For and on behalf of
MNRS & ASSOCIATES
Chartered Accountants
FRN: 018340N

Neeraj Kumar Agarwal
Partner
M.No: 503441
UDIN: 22503441AOZUTN8373

Place: New Delhi, India
Date: 14 August 2022

NOTES FORMING PARTS OF IND AS FINANCIAL STATEMENTS

1. Corporate Information:

Nova Iron & steels Limited (“the company”) is engaged in the manufacturing / trading of Iron & Steel, Metals, Securities & Natural Resources business. The company address of principal place of business is village-Dagori Tehsil -Belha, Bilaspur Chhattisgarh, 495224.

The company has entered into operation and management consultancy agreement with R.K. Sponge Private Limited (the “operator”). The operator is responsible for running, managing and operating the plant of the company. For detailed information, refer note no 43 of the accompanying financial statements.

The accompanying financial statements of the company were approved for issue in accordance with the resolution of the board of directors on 14/08/2022.

2. Significant Accounting Policies

(a) Statement of Compliance

The Ind AS Financial Statements have been prepared as a going concern in accordance with Indian Accounting Standards (Ind AS) notified under the section 133 of the companies Act, 2013 (“the Act”) read with the companies (Indian Accounting Standards) Rules,2015 and other relevant provisions of the Act except with certain departure from the provisions of the Indian Accounting Standard as disclosed under note no 42.

(b) Basis of preparation and presentation

The Ind AS financial statements have been prepared on the historical cost convention on accrual basis except for certain financial instruments which are measured at fair value at the end of each reporting period, as explained in the accounting policies mentioned below. Historical cost is generally based on the fair value of the consideration given in exchange of goods or services. The principal accounting policies are set out below:

All assets and liabilities have been classified as current or non-current according to the Company's operating cycle and other criteria set out in the Act. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current non-current classification of assets and liabilities.

The financial statements have been prepared in Indian rupees (Rs.) rounded off to nearest Rs. Lacs up to two decimal points, except no. of shares and earnings per share.

(c) Use of estimates and judgments

The preparation of Ind AS financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income, expenses and disclosures of contingent assets and liabilities at the date of these financial statements and the reported amount of revenues and expenses for the years presented. Actual results may differ from the estimates.

Estimates and underlying assumptions are reviewed at each balance sheet date. Revisions to accounting estimates are recognized in the period in which the estimates are revised, and future periods affected.

(d) Property, Plant and Equipment (PPE)

Property, Plant and Equipment (PPE) are stated at cost of acquisition or construction, net of accumulated depreciation and accumulated impairment losses, if any. The cost of tangible asset includes purchase cost (net of rebates and discounts) including any import duties and non-refundable taxes, and any directly attributable costs on making the asset ready for its intended use. Subsequent costs are included in the asset’s carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. The other repairs and maintenance of revenue nature are charged to Statement of Profit & Loss during the reporting period in which they have incurred.

Depreciation methods, estimated useful lives (depreciation rate) and residual value

Depreciation on Steel Melting Shop, Power Plant, Boiler, Water treatment Plant, buildings of these plants, Weighing Bridge and staff colony is provided on Straight Line Basis. Depreciation on all other Property Plant and Equipment is provided using WDV Method.

Sr. No.	Class of asset	Depreciation Rate
1	Buildings	5-10%
2	Plant and equipment	25%
3	Railway siding	13.91%
4	Office equipment	13.91-40%
5	Furniture and fixtures	18.10%
6	Vehicles	25.89%

The assets’ residual values estimated useful lives and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

(e) Intangible Assets

Intangible assets acquired separately are measured at cost on initial recognition and are subsequently stated net of accumulated amortization and accumulated impairment losses, if any. The cost of an intangible asset includes purchase cost (net of rebates and discounts), including any import duties and non-refundable taxes, and any directly attributable costs on making the asset ready for its intended use.

Amortization methods and useful lives

The Cost of Intangible assets are amortized on a straight-line basis over their estimated useful life. The amortization period and method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit or loss when the asset is derecognized.

(f) Impairment of Tangible and Intangible assets

At the end of each reporting period, the Company reviews the carrying amount of its tangible and intangible assets to determine whether there is any indication that those assets have suffered any impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

(g) Revenue Recognition

Sale of Products

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration the company expects to receive in exchange for those products or services. Revenue is measured based on the consideration to which the company expects to be entitled from a customer, net of returns and allowances, discounts, volume rebates, and cash discounts and excludes applicable taxes recovered from customers and remitted to the respective taxing authorities.

Dividend and interest income

Dividend income from investments is recognized when the shareholders' right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably.

(h) Foreign Currencies

Functional and presentation currency

Items included in the Ind AS financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is the Company's functional and presentation currency.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in statement of profit or loss.

Non-monetary items which are carried at historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items is recognised in line with the gain or loss of the item that gave rise to the translation difference (translation differences on items whose gain or loss is recognised in other comprehensive income or the statement of profit and loss is also recognised in other comprehensive income or the statement of profit and loss respectively).

(i) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction, or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets are deducted from the borrowing costs eligible for capitalization. All other borrowing costs are recognised in statement of profit or loss in the period in which they are incurred.

Borrowing costs consist of interest, which is computed as per effective interest method, and other costs that an entity incurs in connection with the borrowing of funds.

(j) Employee benefits

Short-term obligations

Liabilities for wages and salaries including non-monetary benefits that are expected to be settled within the operating cycle after the end of the period in which the employees render the related services are recognised in the period in which the related services are rendered and are measured at the undiscounted amount expected to be paid.

Other long-term employee benefit obligations

Liabilities for leave encashment and compensated absences which are not expected to be settled wholly within the operating cycle after the end of the period in which the employees render the related service are measured at the present value of the estimated future cash outflows which is expected to be paid using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period on Government bonds that have terms approximating to the terms of the related obligation. Re-measurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

Post-employment obligations

Defined benefit plans

The Company has defined benefit plans namely gratuity for employees. The liability or asset recognised in the balance sheet in respect of gratuity plans is the present value of the defined benefit obligation at the end of the reporting period. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation. This cost is included in employee benefit expense in profit or loss.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

Defined contribution plans

The Company has defined contribution plans for post-employment benefit namely Employee Provident Fund Scheme administered through Provident Fund Commissioner and the Company's contribution thereto is charged to profit or loss every year. The Company has no further payment obligations once the contributions have been paid. The Company's contribution to State Plans namely Employees' State Insurance Fund and Employees' Pension Scheme are charged to the Statement of Profit and Loss every year.

Termination benefits

A liability for the termination benefit is recognised when the Company can no longer withdraw the offer of the termination benefit.

(k) Taxation

Income tax expense represents the sum of the Current Tax and Deferred Tax.

Current tax

Current Tax is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profits. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences and incurred tax losses to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and Liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination)

of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax are recognised in Statement of Profit and Loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the income taxes are also recognised in other comprehensive income or directly in equity respectively.

(l) Inventories

Inventories are valued at the lower of cost or net realizable value, less any provisions for obsolescence. Cost is determined on the following basis:

Raw Material is recorded at cost on a first-in, first-out (FIFO) basis.

Stores & spares are recorded at cost on a weighted average cost formula.

Finished goods and work-in-process are valued at raw material cost + cost of conversion and attributable proportion of manufacturing overhead incurred in bringing inventories to its present location and condition.

By products and scrap are valued at net realizable value.

Machinery spares (other than those qualify to be capitalized as PPE and depreciated accordingly) are charged to profit and loss on consumption.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

(m) Provisions and contingencies

Provisions

Provisions are recognized when there is a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are determined based on best management estimate required to settle the obligation at balance sheet date.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

Contingent Liabilities

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

Contingent Assets

Contingent asset being a possible asset that arises from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company, is not recognized but disclosed in the financial statements.

(n) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial instruments (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss. Subsequently, financial instruments are measured according to the category in which they are classified.

Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost using the effective interest method or fair value, depending on the classification of the financial assets.

Classification of financial assets

Classification of financial assets depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

The Company classifies its financial assets in the following measurement categories:

Those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and

Those measured at amortised cost

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

A financial asset that meets the following two conditions is measured at amortised cost unless the asset is designated at fair value through profit or loss under the fair value option:

Business model test: the objective of the Company's business model is to hold the financial asset to collect the contractual cash flows.

Cash flow characteristic test: the contractual term of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A financial asset that meets the following two conditions is measured at fair value through other comprehensive income unless the asset is designated at fair value through profit or loss under the fair value option:

Business model test: the financial asset is held within a business model whose objective is achieved by both collecting cash flows and selling financial assets.

Cash flow characteristic test: the contractual term of the financial asset gives rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are measured at fair value through profit or loss.

Trade receivables

Trade receivables are recognized initially at fair value and subsequently measured at amortized cost less provision for impairment.

(o) Cash and cash equivalents

In the cash flow statement, cash and cash equivalents includes cash in hand, cheques and balances with bank. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet and forms part of financing activities in the cash flow statement. Book overdraft is shown within other financial liabilities in the balance sheet and forms part of operating activities in the cash flow statement.

(p) Impairment of Financial Assets

The Company assesses impairment based on expected credit losses (ECL) model to the following:
Financial assets measured at amortised cost

Financial assets measured at fair value through other comprehensive income

Expected credit losses are measured through a loss allowance at an amount equal to:

The twelve month expected credit losses (expected credit losses that result from those default events on the financial instruments that are possible within twelve months after the reporting date); or

Full life-time expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Derecognition of financial assets

A financial asset is derecognized only when

The Company has transferred the rights to receive cash flows from the financial asset or Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients

Financial liabilities and equity instruments

Classification of debt or equity

Debt or equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Financial liabilities

All financial liabilities are subsequently measured at amortized cost using the effective interest rate method or at fair value through statement of profit & loss.

Trade and other payables

Trade and other payables represent liabilities for goods or services provided to the Company prior to the end of financial year which are unpaid.

Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in Statement of Profit and Loss over the period of the borrowings using the effective interest rate method.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired.

The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in Statement of Profit & Loss.

Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired.

(q) Earnings per share**Basic earnings per share**

Basic earnings per share is calculated by dividing:

the profit attributable to owners of the Company

by the weighted average number of equity shares outstanding during the financial year.

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

the after-income tax effect of interest and other financing costs associated with dilutive potential equity shares, wherever applicable, and

the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

(r) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief operating decision maker (“CODM”). CODM monitors the operating results of all strategic business units separately for making decisions about resource allocation and performance assessment.

