

Creixent Special Steels Limited

Regd. Office :QR No. 50-51, Park Avenue Colony,
Jindal Road, Dhimrapur, Raigarh 496001
CIN : U27209CT2018PLC008397
Phone : 07762291022
Website: www.jsw.in

18th May, 2020

Ref: CSSL/CS/2020-21/MH/ MAY

To,

BSE LIMITED

Corporate Relationship Department
Phiroze Jeejeebhoy Towers, Dalai Street,
Mumbai - 400 001.

Scrip Code No.958220

Kind Attn: The General Manager (CRD)

Sub: Submission of audited financial results for the year ended 31st March, 2020;

Dear Sir/Madam,

We wish to inform you that, the Board of Directors of the Company at its meeting held today i.e. 18th May, 2020, has, inter alia, approved the audited financial results of the Company for the year ended 31st March, 2020

Pursuant to Regulation 52 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (Regulations), we are enclosing herewith, audited (standalone) financial results of the Company for the year ended 31st March, 2020 containing the information required under Regulation 52(4), and the Audit Report issued by the Statutory Auditors of the Company.

A copy of declaration in respect of unmodified opinion on audited standalone financial results is enclosed.

You are requested to take the above information on record.

Thanking You,

Yours faithfully,

For **Creixent Special Steels Limited**

Shyam Dikkatwar
Company Secretary

CREIXENT SPECIAL STEELS LIMITED

Registered Office : QR No. 50-51, Park Avenue Colony, Jindal Road, Dhimrapur, Raigarh – 496001

CIN: U27209CT2018PLC008397

Statement of Audited Standalone Financial Results for the half year and year ended 31 March 2020

Rs. in thousand

| Sr. No. | Particulars | Half year ended | | Year ended | |
|-------------|--|------------------------------|------------------------------|------------------|------------------|
| | | 31.03.2020 | 31.03.2019 | 31.03.2020 | 31.03.2019 |
| | | Unaudited (refer note- 7) | Unaudited (refer note- 7) | Audited | Audited |
| I | Revenue from operations | | | | |
| | a) Gross sales | 12,826 | 13,301 | 12,826 | 13,301 |
| | Total income (I) | 12,826 | 13,301 | 12,826 | 13,301 |
| II | Expenses | | | | |
| | a) Purchases of stock-in-trade | 12,794 | 13,271 | 12,794 | 13,271 |
| | b) Finance cost | 338,505 | 298,769 | 658,411 | 354,065 |
| | c) Other expenses | 9,352 | 6,079 | 13,177 | 6,379 |
| | Total expenses (II) | 360,651 | 318,119 | 684,382 | 373,715 |
| III | Loss before tax (I-II) | (347,825) | (304,818) | (671,556) | (360,414) |
| IV | Tax credit | | | | |
| | Deferred tax | (23,721) | (21,178) | (46,222) | (25,045) |
| V | Net loss after tax for the period / year (III-IV) | (324,104) | (283,640) | (625,334) | (335,369) |
| VI | Other comprehensive income | - | - | - | - |
| VII | Total comprehensive loss for the period / year (V+VI) | (324,104) | (283,640) | (625,334) | (335,369) |
| VIII | Paid up equity share capital (face value of Rs. 10 per share) | | | 100,000 | 100,000 |
| IX | Other equity excluding revaluation reserves | | | (536,868) | 88,466 |
| X | Debenture redemption reserve | | | - | - |
| XI | Paid-up debt capital | | | 1,863,000 | 1,863,000 |
| XII | Net worth | | | (436,868) | 188,466 |
| XIII | Earnings per equity share (not annualised) | | | | |
| | Basic (Rs.) | (32.41) | (28.36) | (62.53) | (56.73) |
| | Diluted (Rs.) | (32.41) | (28.36) | (62.53) | (56.73) |
| XIV | Debt service coverage ratio (refer (i) below) | (0.002) | (0.001) | (0.002) | (0.001) |
| XV | Interest service coverage ratio (refer (ii) below) | (0.028) | (0.020) | (0.020) | (0.018) |
| XVI | Debt-equity ratio (refer (iii) below) | (11.392) | 26.36 | (11.392) | 26.36 |

