

# एनएमडीसी स्टील लिमिटेड NMDC STEEL LIMITED

पंजीकृत कार्यालय: द्वारा एनएमडीसी आयरन एंड स्टील प्लांट, पोस्ट: नगरनार, जिला: बस्तर, पिन: 494001, छत्तीसगढ़  
Regd. Office: C/o. NMDC Iron & Steel Plant, Post: Nagarnar, Dist: Bastar, Pin: 494001, Chhattisgarh.  
नैगम पहचान संख्या/ Corporate Identity Number : U27310CT2015GOI001618

Letter No. NSL/2023-24

Dated 23/05/2023

1) BSE Limited Phiroze Jeejeebhoy Towers Dalal Street, Mumbai-400001	2) National Stock Exchange of India Limited Exchange Plaza, C-1, Block G, Bandra (East), Mumbai-400051
3) The Calcutta Stock Exchange 7, Lyons Range, Murgighata, Dalhousie Kolkata West Bengal 700001	

Dear Sir,

**Sub: Audited Financial Results for the 4<sup>th</sup> quarter and financial year ended 31<sup>st</sup> March 2023.**

**Ref: Regulation 30, 33, 52 and 54 of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015;**

**BSE Equity Scrip Code: 543768**

**NSE Security ID: NSLNISP**

**BSE NCD Scrip Code: 959957**

The Board of Directors of the Company at their meeting held on 23<sup>rd</sup> May 2023, inter alia, have considered, approved and taken on record the Audited Financial Results of the Company for the quarter and financial year ended 31<sup>st</sup> March 2023.

A copy of the following is enclosed pursuant to Regulation 33 and 52 SEBI Listing Obligation and Disclosure Requirements) Regulations, 2015:

1. Audited standalone Financial Results of the Company for the quarter and financial year ended 31<sup>st</sup> March 2023.
2. Audit Reports of the Statutory Auditors on the Audited Financial Results of the Company for the period ended 31<sup>st</sup> March 2023.
3. Declaration on Audit reports with unmodified opinion on the Annual Audited financial results for the financial year ended 31<sup>st</sup> March 2023.

The following information is also hereby submitted:

1. In compliance with the Regulation 23(9) of the SEBI (LODR) Regulation 2015, disclosures of Related party transactions, on a consolidated basis for the period ended 31<sup>st</sup> March 2023 is enclosed.

2. Information pursuant to Regulation 52(4) of SEBI(LODR) Regulation 2015 is covered in Audited financial Results of the company.
3. Statutory Auditor Certificate pursuant to Regulation 52(7) of SEBI (LODR) Regulation, 2015 stating that issue proceeds of Non-convertible debt securities have been fully utilized.
4. Statutory Auditor's certificate regarding assets cover availability pursuant to Regulation 54(3) of SEBI (LODR) Regulation 2015.

The meeting started at 1000 Hrs concluded at 1250 Hrs.

The above information is also available on the Company's website:  
[www.nmdcsteel.nmdc.co.in](http://www.nmdcsteel.nmdc.co.in)

You are requested to take the same on record and disseminate it for the information of the stakeholders.

**Thanking you,  
Yours Faithfully,**

**For, NMDC Steel Limited**



**(Chiman Lal Agrawal)  
Company Secretary**

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**Compliance under Part-A: Disclosures in Financial Results (Regulation 33 (1)(e) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 (as amended) for Financial Results for the Year ended 31<sup>st</sup> March 2023.**

**Project Status Report**

Sl.no	Particulars	Status
(i)(a)	Issue of Equity Shares	<p>The Scheme of arrangement between NMDC Limited &amp; NMDC Steel Limited to demerge the NMDC Iron &amp; Steel Plant (NISP) a division of NMDC Limited into NMDC Steel Limited was approved by MCA with effective date as 13-10-2022 &amp; Appointed date as 01.04.2021.</p> <p>Pursuant to the scheme of demerger, the net of assets and liabilities of the NMDC Iron &amp; Steel Plant (NISP) division of NMDC Limited as on 01.04.21 amounting to Rs 17048.54 Cr has been transferred to NMDC Steel Limited. As per the Scheme as a compensation, fully paid Equity Shares of 2,93,06,05,850 with face value of Rs 10/- each were allotted to the shareholders of NMDC Limited during November 2022. The balance of Rs. 14,117.97 Cr recognized in Other Equity.</p> <p>As per the scheme of arrangement for demerger, the Equity Share Capital as on 31-03-2023 is Rs 2930.61 Crore.</p>
(i)b	Issue of Debentures	<p>Unsecured non-cumulative Non-Convertible redeemable taxable debentures Series-I amounting to Rs 523.80 Crore has been raised on 28<sup>th</sup> August 2020 by NMDC Limited.</p> <p>Pursuant to the scheme of arrangement the NCD's have been taken in the books of NMDC Steel Limited.</p>
(ii)	Utilization of fund raised above	<p>Pursuant to the scheme of demerger, the assets and liabilities of the NMDC Iron &amp; Steel Plant (NISP) division of NMDC Limited have been transferred to NMDC Steel Limited with appointed date as 01.04.21 resulting in an Equity Share Capital of Rs 2930.61 Cr &amp; Rs 14117.97 Cr has been recognised as 'Other Equity'. The funds have been utilized fully.</p>
(iii)	Details of investment made pending utilization	<p>With respect to above, Equity Share Capital Amount and NCDs have been fully utilised for construction of the project.</p>