(s) Leases**Company as a lessee**

The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- (i) the contract involves the use of an identified asset
- (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and
- (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset (“ROU”) and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised. The right-of-use assets are initially recognized at cost, which comprises

the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs and any restoration cost less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payment that depends on index or a rate, amount to be paid under residual value guarantees, and the exercise price of a purchase option if the Company is reasonable certain to exercise the option. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, the Company uses incremental borrowing rates. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

For MNRS and Associates

Chartered Accountants

Firm Regn. No: 018340N

(Neeraj Kumar Agarwal, FCA)

Partner

Membership No. 503441

For and on behalf of Board**(Hardev Chand Verma)**

Whole Time Director

DIN : 007681

(Dinesh Kumar Yadav)

Director

DIN : 07051856

Place: New Delhi

Date: 14/08/2022

(Dheeraj Kumar)

Company Secretary

NOVA IRON & STEEL LIMITED
CIN : L02710CT1989PLC010052

Standalone Balance Sheet as at March 31, 2022

*All amounts are in indian rupee (₹) (Lacs), unless stated otherwise

Particulars	Note	As at 31-03-2022	As at 31-03-2021
ASSETS			
NON-CURRENT ASSETS			
(a) Property, Plant & Equipment	3	35,689.56	37,191.92
(b) Right-of-use Assets	4	402.73	-
(c) Financial Assets:			
(i) Investments	5	315.92	315.92
(ii) Other	6	0.42	51.64
(d) Other Non Current Assets	7	402.68	198.54
Total		36,811.31	37,758.02
CURRENT ASSETS			
(a) Inventories	8	11,924.47	6,867.09
(b) Financial Assets:			
(i) Trade Receivables	9	62.63	336.48
(ii) Cash and Cash Equivalents	10	107.17	89.78
(iii) Bank Balances other than the (ii) above	11	49.10	20.37
(iv) Other	6	-	-
(c) Other Current Assets	7	4,770.42	3,703.79
(d) Income tax assets (net)		66.51	46.54
Total		16,980.29	11,064.05
Total Assets		53,791.60	48,822.07
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share Capital	12	3,613.95	3,613.95
(b) Other Equity	13	(8,470.81)	(6,923.25)
Total		(4,856.86)	(3,309.30)
LIABILITIES			
NON-CURRENT LIABILITIES			
(a) Financial liabilities			
(i) Borrowings	14	16,228.74	-
(ii) Lease liabilities	-	80.25	-
(iii) Other financial liabilities	15	631.74	598.99
(b) Deferred Tax Liabilities (net)	16	3,019.11	2,613.05
(c) Provisions	17	192.07	184.37
(d) Other non-current liabilities	18	27.50	55.93
Total		20,179.42	3,452.34
CURRENT LIABILITIES			
(a) Financial Liabilities			
(i) Borrowings	14	16,958.79	31,148.02
(ii) Lease liabilities	-	0.01	-
(iii) Trade Payables			
- total outstanding dues of micro and small enterprises	19	-	-
- total outstanding dues of creditors other than micro and small enterprises	19	12,292.59	12,958.22
(iv) Other Financial Liabilities	15	651.37	949.03
(b) Provisions	17	60.67	48.88
(c) Other Current Liabilities	18	8,505.61	3,574.89
Total		38,469.04	48,679.04
Total Liabilities		58,648.46	52,131.38
Total Equity and Liabilities		53,791.60	48,822.07

Summary of significant accounting policies

The accompanying notes are integral part of the standalone financial statements

This is the Standalone Balance Sheet referred to in our report of even date.

For MNRS and Associates

Chartered Accountants
Firm Regn. No: 018340N
(Neeraj Kumar Agarwal, FCA)
Partner
Membership No. 503441

Place: New Delhi
Date: 14.08.2022

For and on behalf of Board

(Hardev Chand Verma) **(Dinesh Kumar Yadav)**
Whole Time Director Director
DIN : 00007681 DIN : 07051856

(Dheeraj Kumar)
Company Secretary

NOVA IRON & STEEL LIMITED
CIN : L02710CT1989PLC010052
Standalone Statement of Profit and Loss for the year ended as at March 31, 2022
**All amounts are in indian rupee (₹) (Lacs), unless stated otherwise*

Particulars	Note	March 31, 2022	March 31, 2021
INCOME			
I Revenue from Operations	20	60,539.95	34,481.14
II Other Income	21	842.71	669.41
III Total Income		61,382.67	35,150.55
EXPENSES			
Cost of Material Consumed	22	50,649.95	30,288.20
Purchases of stock-in-trade	-	-	-
Changes in Inventories of Finished Goods, Stock-in-Trade and WIP	23	347.74	(983.24)
Direct expenses	23(i)	6,891.30	3,175.49
Employee Benefit Expense	24	715.19	670.29
Finance Costs	25	2,486.66	52.76
Depreciation and amortization expenses	26	993.01	871.42
Other Expenses	27	372.74	557.73
IV Total Expenses		62,456.59	34,632.66
V Profit / (Loss) before tax (III-IV)		(1,073.92)	517.90
VI Tax Expenses:			
Tax For Earlier Years		-	4.23
Current Tax		-	-
Deferred Tax		404.26	1,704.87
VII Profit / (Loss) for the period from continuing operations (V-VI)		(1,478.18)	(1,191.21)
Other Comprehensive Income	28		
<i>(i) Items that will not be reclassified to the Statement of Profit and Loss</i>			
- Remeasurement of Defined Benefit Obligation		6.94	7.26
- Fair Value of Investment		-	171.77
<i>(ii) Income Tax relating to items that will not be reclassified to Profit & Loss</i>			
- Remeasurement of Defined Benefit Obligation		(1.80)	(1.89)
- Fair Value of Investment		-	(74.92)
VIII Total Other Comprehensive income		5.14	102.23
IX Total Comprehensive income for the period (VII+VIII)		(1,473.04)	(1,088.98)
Earning Per Equity Share:			
(1) Basic	29	(4.09)	(3.30)
(2) Diluted	29	(4.09)	(3.30)

Summary of significant accounting policies

The accompanying notes are integral part of the standalone financial statements

This is the Standalone Statement of Profit and Loss referred to in our report of even date.

For MNRS and Associates

Chartered Accountants

Firm Regn. No: 018340N

(Neeraj Kumar Agarwal, FCA)

Partner

Membership No. 503441

For and on behalf of Board
(Hardev Chand Verma)

Whole Time Director

DIN : 00007681

(Dinesh Kumar Yadav)

Director

DIN : 07051856

Place: New Delhi

Date: 14.08.2022

(Dheeraj Kumar)

Company Secretary

NOVA IRON & STEEL LIMITED
CIN : L02710CT1989PLC010052
Standalone Cash Flow Statement for the year ended March 31, 2022
**All amounts are in indian rupee (₹) (Lacs), unless stated otherwise*

Particulars	Note	March 31, 2022	March 31, 2021
Cash Flow from Operating Activities			
Profit / (Loss) before Tax		(1,073.92)	513.66
Adjustments for:			
Depreciation and amortisation expenses		993.01	871.42
Finance Costs		2,486.66	(56.70)
Interest Income		(95.52)	-
Remeasurement of Actuarial Gain / Loss		-	7.26
Operating Profit / Loss (-) before Working Capital Changes and other adjustments		2,310.23	1,335.65
Working Capital changes and other adjustments:			
Increase (-) / Decrease in inventories		(5,057.38)	(6,178.03)
Increase (-) / Decrease in Trade Receivables		273.85	(58.69)
Increase (-) / Decrease in financial assets		51.19	
Increase (-) / Decrease in Other Current Assets		(1,066.63)	(2,901.16)
Increase (-) / Decrease in Other Non Current Assets		(67.79)	7.57
Increase / Decrease(-) in Trade Payables		(693.73)	4,487.70
Increase / Decrease(-) in Other Financial Liabilities		(316.31)	428.73
Increase / Decrease(-) in Other Liabilities		4,902.29	4,715.85
Increase / Decrease(-) in Provisions		26.44	12.89
Cash Flow from operating activities post working capital changes		362.16	1,850.51
Income Taxes paid (net of refund)		(19.97)	(46.54)
Net Cash Flow from operating activities (A)		342.19	1,803.97
Cash Flow from Investing Activities			
Acquisitions of property, plant and equipment, capital work-in-progress and other intangible assets		(1.45)	(41.78)
RoU		-	
Purchase of investments and bank deposits		(32.24)	(3.13)
Interest Received		99.07	5.31
Net Cash Flow used in investing activities (B)		65.38	(39.60)
Cash Flow from Financing Activities			
Proceeds / (Repayment) of current borrowings (net)		2,039.52	(1,783.72)
Payments of lease liabilities		(30.16)	-
Interest Paid		(2,399.55)	51.39
Increase/Decrease in non-current security deposits		-	51.39
Net Cash Flow used in financing activities (C)		(390.19)	(1,680.93)
Increase / decrease in cash and cash equivalents (A+B+C)		17.38	83.43
Cash and Cash equivalents at the beginning		89.78	6.35
Cash and Cash equivalents at the end		107.17	89.78
Note:			
Balances with banks in current accounts		101.77	87.03
Cash on hand		5.40	2.75
Cash and cash equivalents as per Cash Flow Statement		107.17	89.78

Summary of significant accounting policies
The accompanying notes are integral part of the standalone financial statements

This is the Standalone Cash Flow Statement referred to in our report of even date.

For MNRS and Associates
Chartered Accountants
Firm Regn. No: 018340N
(Neeraj Kumar Agarwal, FCA)
Partner
Membership No. 503441

For and on behalf of Board

(Hardev Chand Verma) **(Dinesh Kumar Yadav)**
Whole Time Director Director
DIN : 00007681 DIN : 07051856

Place: New Delhi
Date: 14.08.2022

(Dheeraj Kumar)
Company Secretary

NOVA IRON & STEEL LIMITED
CIN : L02710CT1989PLC010052
Statement of changes in equity
**All amounts are in indian rupee (₹) (Lacs), unless stated otherwise*
I) Equity Share Capital

Particulars	Note	Amounts
Balance as at April 01, 2020		3,613.95
Issued during the year		-
Balance as at March 31, 2021		3,613.95
Balance as at April 01, 2021		3,613.95
Issued during the year		-
Balance as at March 31, 2022		3,613.95

II) Other Equity

Particulars	Note	Retained Earnings	Total
Balance as at April 01, 2020		(5,834.27)	(5,834.27)
Profit / (loss) for the year		(1,191.21)	(1,191.21)
Other Comprehensive Income for the year		102.23	102.23
Balance as at March 31, 2021		(6,923.25)	(6,923.25)
Balance as at April 01, 2021		(6,923.25)	(6,923.25)
Profit / (loss) for the year		(1,478.18)	(1,478.18)
Other Comprehensive Income for the year		5.14	5.14
Balance as at March 31, 2022		(8,396.30)	(8,396.30)

Summary of significant accounting policies

The accompanying notes are integral part of the standalone financial statements

This is the Standalone Statement of Changes in Equity referred to in our report of even date.