- i) Debt service coverage ratio : Profit before depreciation, Net finance charges and Exceptional items / (Net finance charges + Long term borrowings scheduled principal repayments (excluding prepayments) during the period).
- ii) Interest service coverage ratio : Profit before depreciation, Net finance charges and exceptional Items/ Net finance charges
- iii) Debt-equity ratio: Total borrowings / Networth



CREIXENT SPECIAL STEELS LIMITED

STATEMENT OF ASSETS AND LIABILITIES

Rs. in thousand

| Particulars | As at 31 March 2020 | As at 31 March 2019 |
|---|---------------------|---------------------|
| | Audited | Audited |
| I. ASSETS | | |
| (1) Non-current assets | | |
| Financial assets | | |
| (i) Investments | 5,664,225 | 5,664,225 |
| Total non-current assets | 5,664,225 | 5,664,225 |
| (2) Current assets | | |
| (a) Financial assets | | |
| (i) Cash and cash equivalents | 2,834 | 765 |
| (b) Other current assets | 1,312 | 2,501 |
| Total current assets | 4,146 | 3,266 |
| TOTAL ASSETS | 5,668,371 | 5,667,491 |
| II. EQUITY AND LIABILITIES | | |
| (1) Equity | | |
| (a) Equity share capital | 100,000 | 100,000 |
| (b) Other equity | (536,868) | 88,466 |
| Total equity | (436,868) | 188,466 |
| (2) Non-current liabilities | | |
| (a) Financial liabilities | | |
| (i) Borrowings | 4,976,694 | 4,968,694 |
| (ii) Other financial liabilities | 1,011,267 | 353,707 |
| (b) Deferred tax liabilities | 78,608 | 124,830 |
| Total non-current liabilities | 6,066,569 | 5,322,401 |
| (3) Current liabilities | | |
| (a) Financial liabilities | | |
| (i) Trade payables | | |
| (A) total outstanding dues of micro enterprises and small enterprises | - | - |
| (B) total outstanding of creditors other than micro enterprises and small enterprises | 10,563 | 3,470 |
| (ii) Other financial liabilities | 26,534 | 25,897 |
| (b) Other current liabilities | 1,573 | 2,427 |
| Total current liabilities | 38,670 | 31,794 |
| Total liabilities | 6,105,239 | 5,354,195 |
| TOTAL EQUITY AND LIABILITIES | 5,668,371 | 5,542,661 |



Notes

1. The Company has adopted Ind AS 116 'Leases' effective 1 April 2019. There is no effect on adoption of Ind AS 116 on the loss for the period and earnings per share.
2. The Directors of the Company have given careful consideration to the liquidity of the Company having regard to its negative net-worth of Rs. 436,868 thousand and current liabilities exceeding current assets by Rs. 34,524 thousand, as at 31 March 2020. The Company plans to meet the said deficit for the forthcoming year by receiving the continual unconditional financial support from a shareholder, the investing party in respect of which the Company is a joint venture. Having regard to the above, the financial statements have been prepared on a going concern basis.
3. The outbreak of Corona Virus pandemic globally and in India has caused significant impact on the economic activity. In many countries including India businesses have been forced to limit their operations resulting in economic slowdown.

The Company based on its assessments expects to recover the carrying value of the assets. In assessing the recoverability of the Company's assets, the Company has considered internal and external information up to the date of approval of these financial results.

4. Brickwork has assigned a stable outlook on the long term rating. Brickwork Ratings has assigned "BBB-" rating with a stable outlook to the unsecured non-convertible debentures of the Company.
5. Details of unsecured Non-Convertible Debentures (NCD) are as follows:

| Non-convertible debenture | Nos. | Value | Asset cover | Previous payment due date | | Rupees in thousand | | | |
|---------------------------|-------|-----------|-------------|---------------------------|------------|-----------------------|------------|----------|------------|
| | | | | | | Next payment due date | | | |
| | | | | Principal | Interest | Principal | | Interest | |
| Amount | Date | Amount | Date | | | | | | |
| 0.01% NCD | 1,863 | 1,863,000 | NA | - | 28.08.2019 | 1,863,000 | 28.08.2025 | 186 | 28.08.2020 |

6. The Company is engaged in only one segment i.e., trading of steel products and manufacturing of steel through its subsidiary.
7. The figures for the half years ended 31 March 2020 and 31 March 2019 are the balancing figures between the audited figures in respect of full financial year and the published year to date figures upto the half years for the relevant financial year which were subjected to limited review by the statutory auditors.
8. The above results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 18 May 2020. The statutory auditors of the Company have carried out audit of the above audited standalone financial results for the year ended 31 March 2020.