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(iv)	Brief Description of the project which is pending completion	<p>NMDC Steel Limited (NSL) is setting up a 3MTPA green field integrated steel plant at Nagarnar, Bastar Dist, Chattisgarh.</p> <p>The NMDC Iron &amp; Steel Plant (NISP) was a division of NMDC Limited &amp; as per scheme of arrangement between NMDC Limited &amp; NMDC Steel Limited, the unit got demerged from NMDC Limited into NMDC Steel Limited with appointed date as 01.04.21 &amp; effective date 13-10-2022.</p>
(v)	Status of the Project	<ul style="list-style-type: none"><li>• The Commissioning activities are in progress as on 31.03.2023.</li><li>• The Coke Oven Battery #1 along with By Product Plant &amp; Part of Raw Material Handling System started operation from 28.10.2022 and is under Stabilization.</li><li>• Coke Oven Battery #2 has also been taken for operation from 24-04-2023 &amp; is under Stabilization.</li><li>• All Auxiliary Units/Services like Main Receiving Station(MRS), Plant Power Distribution System (PPDS), Water Supply, Compressed Air Station(CAS), DG Station and Central Stores are ready.</li><li>• Sinter Plant was put on hot trails on 19.04.2023 along with relevant conveying and feeding system to ensure supply of Sinter for Blast Furnace.</li><li>• Oxygen Plant stream 2 was put into operation w.e.f.21.04.2023. Commissioning activities of Oxygen Plant- Stream 1 are under progress.</li><li>• Pre commissioning activities in other major units- Blast Furnace, Steel Melting Shop (SMS) , Thin Slab Caster (TSM) and Hot Strip Mill (HSM) are in progress to roll the first Hot Rolled Coil by 30<sup>th</sup> June 2023.</li></ul>
(vi)	Expected date of Commencement of commercial production	30 <sup>th</sup> June 2023



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STATEMENT OF ASSETS AND LIABILITIES AS AT 31ST MARCH 2023

(₹ in Crore)

S.NO	Particulars	Figures as at the end of current reporting year	Figures as at the end of previous reporting year
		31-March-2023	31-Mar-2022
		Audited	Restated
(A)	<b>ASSETS</b>		
	1) Non-current assets		
	a) Property, Plant and Equipment	1,118.47	1,132.25
	b) Right-of-Use Assets	-	-
	c) Capital work-in-progress	19,545.23	17,038.18
	d) Other Intangible Assets	0.02	0.01
	e) Intangible Assets under Development	-	-
	f) Financial Assets		
	i) Investments	-	-
	ii) Loans	-	-
	iii) Other Financial Assets	91.16	77.42
	g) Deferred Tax Assets (Net)	-	-
	h) Other Non-Current Assets	2,114.55	2,164.08
	<b>Total Non-Current Assets</b>	<b>22,869.43</b>	<b>20,411.94</b>
	2) Current assets		
	a) Inventories	859.54	39.68
	b) Financial Assets		
	i) Trade receivables	-	0.00
	ii) Cash and cash equivalents	621.14	0.82
	iii) Bank balances other than (ii) above	891.51	-
	iv) Other financial assets	80.85	24.54
	c) Current Tax Assets (Net)	7.86	0.26
	d) Other Current Assets	237.88	27.26
	e) Assets held for disposal	-	-
	<b>Total Current Assets</b>	<b>2,698.78</b>	<b>92.56</b>
	<b>TOTAL ASSETS</b>	<b>25,568.21</b>	<b>20,504.50</b>
(B)	<b>EQUITY AND LIABILITIES</b>		
	1) Equity		
	a) Equity Share capital	2,930.61	-
	b) Other Equity	14,117.97	17,048.58
	<b>Total Equity</b>	<b>17,048.58</b>	<b>17,048.58</b>
	2) Liabilities		
	i) Non-current liabilities		
	a) Borrowings	3,818.30	1,668.22
	ia) Lease Liabilities	-	-
	b) Financial Liabilities	2,501.87	485.34
	c) Provisions	-	-
	<b>Total Non-Current Liabilities</b>	<b>6,320.17</b>	<b>2,153.56</b>
	ii) Current liabilities		
	a) Financial liabilities		
	i) Borrowings	23.58	22.63
	ia) Lease Liabilities	-	-
	ii) Trade payables		
	a) Total Outstanding dues of Micro and small Enterprises	2.22	3.46
	b) Total Outstanding dues of Creditors other than micro enterprises and small enterprises	387.84	299.31
	iii) Other financial liabilities	1,091.79	972.06
	iv) Other current liabilities	694.03	4.90
	v) Provisions	-	-
	<b>Total Current Liabilities</b>	<b>2,199.46</b>	<b>1,302.36</b>
	<b>Total Liabilities</b>	<b>8,519.63</b>	<b>3,455.92</b>
	<b>Total Equities and Liabilities</b>	<b>25,568.21</b>	<b>20,504.50</b>

The Company had not commenced commercial production as of 31-03-2023 and no Profit and Loss has been reported.