For MNRS and Associates

 Chartered Accountants
 Firm Regn. No: 018340N
(Neeraj Kumar Agarwal, FCA)
 Partner
 Membership No. 503441

 Place: New Delhi
 Date: 14.08.2022

For and on behalf of Board

(Hardev Chand Verma) Whole Time Director DIN : 00007681	(Dinesh Kumar Yadav) Director DIN : 07051856
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(Dheeraj Kumar)
 Company Secretary

NOVA IRON & STEEL LIMITED

CIN : L02710CT1989PLC010052

Notes forming part of the financial statements

*All amounts are in Indian rupee (₹) (Lacs), unless stated otherwise

3 Property, Plant and Equipment

Particulars	Gross Block			Accumulated Depreciation			Net Block As at March 31, 2022	
	As at April 01, 2021	Additions	Deletions	As at March 31, 2022	As at April 01, 2021	Additions		Deletions
Freehold Land	4,774.64	-	136.35	4,638.29	-	-	-	4,638.29
Leasehold Land	417.76	-	379.90	37.86	37.86	-	-	37.86
Buildings	13,789.27	-	-	13,789.27	4,056.48	356.28	-	4,412.76
Plant and Equipment	40,592.68	1.45	-	40,594.13	18,377.25	620.37	-	18,997.62
Railway Siding	236.67	-	-	236.67	206.14	4.46	-	210.60
Office equipment	181.18	-	-	181.18	163.92	2.85	-	166.77
Furniture and fixtures	279.18	-	-	279.18	242.57	3.42	-	245.99
Vehicles	100.06	-	-	100.06	95.31	0.19	-	95.50
Total	60,371.45	1.45	516.25	59,856.65	23,179.53	987.56	-	24,167.10

Particulars	Gross Block			Accumulated Depreciation			Net Block As at March 31, 2021	
	As at April 01, 2020	Additions	Deletions	As at March 31, 2021	As at April 01, 2020	Additions		Deletions
Freehold Land	4,774.64	-	-	4,774.64	-	-	-	4,774.64
Leasehold Land	417.76	-	-	417.76	33.35	4.52	-	37.86
Buildings	13,789.27	-	-	13,789.27	3,742.90	313.58	-	4,056.48
Plant and Equipment	40,581.23	11.46	-	40,592.68	17,832.39	544.86	-	18,377.25
Railway Siding	236.67	-	-	236.67	201.66	4.48	-	206.14
Office equipment	180.86	0.32	-	181.18	161.06	2.86	-	163.92
Furniture and fixtures	249.18	30.00	-	279.18	242.09	0.48	-	242.57
Vehicles	100.06	-	-	100.06	94.65	0.66	-	95.31
Total	60,329.67	41.78	-	60,371.45	22,308.11	871.42	-	23,179.53

Note: The company has paid Rs. 136.35 Lacs to acquire land and the same was included under freehold land. The sales deed and registration of the land in the name of the company is still pending. Therefore, the company has regrouped said amount to capital advances under note no 7 and correspondingly excluded the value from the gross block of freehold land.

NOVA IRON & STEEL LIMITED
 CIN : L02710CT1989PLC010052

Notes forming part of the financial statements

*All amounts are in Indian rupee (₹) (Lacs), unless stated otherwise

4 Right-of-use Asset

Particulars	Gross Block			Accumulated Depreciation			Net Block As at March 31, 2022	
	As at April 01, 2021	Additions	Deletions	As at March 31, 2022	As at April 01, 2021	Additions		Deletions
Land	-	80.27	-	80.27	-	1.07	-	1.07
Security Deposit	-	22.88	-	22.88	-	0.31	-	0.31
Premium on Land	-	305.03	-	305.03	-	4.07	-	4.07
Total	-	408.18	-	408.18	-	5.44	-	5.44

Particulars	Gross Block			Accumulated Depreciation			Net Block As at March 31, 2021	
	As at April 01, 2020	Additions	Deletions	As at March 31, 2021	As at April 01, 2020	Additions		Deletions
Land	-	-	-	-	-	-	-	-
Security Deposit	-	-	-	-	-	-	-	-
Premium on Land	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-

Note: The company has taken a piece of land in the village Ameri Akbari & Dagori Tehsil Belha, District Bilaspur, Chhattisgarh comprising of an area measuring approximately 60 acres on lease via lease deed dated 03 June, 2015 for a lease term of 80 years commencing from 03 June 2015 to 20 August, 2095 for the purpose of construction and establishing thereon a factory. The company has paid premium and service charge of Rs. 305.38 Lacs and security deposits of Rs. 22.90 Lacs which shall be refundable in accordance with the said lease deed.

NOVA IRON & STEEL LIMITED
CIN : L02710CT1989PLC010052
Notes forming part of the financial statements
**All amounts are in Indian rupee (₹) (Lacs), unless stated otherwise*
5 Investments

Non current	As at 31-03-2022		As at 31-03-2021	
	No. of Shares	Amount	No. of Shares	Amount
<i>Investment in equity instruments - Unquoted</i>				
(i) Adarsh Info Tech Private Limited (Equity Shares of Rs. 10/- each)	2.24	114.31	2.24	114.31
(ii) Prudent Transport Co. Limited (Equity Shares of Rs. 30/- each)	0.18	201.62	0.18	201.62
Total	2.42	315.92	2.42	315.92

Notes:

	March 31, 2022	March 31, 2021
a. Aggregate amount of quoted investments - at cost	-	-
b. Aggregate amount of quoted investments - at market value	-	-
c. Aggregate amount of unquoted investments - at cost	-	-
d. Aggregate amount of impairment in value of investments	-	-

Note: The company has designated to measure its investments in equity instruments at fair value through other comprehensive income (FVTOCI). During the current period, the company has not determine fair value as at balance sheet date as it was not practicable for the company to do so. Therefore, the company has decided to measure its investments in equity instruments at the carrying value as at March 31, 2021. Refer note no 42 for disclosure about departure from the compliance of Indian Accounting Standard - 109 (Ind AS - 109).

6 Other financial assets

Non current	As at	As at
	March 31, 2022	March 31, 2021
Security deposits	0.42	22.90
Bank deposits with more than 12 months maturity	-	28.74
Total	0.42	51.64
Current		
Total	-	-

Note: The company has measured security deposits at a mortised cost during the current period. For security deposits of past period, they were measured at transaction price.

7 Other assets

Non current	As at	As at
	March 31, 2022	March 31, 2021
Capital advances (refer note no 3)	136.35	-
Security deposits	198.15	198.54
Other - amount deposited against a legal dispute (refer note no 30(1))	68.18	-
Total	402.68	198.54
Current		
Advances to Suppliers	3,977.82	3,552.37
Advances to Employees	0.85	0.30
Interest Recoverable	4.82	4.82
Prepaid Expenses	28.74	35.82
Duty Drawback Receivable	77.93	77.93
Balance of Statutory / Government Authorities	680.26	32.55
Total	4,770.42	3,703.79

NOVA IRON & STEEL LIMITED
CIN : L02710CT1989PLC010052
Notes forming part of the financial statements
**All amounts are in indian rupee (₹) (Lacs), unless stated otherwise*
8 Inventories (valued at cost or net realisable value, whichever is lower)

	As at March 31, 2022	As at March 31, 2021
Raw Materials	10,145.94	4,134.80
Finished Goods	564.18	944.27
Scrap & Waste	244.26	211.92
Stores and Spares	958.70	598.71
Diesel	-	5.20
Packing Material	11.39	11.48
Stock In Transit	-	960.70
Total	11,924.47	6,867.09

9 Trade receivables

	As at March 31, 2022	As at March 31, 2021
Considered Good - Secured	-	-
Considered Good - Unsecured	62.63	336.48
Trade receivables which has significant increase in credit risk	-	-
Trade receivables - credit impaired	-	-
Sub-Total	62.63	336.48

Less: Allowance for expected credit loss

Note: Ageing for trade receivables - current outstanding as at March 31, 2022 and current outstanding as at March 31, 2021 - (Refer note no 32).

10 Cash and cash equivalents

	As at March 31, 2022	As at March 31, 2021
Balances with banks in current accounts	101.77	87.03
Cash on hand	5.40	2.75
Term deposits with original maturity within three months [^]	-	-
Total	107.17	89.78

11 Balances other than cash and cash equivalents

	As at March 31, 2022	As at March 31, 2021
Term deposits with remaining maturity of 12 months or less	17.30	17.30
Term deposits with original maturity more than 3 months	31.79	3.07
Total	49.10	20.37

Notes:

deposits pledged as security with various government authorities

NOVA IRON & STEEL LIMITED

CIN : L02710CT1989PLC010052

Notes forming part of the financial statements

*All amounts are in indian rupee (₹) (Lacs), unless stated otherwise

12 Equity share capital

Particulars	As at March 31, 2022	As at March 31, 2021
Authorised equity share capital		
16,00,00,000 (PY - 16,00,00,000) Equity Shares of Rs. 10/- each	16,000.00	16,000.00
	16,000.00	16,000.00
Issued, subscribed and fully paid up equity shares		
3,61,39,488 (PY - 3,61,39,488) Equity Shares of Rs. 10/- each fully paid up	3,613.95	3,613.95
Total	3,613.95	3,613.95

(a) Reconciliation of number of shares and amount outstanding at the beginning and at the end of the reporting year

	As at March 31, 2022		As at March 31, 2021	
	Number of Shares	Amount	Number of Shares	Amount
Equity shares				
Balance at the beginning of the year	36,139,488.00	3,613.95	36,139,488.00	3,613.95
Add: shares issued	-	-	-	-
Less: shares bought back	-	-	-	-
Balance at the end of the year	36,139,488.00	3,613.95	36,139,488.00	3,613.95

(b) Terms/rights attached to equity shares

The Company has only one class of equity shares having par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) Details of shares held by holding company or ultimate holding company

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number of Shares	% shareholding	Number of Shares	% shareholding
Total	-	-	-	-

(d) Details of shareholders holding more than 5% equity shares in the Company

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number of Shares	% shareholding	Number of Shares	% shareholding
Bhushan Power & Steel Ltd.	9,269,146.00	25.65%	9,269,146.00	25.65%
Sh. Aniket Singal	4,345,000.00	12.02%	4,345,000.00	12.02%
Aromatic Steel Pvt. Ltd.	3,418,000.00	9.46%	3,418,000.00	9.46%
RGF Holiday Resorts Pvt. Ltd.	3,332,000.00	9.22%	3,332,000.00	9.22%
RGF Real Estate Pvt. Ltd.	3,331,000.00	9.22%	3,331,000.00	9.22%
Total	23,695,146.00	65.57%	23,695,146.00	65.57%