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Audited Standalone Cash Flow Statement for the year ended 31st March 2023

(₹ in Crore)

Particulars	Year Ended 31-March-2023	Year Ended 31-March-2022 (Restated)
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit/(Loss) before income tax from		
Continued Operations	-	-
Discontinued Operations	-	-
Profit before income tax including discontinued operations	-	-
Adjustments for non cash/non operational expenses:		
Depreciation & amortisation expense	-	-
Loss on disposal of property, plant & equipment	-	-
Expenditure on enabling facilities	-	-
Provision for bad & doubtful advances	-	-
Interest Income	-	-
Finance Costs	-	-
<b>Operating Profits before working capital changes</b>	-	-
Adjustments for working capital changes:		
(Increase)/Decrease in trade receivables	0.00	(0.00)
(Increase)/Decrease in inventories	(819.86)	(19.91)
(Increase)/Decrease in other Other Receivables	(477.52)	(120.65)
Increase/(Decrease) in trade payables	87.30	302.76
Increase/(Decrease) Other Payable	2,733.66	580.80
<b>Cash generated from operations</b>	1,523.58	743.00
Income Taxes paid	(7.60)	(0.23)
<b>Net Cash Flow from operating activities</b>	1,515.98	742.77
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Expenditure on acquisition of tangible and intangible assets and towards capital work in progress (net of sale proceeds)	(2,155.19)	(1,890.99)
Purchase of investments(In Subsidiaries)	-	-
Interest received	-	-
Purchase of Investment(Term Deposits with more than three months)	(33.43)	-
<b>Net Cash Flow from investing activities</b>	(2,188.62)	(1,890.99)
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
<b>Proceed from Issue of Shares</b>	-	0.05
Amount paid on buyback of Shares (including transaction charges)	-	-
(Repayment)/Proceeds from borrowings(Current)	0.95	22.63
Lease Liability	-	-
(Repayment)/Proceeds from borrowings (Non-Current)	2,150.08	1,121.79
Deposits paid towards LCs and BGs (towards non fund based facilities)	(858.07)	-
Interest paid	-	-
Dividends paid (including Dividend Distribution tax))	-	-
<b>Net Cash Flow from financing activities</b>	1,292.96	1,144.47
<b>Net increase (decrease) in cash and cash equivalent</b>	620.32	(3.75)
Opening Balance of Cash & Cash Equivalents	0.82	4.57
<b>Closing Balance of Cash &amp; Cash equivalents</b>	621.14	0.82



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Compliance under regulation 52(4) and regulation 52(2) of SEBI ( Listing Obligation and Disclosure Requirments) Regulations 2015 ( as ammended) for Standalone Financial Results for quarter and year ended 31st March - 2023						
Sl.No	Particulars	Quarter Ended			Year Ended	
		31-Mar-2023	31-Dec-2022	31-03-2022 (Restated)	31-Mar-2023	31-03-2022 (Restated)
1	Debt Equity Ratio (Total Borrowings/ Total Equity)	0.23	0.19	0.10	0.23	0.10
2	Net Worth ( INR In crore)	17,048.58	17,056.81	17,048.58	17,048.58	17,048.58
3	Current Ratio ( Current Asset/ Current Liabilities)	1.23	1.62	0.07	1.23	0.07
4	Long Term Debt to Working Capital ( Non Current Borrowings including Curent maturity of long term debt abd lease liabilities/ working capital)	7.65	3.85	(1.38)	7.65	(1.38)
5	Current Liabiltiy Ratio Current Liabilities/Total Liabilities)	0.26	0.20	0.38	0.26	0.38
6	Total Debt to Total Assets (Total Debt / Total Assets)	0.15	0.13	0.08	0.15	0.08
7	Debt Servie Coverage Ratio (Earning before interest and Tax (EBITDA)/Debt Service)	NA	NA	NA	NA	NA
8	Interest Service Coverage Ratio (EBITDA/Total finance cost)	NA	NA	NA	NA	NA
9	Outstanding redeemable preference shares(quantity and values)	-	-	-	-	-
10	Debenture Redemption Reserve ( INR In crore)	-	-	-	-	-
11	Net Profit(Loss) after Tax ( INR In crore)	-	-	-	-	-
12	Earning Per Share (March 2023 & March 2022)	NA	NA	NA	NA	NA
13	Bad Debt to Account Receivables ratio (Bad Debts written off/ Accounts Receivables)	NA	NA	NA	NA	NA
14	Debtors turnover ratio (Revenue from Operation/ average trade receivables) - Annualised	NA	NA	NA	NA	NA
15	Inventory Turnover ratio (Revenue from Operation/ Average inventories) - Annualised	NA	NA	NA	NA	NA
16	Operating Margine (%) (Profit before depreciation, interest, tax and exceptional items / Revenue from Operation)	NA	NA	NA	NA	NA
17	Net Profit Margine (%) Net Profit after tax / Revenue from operations)	NA	NA	NA	NA	NA