(e) Aggregate number of shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding

(i) Shares allotted as fully paid pursuant to contract(s) without payment being received in cash during the financial year - NIL

(ii) Shares issued in aggregate number and class of shares allotted by way of bonus shares - NIL

(iii) Shares bought back during the financial year - NIL

NOVA IRON & STEEL LIMITED
CIN : L02710CT1989PLC010052

Notes forming part of the financial statements

*All amounts are in Indian rupee (₹) (Lacs), unless stated otherwise

(f) Shareholding of promoters

Name of the promoters	As at March 31, 2022		As at March 31, 2021	
	Number of Shares	% of total shares	Number of Shares	% of total shares
Aniket Singal	4,345,000.00	12.02%	4,345,000.00	12.02%
Priyanka Ankit Miglani	5,000.00	0.01%	5,000.00	0.01%
Radhika Saurabh Dhoot	5,000.00	0.01%	5,000.00	0.01%
Ambey Steel and Power Pvt. Ltd.	959,675.00	2.66%	959,675.00	2.66%
Bhushan Power & Steel Ltd. (refer note below)	9,269,146.00	25.65%	9,269,146.00	25.65%
Shivalikview Steel Trading P. Ltd.	94,000.00	0.26%	94,000.00	0.26%
Vintage Steel P. Ltd.	94,000.00	0.26%	94,000.00	0.26%
Olympian Steel Industries Ltd.	94,000.00	0.26%	94,000.00	0.26%
Titanic Steel Industries Ltd.	94,000.00	0.26%	94,000.00	0.26%
Aromatic Steel Pvt. Ltd.	3,418,000.00	9.46%	3,418,000.00	9.46%
Aarti Iron & Power Ltd.	94,000.00	0.26%	94,000.00	0.26%
Rockland Steel Trading P. Ltd.	94,000.00	0.26%	94,000.00	0.26%
RGF Holiday Resorts Pvt Ltd.	33,32,000.00	9.22%	33,32,000.00	9.22%
RGF Real Estate Pvt Ltd.	33,31,000.00	9.22%	33,31,000.00	9.22%
Total	2,52,28,821.00	69.81%	2,52,28,821.00	69.81%

Note: JSW declared Bhushan Power & Steel Limited as Public Shareholder in terms of Resolution Plan approved by the Adjudicating Authority. However, the matter is still sub judice before the Hon'ble Supreme Court

13 Other Equity

Retained earnings		
Opening balance	(6,923.25)	(5,834.27)
Adjustments for prior period*	(74.51)	-
Loss for the year	(1,478.18)	(1,191.21)
Other comprehensive income	5.14	102.23
Closing balance	(8,470.81)	(6,923.25)

Note : Retained earnings represents undistributed accumulated earnings of the company as on the balance sheet date

*The company has paid Rs. 305.38 Lacs as refundable premium under lease agreement dated 03 June 2015. Such premium has been recognised as an asset under property, plant and equipment under "leasehold land". However, in terms of Ind AS 109, such premium has been treated as a financial assets and corresponding adjustments have been made in terms of Ind AS 109 and Ind AS 116. The company has recognised the effect of such correction in the opening retained earnings of the current period.

NOVA IRON & STEEL LIMITED

CIN : L02710CT1989PLC010052

Notes forming part of the financial statements

*All amounts are in indian rupee (₹) (Lacs), unless stated otherwise

14 Borrowings

	As at March 31, 2022		As at March 31, 2021	
	Secured	Unsecured	Secured	Unsecured
Non current				
(i) from other parties	7,806.66	8,422.08	-	-
<u>Loans from related parties:</u>				
(i) from Bhushan Power and Steel Limited*	-	-	-	-
Total	7,806.66	8,422.08	-	-
Current				
(i) from other parties	1,800.00	-	-	15,989.22
<u>Loans from related parties:</u>				
(i) from Bhushan Power and Steel Limited	-	15,158.79	-	15,158.79
Total	1,800.00	15,158.79	-	31,148.02
Total borrowings	9,606.66	23,580.87	-	31,148.02
^Loans guaranteed:				
(a) By directors	-	-	-	-
(b) By others	-	-	-	-

Detail of securities provided and terms of repayment:

1) Loan from Evergrowing Iron and Finvest Limited: The loan from the lender shall be repaid Rs. 70 lakhs per month. The charge has been created dated 27 June

2) Loan from Flawless Holding and Industries Private Limited: The loan from the lender shall be repaid Rs. 80 lakhs per month. The charge has been created dated 27 June 2022.

*Note: The company has not recognised interest expenses on loan availed from Bhushan Power and Steel Limited. The company has disputed the demand made by the lender. In addition to this, amount of Rs. 6,822.01 lakhs is also outstanding towards trade payables, which has also been disputed by the company

NOVA IRON & STEEL LIMITED
CIN : L02710CT1989PLC010052

Notes forming part of the financial statements

*All amounts are in indian rupee (₹) (Lacs), unless stated otherwise

15 Other financial liability

	As at March 31, 2022	As at March 31, 2021
Non current		
Security deposits	631.74	598.99
Total	631.74	598.99
Current		
Expenses Payable	315.06	504.78
Water Charges Payable	117.39	217.39
Due to Directors	1.65	2.89
Employee dues payables	48.17	45.72
Payable to suppliers for capital expenses	169.11	178.26
Total	651.37	949.03

16 Deferred tax liability (net)

	As at March 31, 2022	As at March 31, 2021
<i>Deferred tax liability arising on account of:</i>		
Property, plant and equipment	(3,084.60)	(2,757.30)
Fair valuation of investments in equity instruments	(74.92)	(74.92)
Right-of-use assets (net of lease liabilities)	(83.84)	-
Sub-Total	(3,243.36)	(2,832.22)
<i>Deferred tax asset arising on account of:</i>		
Defined benefit obligations	65.71	60.64
Sub-Total	65.71	60.64
Mat Credit Adjustment of Earlier Years	158.53	158.53
Total	(3,019.11)	(2,613.05)

16.1 Changes in deferred tax assets / (liabilities) (net)

Descriptions	As at April 01, 2021	Recognised in the statement of profit and loss	Recognised in other comprehensive income	As at March 31, 2022
Defined benefit obligations	(60.64)	(6.87)	1.80	(65.71)
Property, plant and equipment	2,757.30	327.29	-	3,084.60
Fair valuation of investments in equity instruments	74.92	-	-	74.92
MAT recoverable	(158.53)	-	-	(158.53)
Right-of-use assets (net of lease liabilities)	-	83.84	-	83.84
Total	2,613.05	404.26	1.80	3,019.11

Descriptions	As at April 01, 2020	Recognised in the statement of profit and loss	Recognised in other comprehensive income	As at March 31, 2021
Defined benefit obligations	(57.29)	(1.46)	(1.89)	(60.64)
Property, plant and equipment	957.96	1,799.34	-	2,757.30
Fair valuation of investments in equity instruments	-	-	74.92	74.92
MAT recoverable	(69.30)	(89.23)	-	(158.53)
Right-of-use assets (net of lease liabilities)	-	-	-	-
Total	831.37	1,708.65	73.03	2,613.05

16.2 The company has taken tax rate as 26% (aggregate of income tax @ 25% and cess @ 4%).

16.3 The company has not recognised deferred tax assets on unabsorbed depreciation and losses under the Income Tax Act, 1961.

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Notes forming part of the financial statements

*All amounts are in indian rupee (₹) (Lacs), unless stated otherwise

17 Provisions

	As at March 31, 2022	As at March 31, 2021
Non current		
Provision for employee benefits		
- Gratuity	151.37	145.15
- Leave encashment	40.70	39.22
Total	192.07	184.37
Current		
Provision for employee benefits		
- Gratuity	40.00	34.35
- Leave encashment	20.68	14.53
Total	60.67	48.88

18 Other liabilities

	As at March 31, 2022	As at March 31, 2021
Non current		
Revenue received in advance	27.50	55.93
Total	27.50	55.93
Current		
Revenue received in advance	28.43	57.83
Advance from customers	8,353.97	3,027.99
Provision for Income Tax (net of advance income tax)	52.31	52.31
Statutory dues payables	70.90	436.75
Total	8,505.61	3,574.89

NOVA IRON & STEEL LIMITED
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Notes forming part of the financial statements
**All amounts are in indian rupee (₹) (Lacs), unless stated otherwise*
19 Trade payables

	As at March 31, 2022	As at March 31, 2021
Current		
Total outstanding dues of micro and small enterprises [^]	-	-
Total outstanding dues of creditors other than above	12,292.59	12,958.22
Total	12,292.59	12,958.22

[^] Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006) ["MSMED Act, 2006"]:

(i) the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year;	-	-
(ii) the amount of interest paid by the buyer in terms of Section 16 of MSMED Act, 2006 along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
(iii) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act;	-	-
(iv) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
(v) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under Section 23 of MSMED Act, 2006.	-	-

*Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the management. The entire closing balance represents the principal amount payable to these enterprises. There are no interests due or outstanding on the same.

Note: Ageing for trade payables - current outstanding as at March 31, 2022 and current outstanding as at March 31, 2021 - (Refer note no 33).