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## NOTES:

1. The above results have been reviewed and approved by the Board of Directors in the meeting held on 23<sup>rd</sup> May 2022.
2. The financial results for the quarter and financial year ended 31st March 2023 have been audited by the Statutory Auditors as required under Regulation 33 and Regulation 52 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015. An unqualified report has been issued by them there on.
3. The Audited Accounts are subject to Supplementary Audit by the Comptroller and Auditor General of India under Section 143(6) of the Companies Act, 2013.
4. The financial results of the Company have been prepared in accordance with Indian Accounting Standards (Ind-AS) notified under the Companies (Indian Accounting Standards) Rules 2015 (as amended). The financial results have been prepared in accordance with the recognition and measurement principles of Ind-AS, prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules issued there under and the other accounting principles generally accepted in India.
5. The Company had not commenced commercial production as of 31-03-2023 and no Profit and Loss has been reported.
6. The demerger scheme of arrangement between NMDC Limited ("Demerged Company") and NMDC Steel Limited (NSL) ("Resulting Company" or the "Company") and their respective shareholders and creditors (the "Scheme") pursuant to the provisions of the Section 230-232 of the Companies Act, 2013 ("Act"), other applicable provisions and rules thereof thereunder (hereinafter referred to as the "Scheme"), involving demerger of NMDC Iron & Steel Plant Business Undertaking ("Demerged Undertaking" or "NISP") from Demerged Company to the Resulting Company has been duly sanctioned by the Ministry of Corporate Affairs ("MCA") vide its order dated 06 October 2022 ("Order"). NMDC Limited received the Order on 11 October 2022 and filed the same with the concerned Registrar of Companies on 13 October 2022. Hence, the Scheme is operative from 13 October 2022 (Effective Date). The Appointed Date of the Scheme is 01 April 2021. Accordingly, with effect from the Appointed Date, the entire Demerged Undertaking of NMDC Limited has been transferred and vested into NMDC Steel Limited.



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As per the share swap ratio approved in the Order, the Company has issued 1 (one) equity share of the Company of Rs. 10 each fully paid-up for every 1 (One) equity share held in the Demerged Company of Rs. 1 each fully paid-up.

Further, as per the Order, the existing Issued Share Capital of Rs. 11,00,000 consisting of 1,10,000 shares of 10 each held by Demerged Company shall stand cancelled on allotment of equity shares under share swap ratio.

The assets and liabilities pertaining to the Demerged Undertaking, transferred to and vested in the Resulting Company pursuant to the Scheme are recorded at their respective carrying values as appearing in the books of the Demerged Company.

Accordingly, the share capital account has been credited with the aggregate face value of the shares issued to the shareholders of Demerged Company pursuant to the Scheme and the difference has been accounted in the appropriate reserves within "Other Equity".

b) The impact of the Demerger on these financial statements is as under:

Particulars	(Rs. in crores)
Net Assets/(Liabilities) acquired	17,048.58
Value of equity shares issued	2,930.61
Other equity	14,117.97

7. Prior to demerger of NISP, the financial statements of NISP were being prepared in line with the standalone accounting policies of NMDC Ltd. Therefore, the Company (NMDC Steel Limited) has adopted the accounting policies of NMDC Ltd with certain logical changes to maintain the continuity.
8. The Company had not commenced commercial production as of 31-03-2023 and hence no reportable operating segments are identified as per Ind AS108- "Operating Segment".
9. NMDC Board in its 525th meeting held on 10.12.2019 has accorded approval for borrowing up to a limit of Rs. 5,000 crores for capex requirements of the company by raising terms loans from Banks/ Financial Institutions etc., Accordingly, Rupee term Loan facility (RTL) of Rs. 4476.20 crores were availed from State Bank of India (SBI) for part funding of Nagarnar Integrated Steel Plant (NISP), at an interest rate fixed at 7.10% p.a. till the Date of



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Commencement of Commercial Operation (DCCO) and there after 15 bps above the six months MCLR. The same has been transferred to the Books of accounts of NMDC Steel Limited(NSL) at the time of demerger of NISP from NMDC. NMDC Steel Limited (NSL), as a security, has hypothecated the entire Fixed Assets including Plant and Machinery, equitable mortgage of Land & Building (except forest land) and First charge on the entire cash flows of the NSL. The availability period of the loan is 6 months from the Date of commencement of Commercial Operation repayable in 30 quarterly instalments.