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Notes forming part of the financial statements

*All amounts are in indian rupee (₹) (Lacs), unless stated otherwise

20 Revenue from operations

	March 31, 2022	March 31, 2021
Sale of Products	59,974.84	34,257.79
<u>Other operating revenue:</u>		
Scrap Sales	565.11	223.35
Total	60,539.95	34,481.14

21 Other income

	March 31, 2022	March 31, 2021
<u>Interest income:</u>		
- On unwinding of security deposits measured at amortised cost	0.04	-
- On fixed deposits	3.51	3.38
- On Others	99.07	69.99
Foreign exchange fluctuation gain	31.94	-
Duty drawback	8.02	-
Other income	38.43	11.03
Balances write back	517.96	175.56
<u>Other non-operating income (net of expenses):</u>		
Deffered Revenue Realised during the year	57.83	57.83
Rent income	79.18	345.32
Miscellaneous Income	6.74	6.30
Total	842.71	669.41

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Notes forming part of the financial statements

**All amounts are in indian rupee (₹) (Lacs), unless stated otherwise*

22 Cost of material consumed

	March 31, 2022	March 31, 2021
Raw material		
Opening stock	4,134.80	108.63
Add: Purchases	56,660.99	34,314.46
Less: Closing stock	10,145.94	4,134.80
Sub-total	50,649.85	30,288.28
Packing material		
Opening stock	11.48	11.40
Add: Purchases	-	-
Less: Closing stock	11.39	11.48
Sub-total	0.10	(0.08)
Total cost of material consumed	50,649.95	30,288.20

23 Changes in inventories of finished goods, stock-in-trade and work-in-progress

	March 31, 2022	March 31, 2021
Opening inventories		
(i) Finished goods	944.27	20.69
(ii) Stock In Process	-	-
(iii) Scrap	211.92	152.26
Sub-total	1,156.19	172.95
Closing inventories		
(i) Finished goods	564.18	944.27
(ii) Stock In Process	-	-
(iii) Scrap	244.26	211.92
Sub-total	808.45	1,156.19
Total changes in inventories	347.74	(983.24)

23(i) Direct expenses

	March 31, 2022	March 31, 2021
Stores Consumed	1,463.34	710.55
Packing & Forwarding Charges	16.68	13.33
Power & Fuel	3,807.97	1,485.70
Contractor Labour Charges	1,169.18	657.81
Water Charges	225.00	232.68
Repairs and Maintenance - Machinery	209.14	75.41
Total	6,891.30	3,175.49

24 Employee benefits expenses

	March 31, 2022	March 31, 2021
Salary and Wages	629.73	607.73
Contribution to provident and other funds	52.47	53.66
Staff Welfare expenses	32.99	8.90
Total	715.19	670.29

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Notes forming part of the financial statements
**All amounts are in indian rupee (₹) (Lacs), unless stated otherwise*
25 Finance Costs

	March 31, 2022	March 31, 2021
<i>Interest expenses:</i>		
- Interest on borrowings	2,399.55	-
- Interest on lease liabilities	7.63	-
- Interest on amortisation of financial liabilities	51.39	51.39
Other finance costs related to letter of credit (LC)	28.09	1.37
Total	2,486.66	52.76

26 Depreciation and amortization expenses

	March 31, 2022	March 31, 2021
Depreciation on property, plant and equipment	987.56	871.42
Depreciation on right of use assets	5.44	-
Total	993.01	871.42

27 Other expenses

	March 31, 2022	March 31, 2021
<i>Payment to Auditors:</i>		
Audit Fees	4.00	3.50
Tax Audit Fees	0.50	0.50
<i>Repairs and Maintenance:</i>		
Vehicles	12.02	15.22
Legal & Professional Charges	147.21	41.03
Rates & Taxes	34.65	26.14
Travelling & Conveyance Expenses	25.67	14.53
Advertisement Expenses	1.00	1.04
Printing & Stationery	20.58	3.34
Postage ,Telegram & Telephone Exp	25.85	10.06
Other Miscellaneous Expenses	0.36	0.52
Interest on Statutory Dues	0.81	2.69
Bank Charges	8.32	3.07
Director's Sitting Fee	0.10	0.09
Commission & Brokerage	17.05	44.94
Management Fee	-	287.70
General Expenses	69.10	93.98
Lease Rent	5.53	9.37
Total	372.74	557.73

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Notes forming part of the financial statements

*All amounts are in indian rupee (₹) (Lacs), unless stated otherwise

28 Other comprehensive income

	March 31, 2022	March 31, 2021
<i>(i) Items that will not be reclassified to profit or loss</i>		
Remeasurement of Defined Benefit Obligation	6.94	7.26
Fair Value of Investments	-	171.77
<i>(ii) Income tax relating to items that will not be reclassified to profit or loss</i>		
Remeasurement of Defined Benefit Obligation	(1.80)	(1.89)
Fair Value of Investments	-	(74.92)
Total	5.14	102.23

29 Earnings per equity share

	March 31, 2022	March 31, 2021
Net profit attributable to equity shareholders		
Net profit / (loss) for the year	(1,478.18)	(1,191.21)
Nominal value per equity share (₹)	10	10
Total number of equity shares outstanding at the beginning of the year	36,139,488	36,139,488
Total number of equity shares outstanding at the end of the year	36,139,488	36,139,488
Weighted average number of equity shares for calculating basic earning per share	36,139,488	36,139,488
Basic Earning per share (₹)	(4.09)	(3.30)
Weighted average number of equity shares for calculating basic earning per share	36,139,488	36,139,488
Add: Weighted average number of potential equity shares on account of employee stock options	-	-
Weighted average number of equity shares for calculating diluted earning per share	36,139,488	36,139,488
Diluted Earning per share (₹)	(4.09)	(3.30)

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Notes forming part of the financial statements

*All amounts are in indian rupee (₹) (Lacs), unless stated otherwise

30 Contingent liabilities and commitments

	As at March 31, 2022	As at March 31, 2021
<u>Contingent liabilities:</u>		
(a) Claims against company not acknowledged as debt	1,640.20	404.84
(b) Guarantees excluding financial guarantess	59.42	-
(c) Other		-
Income tax demand	1,681.15	162.41
Excise duty	259.80	259.80
Value added tax (VAT) / Sales tax	1,124.68	1,124.68
Entry tax	5.05	5.05
Total	4,770.30	1,956.79
<u>Committments:</u>		
(a) Estimated amunt of contracts remaining to be executed on capital account	-	-
(b) Other	-	-
Total	-	-

Notes:

1) The company has filled writ petition via WP(C) 3611/2021 in Hon'ble High Court of Chhattisgarh for interim relief for payment of energy duty till exemption granted against the demand raised by the Chief Electrical Inspector and Safety, Government of Chhattisgarh against the unpaid electricity duty of Rs. 315.92 Lacs (including interest). The company has deposited a sum of Rs. 68.18 Lacs against such demand on the basis of order of the Hon'ble High Court of Chhattisgarh.

2) The income tax assessment was conducted for various assessment years by the respective assessing officer, wherein, the additions have been made under section 68 of the Income Tax Act, 1961 on account of unexplained credits due to the borrowing accepted by the companies from various lender. The company has filed / in the process of filing appeal against such assessment orders in the coming period. Further, the company has not surrendered any income under such income tax assessments.

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Notes forming part of the financial statements

*All amounts are in Indian rupee (₹) (Lacs), unless stated otherwise

Additional regulatory information and other disclosures pertaining to Schedule III to the Companies Act, 2013

31 Details of title deeds of immovable properties not held in the name of the company

As at March 31, 2022						
Relevant line item in the balance sheet	Description of item of property	Gross carrying value	Title deeds held in the name of	Whether title deed holder is promoter, director or relative	Property held since	Reason for not being held in the name of the company
Property, plant and equipment	Land	33.47	Mr. Sunil Gupta	No	2012	The company is in the process of executing sales deed
Property, plant and equipment	Land	160.87	Mr. R.K. Rastogi	No	2012	The company is in the process of executing sales deed

As at March 31, 2021						
Relevant line item in the balance sheet	Description of item of property	Gross carrying value	Title deeds held in the name of	Whether title deed holder is promoter, director or relative	Property held since	Reason for not being held in the name of the company
Property, plant and equipment	Land	33.47	Mr. Sunil Gupta	No	2012	The company is in the process of executing sales deed
Property, plant and equipment	Land	160.87	Mr. R.K. Rastogi	No	2012	The company is in the process of executing sales deed

Note: for the purpose of the disclosure, the company has considered immovable properties which are included under property, plant and equipment, investment property and non current assets held for sale

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Notes forming part of the financial statements

*All amounts are in Indian Rupee (₹) (Lacs), unless stated otherwise

32 (a) Ageing for trade receivables - current outstanding as at March 31, 2022

Particulars	Outstanding for following period				Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	
(i) Undisputed trade receivables - considered good	25.30	0.79	-	-	36.55
Total	25.30	0.79	-	-	62.63

(b) Ageing for trade receivables - current outstanding as at March 31, 2021

Particulars	Outstanding for following period				Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	
(i) Undisputed trade receivables - considered good	299.27	-	-	-	37.21
Total	299.27	-	-	-	336.48

33(a) Ageing for trade payables - current outstanding as at March 31, 2022

Particulars	Outstanding for following period			Total
	Less than 1 year	1-2 years	2-3 years	
(i) Others	4,545.47	-	7,747.12	12,292.59
Total	4,545.47	-	7,747.12	12,292.59

(b) Ageing for trade payables - current outstanding as at March 31, 2021

Particulars	Outstanding for following period			Total
	Less than 1 year	1-2 years	2-3 years	
(i) Others	4,768.90	-	8,189.32	12,958.22
Total	4,768.90	-	8,189.32	12,958.22

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Notes forming part of the financial statements

*All amounts are in Indian rupee (₹), unless stated otherwise

34 Disclosure with respect to ratios

Ratio	Numerator	Denominator	Current Period	Previous Period	% Variance	Reason for Variance
Current ratio (in times)	Total current assets	Total current liabilities	0.44	0.23	94.21%	The ratio has improved as compared to past period. The company has improved its operations and therefore in possession of larger inventories as compared to past period.
Debt-equity ratio (in times)	Debt consists of borrowings and lease liabilities	Total equity	(6.85)	(9.41)	-27.23%	The variance is mainly due to losses incurred in the current period.
Debt service coverage ratio (in times)	Earning for debt service = Net profit after taxes + non-cash operating expenses + interest + other non-cash adjustments	Debt service = Interest and lease payments + principal repayments	0.06	(0.01)	-801.79%	The ratio has improved due to interest expenses in current period. The company did not recognise interest on borrowings in past period.
Return on equity ratio (in %)	Profit for the year less preference dividend (if any)	Total equity	30.43%	36.00%	-15.45%	--
Inventory turnover ratio (in times)	Cost of goods sold	Closing inventories	4.28	4.27	0.22%	--
Trade receivables turnover ratio (in times)	Revenue from operations	Closing trade receivables	966.63	102.48	843.27%	The ratio has improved as compared to past period due to improvements in operations of the company.
Trade payables turnover ratio (in times)	Purchases	Closing trade receivables	4.61	2.65	74.06%	The ratio has improved as compared to past period due to improvements in operations of the company.
Net capital turnover ratio (in times)	Revenue from operations	Average working capital = Total current assets - total current liabilities	(2.82)	(0.92)	207.33%	The ratio has improved as compared to past period due to improvements in operations of the company.
Net profit ratio (in %)	Profit for the year	Revenue from operations	-2.44%	-3.45%	-29.32%	The ratio has improved as compared to past period due to improvements in operations of the company.
Return on capital employed (in %)	Profit before tax and finance costs	Capital employed = Net worth + lease liabilities	Not applicable as the company has negative capital employed.			
Return on investment (in %)	Closing investments - Opening investments	Opening investments	0%	0%	--	--

35 Other additional regulatory information
(a) Details of revaluation of property, plant and equipment including right-of-use assets and intangible assets

The company has not revalued its property, plant and equipment including right-of-use assets and intangible assets.

(b) Relationship with struck-off companies

The company has no transactions with companies struck-off under section 248 and section 560 of the Companies Act, 2013 and Companies Act, 1956 respectively.

(c) Details of Benami property held

No proceedings have been initiated or pending against the company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

(d) Wilful defaulter

The company has not been declared as wilful defaulter by any bank or financial institution or other lender.

(e) Undisclosed income

The company has not surrendered or disclosed any transaction as income during the year in the tax assessments under the Income Tax Act, 1961.

(f) Utilization of borrowed funds

(A) The company has not advanced, loaned or invested funds to any other person(s) or entity(ies), including foreign entities (intermediary) with the understanding that the intermediary shall:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (ultimate beneficiary) or
- provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

(B) The company has not received from any fund from any person(s) or entity(ies) including foreign entities (Funding Party) with the understanding that the company shall:

- directly or indirectly lend or invest in other person(s) or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or
- provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

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Notes forming part of the financial statements
**All amounts are in indian rupee (₹) (Lacs), unless stated otherwise*
36 Fair value measurements
a) Financial instruments by category

Financial assets	March 31, 2022			March 31, 2021		
	FVTPL	FVTOCI	Amortised cost	FVTPL	FVTOCI	Amortised cost
Trade receivables	-	-	62.63	-	-	336.48
Cash and cash equivalents	-	-	107.17	-	-	89.78
Bank Balances other than above	-	-	49.10	-	-	20.37
Investments	-	315.92	-	-	315.92	-
Other	-	-	0.42	-	-	51.64
Total	-	315.92	219.31	-	315.92	498.28

Financial liabilities	March 31, 2022			March 31, 2021		
	FVTPL	FVTOCI	Amortised cost	FVTPL	FVTOCI	Amortised cost
Borrowings	-	-	33,187.53	-	-	31,148.02
Lease liabilities	-	-	80.26	-	-	-
Trade payables	-	-	12,292.59	-	-	12,958.22
Other	-	-	1,283.11	-	-	1,548.03
Total	-	-	46,843.49	-	-	45,654.26

Carrying amount of cash and cash equivalents, trade receivables as at March 31, 2022 and March 31, 2021, approximate the fair value due to their nature. Carrying amount of security deposits included under other financial assets which are subsequently measured at amortised cost are also approximate the fair value due to their nature in each of the period presented. Fair value measurement of lease liabilities is not required.

For other financial assets and financial liabilities that are measured at amortised cost, carrying value approximate their fair value.

b) Fair value hierarchy

This section explains the judgments and estimates made in determining the fair values of the financial instruments that are measured at amortized cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. The company has no financial asset assessable in terms of fair value hierarchy.

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market (for example foreign exchange forward contracts) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

There are no transfer of levels during the year.

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Notes forming part of the financial statements
**All amounts are in indian rupee (₹) (Lacs), unless stated otherwise*
37 Financial risk management

The Company's principal financial liabilities comprise borrowings, lease liabilities, trade and other payables. The financial liabilities, inter -alia, provides finance to the Company to support its operations. The Company's principal financial assets include investments, trade and other receivables, and cash and cash equivalents derive directly from its operations.

The Company is exposed to credit risk, liquidity risk and market risk. The Company's senior management oversees the management of these risks. The Company's senior management ensures that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives

a) Credit risk

Credit risk refers to the risk of default on its obligation by the counter party resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables. Trade receivables are typically unsecured and are derived from revenue earned through customers. The Company has used the expected credit loss model to assess the impairment loss or gain on trade receivables on case to case basis in terms of perception of management.

The carrying amount (net of loss allowances) of trade receivables is Rs. 62.63 Lacs (As at March 31, 2021 Rs. 336.48 Lacs)

The Company management also pursue all legal options for recovery of dues wherever necessary based on its internal assessment.

Reconciliation of loss allowance on trade receivables:

Particulars	March 31, 2022	March 31, 2021
At the beginning of year		
Movement during the year	-	-
Bad debts written off during the year	-	-
Balance at the end of the year		

b) Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at reasonable price. The Company's objective is to at all times maintain optimum levels of liquidity to meet its cash and liquidity requirements. The Company closely monitors its liquidity position and maintains adequate source of financing through the use of short term bank deposits, demand loans, and credit facility. Processes and policies related to such risks are overseen by senior management

(i) Maturities of financial liabilities

The table below provides details regarding the contractual maturities of significant financial liabilities:

Particulars	Less than 1 year	1 to 5 years	More than 5 years	Total
March 31, 2022				
Borrowings (refer note no 14)	16,958.79	7,200.00	9,028.74	33,187.53
Lease liabilities	0.01	0.05	80.20	80.26
Trade payables	12,292.59	-	-	12,292.59
Other financial liabilities	651.37	631.74	-	1,283.11
Total	29,902.76	7,831.79	9,108.94	46,843.49
March 31, 2021				
Borrowings	31,148.02	-	-	31,148.02
Lease liabilities	-	-	-	-
Trade payables	12,958.22	-	-	12,958.22
Other financial liabilities	949.03	598.99	-	1,548.03
Total	45,055.27	598.99	-	45,654.26

c) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprises three types of risk: currency rate risk, interest rate risk and other price risks, such as equity price risk and commodity price risk. Financial instruments affected by market risks include borrowings. The sensitivity analysis in the following sections relate to the position as at March 31, 2022. The analyses exclude the impact of movements in market variables on: the carrying values of gratuity, pension obligation and other post-retirement obligations; provisions; and the nonfinancial assets and liabilities. The sensitivity of the relevant Profit and Loss item is the effect of the assumed changes in the respective market risks. This is based on the financial assets and financial liabilities held as of March 31 2022.

(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. There Company is exposed to risk of changes in borrowing rates. The Board continuously monitors the prevailing interest rates in the market

Interest rate risk exposure

The exposure of the group's borrowing to interest rate changes at the end of the reporting period are as follows:

Particulars	March 31, 2022	March 31, 2021
Variable rate borrowings	-	-
Total borrowings	-	-

Sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.

Particulars	Profit after tax	
	March 31, 2022	March 31, 2021
Increase by 50 basis points	-	-
Decrease by 50 basis points	-	-

38 Capital management
(a) Risk management

For the purposes of the Company's capital management, Capital includes equity attributable to the equity holders of the Company and all other equity reserves. The primary objective of the Company's capital management is to ensure that it maintains an efficient capital structure and maximize shareholder value. The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders or issue new shares. The Company is not subject to any externally imposed capital requirements. No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2022 and March 31,2021.

The Company monitors capital using net debt to equity ratio, which is net debt (as reduced by Cash and Cash Equivalent) divided by total equity.

Particulars	As at March 31, 2022	As at March 31, 2021
Borrowings (excluding lease liabilities)	33,187.53	31,148.02
Cash and Bank Balances	107.17	89.78
Net debt	33,080.37	31,058.23
Equity	4,856.86	3,309.30
Net debt to equity ratio	-681.11%	-938.51%

NOVA IRON & STEEL LIMITED

CIN : L02710CT1989PLC010052

Notes forming part of the financial statements

*All amounts are in indian rupee (₹) (Lacs), unless stated otherwise

39 Related party disclosures:

a) Name of related party and related party relationship:

Nature of relationship	Name of the related parties
1. Holding Company	a) Nil
2. Subsidiary Company	a) Nil
3. Key Managerial Personnel of the Company and other related parties with whom transaction has been taken place or any balance is outstanding at the end of the financial year:	a) Sh. H.C. Verma - Director b) Sh. Suraj Prakash Choudhary - Director c) Sh. Dinesh Kumar Yadav - Director d) Smt. Sumiran Aggarwal - Director e) Sh. Dheeraj Kumar - Company Secretary f) Bhusan Power and Steel Limited

b) Details of related party transactions:

Particulars	March 31, 2022	March 31, 2021
1. Purchases/Expenses/payment from	-	-
2. Sales	-	-
3. Loan given to	-	-
4. Interest Income	-	-
5. Interest Expenses	-	-
6. Reimbursement of expenses by	-	-
7. Reimbursement of expenses to	-	-
8. Remuneration (including sitting fee) to Key Managerial Personnel	43.58	35.37

(c) Balance outstanding (receivables) / payables:

	March 31, 2022	March 31, 2021
Key Managerial Personnel		
Other Payables	1.65	2.89
Entities which have significant influence over the company		
Trade Payables	6,822.01	6,822.01
Borrowings	15,158.79	15,158.79

NOVA IRON & STEEL LIMITED

CIN : L02710CT1989PLC010052

Notes forming part of the financial statements

*All amounts are in Indian rupee (₹) (Lacs), unless stated otherwise

40 Employee Benefits

(a) Defined contribution plan and amounts recognised in the statement of profit and loss:

Particulars	March 31, 2022	March 31, 2021
Contribution to EPF	43.93	45.17
Contribution to ESIC	8.55	8.32
Contribution to LWF	0.12	0.24
Total	52.59	53.73

(b) Defined benefit plan :

i) Leave obligations expected to be settled within next 12 months	20.68	14.53
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ii) Gratuity expense (Long term obligation)

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service

Details of changes and obligation under the defined benefit plan is given as below:-

(I) Expense recognized in the statement of profit and loss	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
	Gratuity		Leave Encashment	
Current service cost	16.35	16.64	8.52	9.11
Past service cost	-	-	-	-
Interest cost	12.03	11.37	3.60	3.17
Net expense recognized in the statement of profit and loss	28.37	28.01	12.13	12.28

(II) Remeasurement of (Gain)/loss recognised in other comprehensive income	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Actuarial changes arising from changes in demographic assumptions	-	-	-	-
Actuarial changes arising from changes in financial assumptions	(3.90)	(0.84)	(1.28)	(0.27)
Actuarial changes arising from changes in experience adjustments	(3.04)	(6.42)	(0.11)	(1.08)
Net gain recognised in other comprehensive income	(6.94)	(7.26)	(1.39)	(1.35)

(III) Changes in obligation during the year	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Opening balance	179.49	172.32	53.75	48.03
Current service cost	16.35	16.64	8.52	9.11
Past service cost	-	-	-	-
Interest cost	12.03	11.37	3.60	3.17
Actuarial (gain) / loss	(6.94)	(7.26)	(1.39)	(1.35)
Benefits paid	(9.56)	(13.57)	(3.11)	(5.22)
Present value of obligation as at year end	191.37	179.49	61.38	53.75