The common Loan agreement has been entered on 10.06.2021 with SBI for RTL not exceeding Rs. 4476.20 crore and a drawdown of Rs.3294.50 crores have been made till 31.03.2023 against the loan.

10. Cabinet Committee on Economic Affairs ("CCEA"), in its meeting dated October 27, 2016, gave in-principle approval for strategic disinvestment ("Strategic Disinvestment") of several CPSEs including the NISP unit of NMDC Ltd. Subsequently, on October 14, 2020, CCEA gave its 'in-principle' approval to the demerger of NISP from NMDC and strategic disinvestment of the resulting entity by selling entire stake of Government of India ("GoI").

As per the Preliminary Information Memorandum and Request for Expression of Interest invited, GOI had decided to divest its 50.79% shareholding in Resulting Company ("NMDC Steel Limited" or "NSL") along with management control to strategic buyer. Additionally, GoI shall offer 10% stake in Resulting Company to NMDC Limited after the strategic buyer has been identified through the bidding process.

11. The Non-Convertible Debentures of Rs. 523.80 Cr were issued by NMDC Ltd at a coupon rate of 7.30% for a tenure of 5 years from the date of allotment i.e., 28<sup>th</sup> Aug,2020 to meet the capex requirement of the Steel Plant. The NCDs are unsecured, non-cumulative, non-convertible, redeemable taxable bonds of Rs. 10 Lakhs each (Series I-2020) issued at face value offered for private placement. The bonds are rated by ICRA Limited as "ICRA AAA" (pronounced as "ICRA Triple A" with outlook on the long term is stable) And India Rating and Research Private Limited as "IND AAA" (pronounced as "IND Triple A" with outlook on the long term is stable) at the time of Issue by NMDC Ltd.

Post-demerger of NISP from NMDC and part of NSL, the rating agencies M/s ICRA Limited and M/s India Ratings & Research have downgraded the ratings to "ICRA A" on Rating watch with Developing Implications and "Ind A-/Stable" respectively. As the lowest credit rating i.e., "A-" has been downgraded from "AAA", by six notches and therefore the coupon rate works out to 8.80% from the existing rate of 7.30%. The above coupon rate of 8.80% rate is payable



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from 16<sup>th</sup> Feb'2023 i.e., from the date of downgrade of the Rating. Accordingly, the additional financial implication of Rs. 0.95 Cr has been provided for in the FY 2022-23.

12. Figures for the previous period have been regrouped wherever considered necessary so as to conform to the classification of the current period.

**For M/s. N.G Rao & Associates**

Chartered Accountants

FR No: 009399S

For NMDC Steel Limited

  
(G.Nageswara Rao)



Partner

Membership No: 207300



(Amitava Mukherjee)

Chairman-cum -Managing

Director (Addl. Charge) &

Director (Finance)

DIN:08265207

UDIN: 23207300 BGV DQW 6556

Place: Hyderabad

Date: 23<sup>rd</sup> May 2023

Our website : [www.nmdcsteel.nmdc.co.in](http://www.nmdcsteel.nmdc.co.in)



**Independent Auditor's Report**

To,  
Board of Directors of NMDC Steel Limited  
Report on the Audit of Standalone Financial Results

**Opinion**

1. We have audited the accompanying standalone Ind AS Annual Financial Results of NMDC Steel Limited (the Company) for the year ended March 31, 2023, being submitted by the company pursuant to the requirement of Regulation 33 and Regulation 52 read with Regulation 63(2) of the SEBI (Listing Obligations and Disclosure requirement) Regulations 2015(as amended) (Listing Regulations) including relevant circulars issued by the Securities and Exchange Board of India (SEBI) from time to time.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial results:
  - i. are presented in accordance with the requirements of regulation 33 and regulation 52 read with regulation 63(2) of the SEBI (Listing Obligations and Disclosure requirement) Regulations 2015 and
  - ii. gives a true and fair view in conformity with the applicable Indian accounting standards (Ind AS) prescribed under section 133 of the Companies Act, 2013 (the "Act") read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India, of the project status report and other financial information of the Company for the year ended March 31,2023 and the standalone statement of assets and liabilities and the standalone cash flow statement as at and for the year ended on that date.

**Basis for Opinion**

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditors Responsibilities for the Audit of the Standalone 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 ('the ICAI') together with the ethical requirements that are relevant to our audit of the financial results under the provisions of the Act 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**

4. We draw attention to the following matters in notes to the standalone financial results;
  - i. Note No: 2.34.1, regarding the Demerger Scheme of Arrangement between NMDC Limited (Demerged Company) and NMDC Steel Limited (Resulting Company) and their respective



shareholders and creditors with respect to demerger of NISP from NMDC Limited to NMDC Steel Limited with effective date of 13.10.2022.

- ii. Note No: 2.34.1, regarding proposal of disinvestment of NMDC Steel Limited.