(IV) Net assets / liabilities recognised as at reporting dates	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Present value of obligation at the end of the year	191.37	179.49	61.38	53.75
Fair value of plan assets at the end of the year	-	-	-	-
Net liabilities / (assets) recognised in the balance sheet	191.37	179.49	61.38	53.75
- Current	40.00	34.35	20.68	14.53
- Non current	151.37	145.15	40.70	39.22

(V) Experience adjustment	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Experience adjustment (Gain) / Loss on plan liabilities	-	-	-	-
Experience adjustment (Loss) / Gain on plan assets	-	-	-	-

(VI) Principle actuarial assumptions	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Discount rate (per annum)	7.16%	6.70%	7.16%	6.70%
Expected return on plan assets (per annum)	-	-	-	-
Expected increase in salary costs (per annum)	5.00%	5.00%	5.00%	5.00%
Attrition rate	-	-	-	-
Up to 30 Years	10	10	10	10
From 31 to 44 years	10	10	10	10
Above 44 years	10	10	10	10
Mortality	100% of IALM (2012 - 14)	100% of IALM (2012 - 14)	100% of IALM (2012 - 14)	100% of IALM (2012 - 14)
Retirement age	58	58	58	58

(VII) Quantitative sensitivity analysis for significant assumptions is as below:

Increase / decrease on present value of defined benefits obligations at the end of the year	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Discount rate				
Increase by 50 basis points	(4.08)	(4.09)	(1.33)	(1.36)
Decrease by 50 basis points	4.28	4.30	1.38	1.43
Salary Increase				
Increase by 50 basis points	4.35	4.35	1.41	1.45
Decrease by 50 basis points	(4.18)	(4.17)	(1.35)	(1.38)
Attrition Rate				
Increase by 50 basis points	-	-	-	-
Decrease by 50 basis points	-	-	-	-

(VIII) Maturity profile of defined benefit obligation (undiscounted)	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Within the next 12 months from reporting date	40.00	34.35	20.68	14.53
Between 2 and 5 years	79.19	75.00	19.58	18.47
Between 5 and 10 years	72.18	70.15	21.12	20.74
Total expected payments	191.37	179.49	61.38	53.75

(IX) The average duration of the defined benefit plan obligation at the end of the reporting period is 6.19 years (March 31, 2021: 6.42 years).

(X) The estimates of rate of escalation in salary considered in actuarial valuation are after taking into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is as certified by the Actuary.

(XI) The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

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Notes forming part of the financial statements

**All amounts are in indian rupee (₹) (Lacs), unless stated otherwise*

41 Disclosure related to Ind AS - 116

Particulars	March 31, 2022	March 31, 2021
(i) Interest expense on lease liability	7.63	-
(ii) Expenses related to variable lease payments not included in the measurements of lease liabilities	-	-
(iii) Total cash outflow of the leases	(30.16)	-
(iv) Expenses relating to short term leases	5.53	9.37
(v) Expenses relating to low value assets with long term lease period not considered as right-of-use assets but directly charged to the statement of profit and loss	-	-

There are no sub-lease transactions. Refer note 37(B) for maturity analysis of lease liabilities.

Note: The company has taken a piece of land in the village Ameri Akbari & Dagori Tehsil Belha, District Bilaspur, Chhattisgarh comprising of an area measuring approximately 60 acres on lease via lease deed dated 03 June, 2015 for a lease term of 80 years commencing from 03 June 2015 to 20 August, 2095 for the purpose of construction and establishing thereon a factory. The company has paid premium and service charge of Rs. 305.38 Lacs and security deposits of Rs. 22.90 Lacs which shall be refundable in accordance with the said lease deed

The company has recognised such lease as an operating lease during the current period.

42 Disclosure related to Ind AS - 1

(i) Departure from the compliance from fair valuation of investments measured at fair value through other comprehensive income (FVTOCI) under Ind AS - 109:

The company has not been able to measure its investments in equity instruments (as disclosed under note no 5) at fair value through other comprehensive income (FVTOCI) during the current period. The fair valuation of such instruments was impracticable considering the time and cost factors.

(a) The management of the company conclude that the financial statements present a true and fair view of the entity's financial position, financial performance and cash flows except for departure from Ind AS

(b) Other disclosure are as follows:

- **Title of the Ind AS** : Ind AS 109 "Financial Instruments"

- **Nature of the departure** : Fair valuation of investments in equity instruments measured at fair value through other comprehensive income (FVTOCI)

(c) The company is not able to materially ascertain the financial effect such departure may have of its financial statements.

43 Information on segment reporting pursuant to Ind AS 108

The company is entered into an operation and management agreement with R.K. Sponge Private Limited (the "operator") to operate, run and manage the plant of the company via operation and management agreement dated 11 March 2020. The operator is engaged in the business of iron and steel and qualified and has the necessary skills and expertise to operate the plant. The operator, inter-alia, has right to:

- a) Call quotations, negotiate price, and other terms, issue of purchase orders to suppliers to procure materials etc for both revenue and capital nature;
- b) Material management including transportation, handling and storage;
- c) Production planning, supervision and its execution;
- d) Marketing of finished goods, price fixation, billing, dispatch, collection of sales proceeds.

Ind AS 108 defined an operating segment as a component of an entity:

- that engages in business activities from which it may earn revenues and incur expenses
- whose operating results are reviewed regularly by the entity's Chief Operating Decision Maker (CODM) to make relevant decisions
- For which discrete financial information is available.

The company has identified the plant run by the operator as an operating segment of the company in terms of Ind AS 108. Further, since the operating segment meets the quantitative threshold, the company has identified it as a reportable segment.

Operating segments:

- 1) Plant run and managed by the operator (Operating Segment "A")
- 2) Direct operations managed by the company itself (Operating Segment "B")

Particulars	March 31, 2022	March 31, 2021
1) Segment revenue:		
Operating Segment - A	60,458.79	34,315.25
Operating Segment - B	81.16	165.89
Revenue from operations	60,539.95	34,481.14
2) Segment results		
Operating Segment - A	2,403.66	1,532.95
Operating Segment - B	(3,477.58)	(1,015.06)
Profit before tax	(1,073.92)	517.90
3) Segment assets		
Operating Segment - A	13,197.18	8,412.01
Operating Segment - B	40,594.42	40,410.06
Total assets	53,791.60	48,822.07
4) Segment liabilities		
Operating Segment - A	13,131.14	8,583.13
Operating Segment - B	41,566.63	40,095.90
Total liabilities	54,697.77	48,679.04

44 Disclosure under section 186(4) of the Companies Act, 2013

Description	As at March 31, 2022	As at March 31, 2021
Investments made (for entity wise detail, refer Note no. 5)	315.92	315.92

45 (a) The statutory returns under Income Tax Act, 1961 or other laws and regulations may be subject to revision so as to reconcile them with the particulars of the books of account.

(b) The previous year figures have been regrouped, reclassified as and where required.

(c) The figures related to trade receivables, trade payables, borrowings, advances to suppliers and advances from customers are subject to confirmation and reconciliation, if any.

(d) The company is required to have a designated Chief Financial Officer (CFO) as specified under the provisions of the Companies Act, 2013. However, currently the company does not have any designated CFO. The company is in the process of complying with the provisions of the Companies Act, 2013.

NOTICE

Notice is hereby given that 30th Annual General Meeting of Nova Iron and Steel Limited will be held on Wednesday, the 30th day of November 2022 at 11:30 A.M. through Video Conferencing (“VC”)/Other Audio Visual Means (“OAVM”) to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt Audited Financial Statements of the Company for the year ended 31st March 2022 i.e. Audited Balance Sheet as at 31st March, 2022 and the Statement of Profit & Loss and Cash Flow Statement for the year as on that date together with Auditors’ Report and Board’s Report thereon.

SPECIAL BUSINESS

2. **To consider Appointment of Statutory Auditors and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:**

“Resolved that pursuant to the provisions of Section 139(8) and other applicable provisions, if any, of the Companies Act, 2013 as amended from time to time or any other law for the time being in force (including any statutory modification or amendment thereto or re-enactment thereof for the time being in force), M/s MNRS & Associates, Chartered Accountants, Firm Regd. No. 018340N, New Delhi who were appointed as Statutory Auditor w.e.f. 28th March, 2022 to fill the casual vacancy caused by resignation of M/s Ashwani & Associates, Chartered Accountants, Firm Regd. No. 000479N, Ludhiana (PB) be and are hereby appointed as Statutory Auditors of the Company for a term of five consecutive years to hold the office from the conclusion of this 30th Annual General meeting until the conclusion of the 35th Annual General Meeting of the Company at remuneration to be decided by the Chairman of the Company, from time to time.”

3. **To ratify and approve the remuneration of the Cost Auditors for the financial year ending March 31, 2023 and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:**

“Resolved that pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), consent of the Company be and is hereby given for payment of Remuneration of Rs. 25000/- to M/s J. K. Kabra & Company, New Delhi, Cost Auditors (Firm Registration No. 2890) appointed by the Board of Directors of the Company, to conduct cost audit of the Company for the financial year ending March 31, 2023.”