Our opinion is not modified in respect of the above matters

### **Board of Directors' Responsibilities for the Standalone Financial Results**

5. These standalone financial results have been prepared on basis of standalone annual financial statements and has been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the preparation and presentation of the standalone financial results that give true and fair view of the project status report and other financial information of the company and the standalone statement of assets and liabilities and the standalone cash flow statement in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with regulation 33 and regulation 52 read with Regulation 63 of the Listing Regulations.

The Board of directors of the company are also responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgement and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of standalone financial statements that give true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the standalone financial results by the directors of the company, as aforesaid

6. In preparing the standalone financial results, the Board of directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
7. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibility for the Audit of the Standalone Financial Statements**

8. Our objectives are to obtain reasonable assurance about whether the standalone financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standards on Auditing (SA), specified under section 143(10) of the Act, 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 Standalone financial results.



9. As part of an audit in accordance with SAs specified under section 143(10) of the Act, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
- Identify and assess the risks of material misstatement of the standalone financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
  - Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing 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 standalone financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our 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 standalone financial results, including the disclosures, and whether the standalone financial results represent the underlying transactions and events in a manner that achieves fair presentation.
  - Obtain sufficient appropriate audit evidence regarding the financial information of the Company to express an opinion on the Statement. We are responsible for the direction, supervision and performance of the audit of financial information of the Company in the Standalone financial results, of which we are independent auditors. We remain solely responsible for our audit opinion.
10. We communicate with those charged with governance of the Company 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.

### Other Matters

11. The standalone financial Results include the results for the quarter ended March 31, 2023 being the balancing figures between audited figures in respect of the full financial year and the published year to date unaudited figures up to the third quarter of the current financial year which were subjected to limited review by us.



12. We did not audited the financial statements / information of NMDC Iron & Steel Plant, Nagarnor for the FY 2021-22, since the amounts disclosures of demerged undertaking for the FY 2021-22 were part of financial statements of NMDC Limited, which were duly audited and reported by C & AG appointed qualified Chartered Accountants. Our opinion in so far as it relates to the amounts and disclosure included in respect of the demerged undertaking for the FY 2021-22 is based solely on the report of such NMDC Limited Auditors.
13. The standalone annual financial results dealt with by this report has been prepared for the express purpose of filling with Stock Exchanges. These results are based on should be read with the audited standalone financial statements of the company for the year ended March 31, 2023 on which we issued an unmodified opinion vide our report dated 23<sup>rd</sup> May, 2023.

**N G Rao & Associates**  
**Chartered Accountants**  
FRN: 009399S



**CA G Nageswara Rao**  
**Partner**

**M.No. 207300**

UDIN: 23 207300 BGV DGW 6556

Place: Hyderabad

Date: 23-05-2023

**NMDC STEEL LIMITED**  
(A Government of India Enterprise)  
C/o NISP, Nagarnar, Chhattisgarh, CG-494001  
CIN: U27310CT2015GOI001618

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**Declaration on audit reports with unmodified opinion on the Annual Audited Financial Results  
for the financial year ended 31st March 2023**

This is with to SEBI(LODR) Regulations,2015 and amendments made thereto, we hereby declare that the Statutory Auditors of the Company, M/s N G Rao & Associates, Chartered Accountants, firm Registration no. 009399S, vide their Auditors Reports dated 23<sup>rd</sup> May 2022 issued an unmodified opinion on the standalone financial results of the Company for the financial year ended 31st March 2023.

For NMDC Steel Limited,



(Amitava Mukherjee)  
Chairman-cum -Managing Director  
(Addl. Charge) & Director (Finance)  
DIN- No: 08265207

Place: Hyderabad  
Dated: 23<sup>rd</sup> May 2023



**NMDC STEEL LIMITED**  
(A Government of India Enterprise)  
C/o NISP, Nagarnar, Chhattisgarh, CG-494001  
CIN: U27310CT2015GOI001618

**A. Related Party Disclosures:**

**Balances with the Related Parties as at the end of the reporting period 31.03.2023.**

The company does not have any Subsidiary Companies, Joint Venture Companies and Associate Companies. However, the company has following transactions with NMDC Ltd pursuant to the demerger of NMDC Iron & Steel Plant (NISP) from NMDC & vested with NMDC Steel Ltd.

(₹ in Crore)

PARTICULARS	Opening Balance 01.04.2022	Additions (+)/ Deletions(-)	Closing Balance 31-03-2023
Current Assets- Other Financial Assets	-	8.36	8.36
Non- Current Liabilities- Other Financial Liabilities	485.34*	2016.53	2501.87
Current Liabilities-Trade Payables	98.01	46.42	144.43
Current Liabilities- Other Financial Liabilities	-	41.06	41.06

**B. Key Management Personnel:**

**Directors:**

1. Shri Amitava Mukherjee (Addl. Charge Chairman-cum-Managing Director w.e.f 13.03.2023 & Director Finance)
2. Shri Dilip Kumar Mohanty (Director Production)
3. Shri V. Suresh (Director Commercial)(w.e.f. 01.03.2023)
4. Shri Vinay Kumar (Director Technical ) (w.e.f. 19.05.2023)
5. Shri Sumit Deb (Chairman-cum-Managing Director) (up to 28.02.2023)
6. Shri Somnath Nandi (Director Technical) (up to 31.12.2022)

**Company Secretary:**

Shri Chiman Lal Agrawal (w.e.f 05.04.2023)

**C. Remuneration to Key Managerial Personnel for the year ended 31<sup>st</sup> Mar 2023 is "NIL".**

1. No variable incentive is being paid to KMP.
2. The company has not introduced any stock option scheme during the period.



**NMDC STEEL LIMITED**  
(A Government of India Enterprise)  
C/o NISP, Nagarnar, Chhattisgarh, CG-494001  
CIN: U27310CT2015GOI001618

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**D. Government Nominee Directors: (As on 31.03.2023)**

1. Smt. Sukriti Likhi, Govt. Nominee Director, NMDC Steel Ltd. & Additional Secretary and Financial Adviser, Ministry of Steel
2. Shri. Abhijit Narendra Govt. Nominee Director, NMDC Steel Ltd. Joint Secretary, Ministry of Steel.

**E.** The Company do not have any Independent Director.

**F. Payment to Independent Directors:**

As the Company do not have any Independent Directors, therefore the Payment to Independent Directors is "NIL".





**N G RAO & ASSOCIATES**  
CHARTERED ACCOUNTANTS

☎ Off: +91-40-6661 7089  
Mobile : 98480 18791  
98491 35573  
95421 87777

**To WHOMSOEVER IT MAY CONCERN**

This is to certify that M/s. NMDC Steel Limited bearing PAN AAFCN3661C and CIN: U27310CT2015GOI001618 having its Regd. Office at C/o- NMDC Iron & Steel Plant, Nagarnar, Bastar, Chhattisgarh, India, 494001 have satisfied the conditions on which Non- Convertible Debentures(NCD) was issued and the money was utilized for the capex needs of Nagarnar Steel Plant.

This certificate is issued on the request of Director of M/s NMDC Steel Limited. Above certificate and details are stated without any prejudice and with clear cut understanding that there is no financial liability of any nature whatsoever on the undersigned.

Description of the Debentures: Unsecured, Non-Cumulative, Non- Convertible, Redeemable, Taxable Debentures Series I 2020 issued on private placement basis of Rs. 10,00,000/- each.

ISIN: INE584A08010

Amount of Borrowings: Rs. 523.80 Crore

**For M/s. N.G Rao & Associates**

Chartered Accountants

FR No: 09399S



(G.Nageswara Rao)

Partner

Membership No: 207300

UDIN: 23207300BQVDGV5054

Place: Hyderabad

Date: 23-05-2023

H.No. 6-3-1186/A/6, (New No. 325),  
2nd Floor, Chinna Balreddy Building,  
Adjacent Lane to ITC Kakatiya Hotel,  
Begumpet, Hyderabad-500 016.

D.No. 39-16-4B/S  
Garuda Hotel Lane,  
Labbipet,  
Vijayawada - 520 010.

H.No. 8-22-5/1, FF3  
Neeladri Towers, Pattabi Street,  
Gandhi Nagar,  
Kakinada - 533 004.

Email : nageswararaog207@gmail.com / nageswararaog@rediffmail.com

1/1



**CERTIFICATE**

To,  
Beacon Trusteeship Limited  
Mumbai.

**Independent Statutory Auditor's Certificate with respect to maintenance of Asset Cover in respect of listed non-convertible debt securities of NMDC Steel Limited as on 31<sup>st</sup> March 2023.**

We understand that NMDC Steel Ltd. ("the Company") (CIN: U27310CT2015GOI001618 ) having its registered office at NMDC Steel Ltd. C/o. NMDC IRON & STEEL PLANT, NAGARNAR – 494001, CG, INDIA is required to obtain a certificate from the statutory auditors for the purpose of submission with Beacon Trusteeship Limited with respect to maintenance of asset cover in respect of listed non-convertible debt securities of the Company as per Regulation 54 read with Regulation 56(1)(d) of Securities and Exchange Board of India (Listing Obligation & Disclosure Requirements) Regulation, 2015 ("Regulations") in the format notified by SEBI vide circular no. SEBI/ HO/ MIRSD/ CRADT/ CIR/ P/ 2020/230 dated 12th November, 2020.

**Management's Responsibility**

The Company's Management is responsible for preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and calculation of asset cover with respect to listed non-convertible debt securities of the Company as on 31<sup>st</sup> March 2023 in the format notified by SEBI vide circular no. SEBI/ HO/ MIRSD/ CRADT/ CIR/ P / 2020/230 dated 12th November, 2020.

**Auditor's Responsibility**

Our responsibility is to provide reasonable assurance with respect to asset cover maintained by the Company with respect to listed non-convertible debt securities as on 31<sup>st</sup> March 2023.