By order of the Board
For Nova Iron and Steel Limited

Place: New Delhi
Dated: 03/11/2022

Dheeraj Kumar
Company Secretary

NOTES FOR MEMBERS ATTENTION:

1. PURSUANT TO THE PROVISIONS OF THE ACT, A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS/HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. SINCE THIS AGM IS BEING HELD PURSUANT TO THE MCA CIRCULARS THROUGH VC/OAVM FACILITY, PHYSICAL ATTENDANCE OF MEMBERS HAS BEEN DISPENSED WITH. ACCORDINGLY, THE FACILITY FOR APPOINTMENT OF PROXIES BY THE MEMBERS WILL NOT BE AVAILABLE FOR THE E-AGM AND HENCE THE PROXY FORM AND ATTENDANCE SLIP ARE NOT ANNEXED TO THIS NOTICE.
2. Institutional/Corporate shareholders (i.e. other than individuals/HUF, NRI, etc.) are required to send a scanned copy (Pdf/jpg format) of its board or governing body's resolution/authorisation, etc., authorising their representative to attend the e-AGM on its behalf and to vote through remote e-voting. The said resolution/authorisation shall be sent to the scrutinizer by email through its registered email address to cskaranvirbindra@gmail.com with a copy marked to rai_nisl2007@gmail.com
3. M/s Skyline Financial Services Pvt. Ltd. is Registrar & Share Transfer Agents (RTA) of the Company. Any correspondence relating to shares can be made to the company's registrar at their following address:
M/s Skyline Financial Services Private Limited, D-153A,
1st Floor, Okhla Industrial Area,
Phase-I, New Delhi-110020,
Ph. Nos. 011-40450193 to 97,
Email: rtanova.rg@gmail.com, info@skyline.com
Website: www.skylinerta.com
Members are requested to notify the change of Address if any.
4. In view of the continuing restrictions on the movement of people at several places in the country, due to outbreak of COVID -19, the Ministry of Corporate Affairs (MCA), vide its General Circulars Nos. 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020, 20/2020 dated May 5, 2020, 02/2021 dated January 13, 2021, 21/2021 dated December 14, 2021 and 2/2022 dated May 5, 2022, respectively, ("the MCA Circulars") read with the Securities and Exchange Board of India ("SEBI") Circular No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 (the SEBI Circular), the Annual General Meeting ("AGM") will be held without the physical presence of the Members at a common venue and Members can attend and participate in the AGM through VC/OAVM.
5. In terms of sections 101 and 136 of the Act, read with the rules made thereunder, the listed companies may send the notice of AGM and the annual report, including financial statements, boards' report, etc. by electronic mode. Pursuant to the said provisions of the Act read with MCA Circulars, SEBI Circular dated 12th May 2020, Notice of 30th e-AGM along with the Annual Report for FY 2022 is being sent only through electronic mode to those members whose email addresses are registered with the Company/depositories. Members may note that the Notice and Annual Report for FY2022 will also be available on the Company's website at <https://www.novaironsteel.com> and website of the stock exchange i.e., BSE Limited at www.bseindia.com.

Members who have not registered their e-mail address with the Company are requested to submit their request with their valid e-mail address to RTA. Members holding shares in demat form are requested to register/update their e-mail address with their Depository Participant(s) directly. Members of the Company, who have registered their email-address, are entitled to receive such communication in physical form upon request.

6. Notice of Annual General Meeting will be sent to those shareholders/beneficial owners whose name will appear in the register of the members/list of beneficiaries received from the depositories as on 04/11/2022.
7. The deemed venue for 30th e-AGM shall be the Registered Office of the Company at Chhattisgarh
8. Since the meeting will be conducted through VC/OAVM facility, the route map is not annexed to this Notice.
9. The facility of joining the e-AGM through VC/OAVM will be opened 15 minutes before and will be open upto 15 minutes after the scheduled start time of the e-AGM, i.e., from 11:15 am to 11:45 am and will be available for 1,000 members on a first come first-served basis. This rule would however not apply to participation of shareholders holding 2% or more shareholding, promoters, institutional investors, directors, key and senior managerial personnel, auditors, etc.
10. The Register of Members and the Share Transfer Books shall remain closed from 24th November 2022 to 30th November 2022 (both days inclusive).
11. In case of joint holders, the member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the e-AGM.
12. Members seeking information about the accounts are requested to write at least 10 days before the date of the meeting to the Company so that it may be convenient to keep the information ready for the meeting.
13. All the documents referred to accompanying Notice are open for inspection at the registered office of the Company on all working days except Sunday and National Holiday between 11.00 AM to 1.00 PM upto the date of Annual General Meeting.
14. For ease of conduct, members who would like to ask questions/express their views on the items of the businesses to be transacted at the meeting can send in their questions/comments in advance during the period starting from 27th November 2022 (10.00 A.M.) upto 28th November 2022 (5.00 P.M.) mentioning their name, demat account no. /Folio no., e-mail Id, mobile number, etc. The queries may be raised precisely and in brief to enable the Company to answer the same suitably depending on the availability of time at the meeting.
15. Non Resident members are requested to inform immediately to RTA
 - (a) Change in residential status on relating to India for permanent settlement
 - (b) Particulars of bank account maintained in India with complete name of bank, branch address, account type, account number, if not furnished earlier.
16. SEBI vide its notification dated 8th June 2018 as amended on 30th November 2018, has stipulated that w.e.f. 1st April 2019, the transfer of securities (except transmission or transposition of shares) shall not be processed, unless the securities are held in the dematerialised form. The Company has complied with the necessary requirements as applicable, including sending of letters to shareholders holding shares in physical form and requesting them to dematerialise their physical holdings.
17. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company/RTA.
18. Statement pursuant to Section 102 of the Companies Act, 2013 is annexed in respect of special business.

19. Voting through electronic means

For Remote e-voting and e-voting during AGM

- 1) Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
- 2) The scrutinizer for voting is M/s K.V. Bindra & Associates, Company Secretaries, SCO 34, Second Floor, Sector 31-D, Chandigarh, Email cskaranvirbindra@gmail.com, Contact No. 9646497043.
- 3) The voting period begins on 27/11/2022 at 10:00 AM and ends on 29/11/2022 at 05:00 PM. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 25/11/2022, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- 4) The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
- 5) A member can opt for only one mode of voting i.e. either through remote e-voting or at the meeting. If a member casts votes by both modes then voting done through remote e-voting shall prevail.
- 6) The member who has cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.
- 7) Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
- 8) In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.novaironsteel.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com respectively. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. www.evotingindia.com.
- 9) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants.

Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

- 10) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode is given below:

Type of shareholders	Login Method
<p>Individual Shareholders holding securities in Demat mode with CDSL</p>	<p>(i) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi.</p> <p>(ii) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p> <p>(iii) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration</p> <p>(iv) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-voting is in progress and also able to directly access the system of all e-Voting Service Providers.</p>
<p>Individual Shareholders holding securities in demat mode with NSDL</p>	<p>(i) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsd.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>

	<p>(ii) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nSDL.com. Select “Register Online for IDeAS “Portal or click at https://eservices.nSDL.com/SecureWeb/IdeasDirectReg.jsp</p> <p>(iii) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nSDL.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting</p>
<p>Individual Shareholders (holding securities in demat mode) login through their Depository Participants</p>	<p>(i) You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cDSLindia.com or contact at 022- 23058738 and 22-23058542-43.
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

Login method for e-Voting and joining virtual meeting for shareholders other than individual shareholders holding in Demat form & physical shareholders

- (i) The shareholders should log on to the e-voting website www.evotingindia.com.
- (ii) Click on Shareholders.
- (iii) Now Enter your User ID
 - a) For CDSL: 16 digits beneficiary ID,
 - b) For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

- c) Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (iv) Next enter the Image Verification as displayed and Click on Login.
- (v) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vi) If you are a first time user follow the steps given below:

	For Shareholders holding shares in Demat Form other than individual and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN Field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. E.g. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN Field.
Dividend Bank A/c Details OR Date of Birth (DOB)	<p>Enter your Dividend Bank A/c Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank A/c details field as mentioned in instruction (v).

- (vii) After entering these details appropriately, click on “SUBMIT” tab.
- (viii) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (x) Click on the EVSN for the relevant Nova Iron & Steel Limited on which you choose to vote.
- (xi) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiii) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.

- (xiv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xvi) If Demat account holder has forgotten the changed password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

Facility for Non – Individual Shareholders and Custodians –Remote Voting

- (i) Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporate.
- (ii) A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com
- (iii) After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
- (iv) The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- (v) A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (vi) Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; rai_nisl2007@yahoo.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

PROCESS FOR THOSE SHAREHOLDERS WHOES EMAIL ADDRESSES IS NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:

- (i) For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to **Company/RTA email id**.
- (ii) For Demat shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP)
- (iii) For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

- (i) The procedure for attending meeting & e-Voting on the day of the AGM/ EGM is same as the instructions mentioned above for Remote e-voting.
- (ii) The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for Remote e-voting.
- (iii) Shareholder will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at <https://www.evotingindia.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.
- (iv) Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
- (v) Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- (vi) Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- (vii) Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least **2 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **2 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at (company email id). These queries will be replied to by the company suitably by email.
- (viii) Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
- (ix) Only those shareholders, who are present in the AGM/EGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the EGM/AGM.

INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING DURING THE AGM ARE AS UNDER:-

- (i) The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
- (ii) Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
- (iii) If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility , then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

Note for Non – Individual Shareholders and Custodians

- (i) Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporate” module.
 - (ii) A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - (iii) After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - (iv) The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - (v) A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 - (vi) Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; rai_nisl2007@yahoo.com (designated email address by company), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.
 - (vii) If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at 022-23058738 and 022-23058542/43.
 - (viii) All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futorex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43.
- 10) Any person, who acquires shares of the Company and become Member of the Company after despatch of the Notice and holding shares as on the cut-off date i.e.25/11/2022 may follow the same instructions as mentioned above for e-Voting.
- 11) If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 022-23058542/43.
- All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futorex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43.

STATEMENT ANNEXED PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 IN RESPECT OF THE SPECIAL BUSINESS**ITEM NO.2**

M/s Ashwani & Associates, Chartered Accountants, Firm Regd. No. 000497N, Ludhiana (Punjab) have tendered their resignation from the position of Statutory Auditors due to their inability to continue as Statutory Auditors of Nova Iron and Steel Limited, resulting into a casual vacancy in the office of Statutory Auditors of the Company as envisaged by section 139(8) of the Companies Act, 2013 (“Act”). The Board of Directors of the Company had appointed M/s MNRS & Associates, Chartered Accountants, Firm Regd. No. 018340N, New Delhi as the Statutory Auditors of the Company w.e.f. 28th March, 2022 upto the upcoming AGM.

M/s MNRS & Associates, Chartered Accountants, Firm Regd. No. 018340N, New Delhi have conveyed their consent to be appointed as the Statutory Auditors of the Company, along with a confirmation that, their appointment, if made by the members, would be within limits prescribed under Companies Act, 2013. Accordingly, Ordinary Resolution is submitted to the meeting for the consideration and approval of members.

None of the Directors or Key Managerial Personnel of the Company or their respective relatives are in any way concerned or interested in the resolutions set out at Item No.2 of the Notice.

ITEM NO.3

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of M/s J. K. Kabra & Company, for financial year ending March 31, 2023, subject to the approval of the Central Government, if any, the remuneration of the Cost Auditors has been approved and recommended at Rs.25000/-. The relevant Form regarding appointment and remuneration of the Cost Auditors approved by the Board has been filed with the Central Government as required under the Companies Act, 2013.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014 the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company. Accordingly, consent of the members is sought as set out in the Resolution at item No.3 of the Notice for ratification of the remuneration payable to the Cost Auditor, subject to the approval of the Central Government for the financial year ending March 31, 2023 for conducting cost audit and giving their report thereon.

The Board recommends the Ordinary Resolution set out at item No. 3 of the Notice for approval by the shareholders.

By order of the Board
For Nova Iron and Steel Limited

Place: New Delhi
Dated: 03/11/2022

Dheeraj Kumar
Company Secretary