We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

**Opinion**

As per Annexure - 1

**Restriction on Use:** This certificate is being issued to Beacon Trusteeship Limited with respect to asset cover maintained by the NMDC Steel Limited with respect to listed non-convertible debt securities of



the Company as on 31<sup>st</sup> March 2023. Our certificate should not to be used for any other purpose or by any person other than the addressees of this certificate. Accordingly, we do not accept or assume any liability or duty of care to any other person to whom this certificate is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

For N. G. Rao & Associates  
Chartered Accountants  
FRN: 09399S



G. Nageswara Rao  
Partner  
M.No.:207300  
Partner

UDIN: 23207300BGVDG08463

Station: Hyderabad  
Date: 23-05-2023



Annexure – 1

Based on the audited financial statements for the period from 1<sup>st</sup> April 2022 to 31<sup>st</sup> March 2023, other related records, management representation, further information and explanations given to us, we hereby certify the matters given in para (a), (b) and (c) below

- a) The Company has vide its Board Resolution and information memorandum/ offer document and under various Debenture Trust Deeds, has issued the following listed debt securities:

ISIN	Private Placement/ Public Issue	Secured/ Unsecured	Sanctioned Amount Rs. in Crores
INE584A08010	Private Placement	Unsecured	523.80

- b) Asset Cover for listed debt securities:

- i. The financial information as on 31-03-2023 has been extracted from the books of accounts for the year ended on 31-03-2023 and other relevant records of the listed entity;
- ii. The assets of the listed entity provide coverage of "NIL" times of the interest and principal amount, which is in accordance with the terms of issue/ debenture trust deed (calculation as per statement of asset cover ratio for the Secured debt securities - table – I.
- iii. The total assets of the listed entity provide coverage of 29.58 times of the principal, which is in accordance with the terms of issue (calculation as per statement of asset coverage ratio available for the unsecured debt securities - table – II) (as per requirement of Regulation 54 read with Regulation 56(1) (d) of LODR Regulations).

Table – I:

Sr. No.	Particulars		Amount
i.	Total assets available for secured Debt Securities' – (secured by either pari passu or exclusive charge on assets) (mention the share of Debt Securities' charge holders)	A	
	▪ Property Plant & Equipment (Fixed assets) - movable/immovable property etc		NA
	▪ Loans /advances given (net of provisions, NPAs and sell down port folio), Debt Securities, other credit extended etc		NA
	▪ Receivables including interest accrued on Term loan/ Debt Securities etc		NA
	▪ Investment(s)		NA
	▪ Cash and cash equivalents and other current/ Non-current assets		NA

ii.	Total borrowing through issue of secured Debt Securities (secured by either pari passu or exclusive charge on assets)	B	
	▪ Debt Securities (Provide details as per table below)		NA
	▪ IND - AS adjustment for effective Interest rate on secured Debt Securities		NA
	▪ Interest accrued/payable on secured Debt Securities		NA
iii.	Asset Coverage Ratio (100% or higher as per the terms of offer document/information memorandum/ debenture trust deed)	A/B	NIL

**ISIN wise details**

S.N	ISIN	Facility	Type of charge	Sanctioned Amount Rs in Crore	Outstanding Amount As on 31/03/2023 Amount Rs in Crore	Cover Required	Assets Required
1.	INE584A08010	Non-convertible Debt Securities	NIL	523.80	547.38 (incl. accrued interest of Rs 23.58 Crore)	NIL	NIL
	Grand Total		NIL	523.80	547.38	NIL	NIL



Table - II

SN	Particulars		Amount Rs in Crore
i.	Net assets of the listed entity available for unsecured lenders (Property Plant & Equipment (excluding intangible assets and prepaid expenses) + Investments + Cash & Bank Balances + Other current/ Non-current assets excluding deferred tax assets (-) Total assets available for secured lenders/creditors on pari passu/exclusive charge basis under the above heads (-) unsecured current/ non-current liabilities (-) interest accrued/payable on unsecured borrowings)	A	16,190.49
ii.	Total Borrowings (unsecured)	B	
	<input type="checkbox"/> Term loan		NIL
	<input type="checkbox"/> Non-convertible Debt Securities (incl. accrued interest)		547.38
	<input type="checkbox"/> CC/ OD Limits		NIL
	<input type="checkbox"/> Other Borrowings		NIL
	<input type="checkbox"/> IND - AS adjustment for effective Interest rate on unsecured borrowings		NIL
			547.38
iii.	Assets Coverage Ratio (100% or higher as per the terms of Offer Document/Information Memorandum/ Debenture Trust Deed)	(A/B)	29.58

c) **Compliance of all the covenants/terms of the issue in respect of listed debt securities of the listed entity:**

We have examined the compliances made by the company in respect of the covenants/terms of the issue of the listed debt securities (NCD's) and certify that the such covenants/terms of the issue have been complied by the company.