For Creixent Special Steels Limited


Nikhil Ganhotra
 Director
 Din: 01277756

18 May 2020



INDEPENDENT AUDITOR'S REPORT ON AUDIT OF ANNUAL STANDALONE FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OF CREIXENT SPECIAL STEELS LIMITED

Opinion

We have audited the Standalone Financial Results for the year ended 31 March, 2020 included in the accompanying "Statement of Standalone Audited Financial Results for the six months and Year Ended 31 March 2020" of **Creixent Special Steels Limited** ("the Company"), ("the Statement"), being submitted by the Company pursuant to the requirements of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the Standalone Financial Results for the year ended 31 March, 2020:

- (i) are presented in accordance with the requirements of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended; and
- (ii) give a true and fair view in conformity with the recognition and measurement principles laid down in the Indian Accounting Standards and other accounting principles generally accepted in India of the net loss and total comprehensive loss and other financial information of the Company for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under Section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those Standards are further described in Auditor's Responsibilities for audit of the Annual Standalone Financial Results section below. 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 Standalone Financial Results for the year ended 31 March, 2020 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 ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion.

Management's Responsibilities for the Statement

This Statement, which includes the Standalone Financial Results is the responsibility of the Company's Board of Directors and has been approved by them for the issuance. The Statement has been compiled from the related audited standalone financial statements for the year ended 31 March, 2020. This responsibility includes the preparation and presentation of the Standalone Financial Results for the year ended 31 March, 2020 that give a true and fair view of the net loss and other comprehensive loss and other financial information in accordance with the recognition and measurement principles laid down in

the Indian Accounting Standards ("Ind AS") 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 52 of the Listing Regulations. This responsibility also includes 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 judgments and estimates that are reasonable and prudent; and the 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 Standalone Financial Results that give a true and fair view and is free from material misstatement, whether due to fraud or error.

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.

The Board of Directors are also responsible for overseeing the financial reporting process of the Company.

Auditor's Responsibilities for audit of Annual Standalone Financial Results

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Results for the year ended 31 March, 2020 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 Standalone Financial Results.

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 Annual 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors.
- Evaluate the appropriateness and reasonableness of disclosures made by the Board of Directors in terms of the requirements specified under Regulation 52 of the Listing Regulations.



Deloitte Haskins & Sells LLP

- Conclude on the appropriateness of the Board of Directors' 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 ability of the Company 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 Statement 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 Annual Standalone Financial Results, including the disclosures, and whether the Annual Standalone Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the Annual Standalone Financial Results of the Company to express an opinion on the Annual Standalone Financial Results.

Materiality is the magnitude of misstatements in the Annual Standalone Financial Results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Annual Standalone Financial Results may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Annual Standalone Financial Results.

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.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)



Rakesh Sharma
(Partner)
(Membership No. 102042)
(UDIN: 20102042AAAAAS5727)

Place: Mumbai
Date: 18.05.2020

Creixent Special Steels Limited

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Phone : 07762291022

Website: www.jsw.in

18th May, 2020

Ref: CSSL/CS/2020-21/MH/ MAY

To,

BSE LIMITED

Corporate Relationship Department
Phiroze Jeejeebhoy Towers, Dalai Street,
Mumbai - 400 001.

Scrip Code No.958220

Kind Attn: The General Manager (CRD)

Sub: Declaration pursuant to Regulation 52(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We hereby declare that the Statutory Auditors of the Company, Deloitte Haskins & Sells LLP, Chartered Accountants, have issued an Audit Report with unmodified opinion on Standalone Audited financial results of the Company for the year ended 31st March, 2020.

This declaration is given in compliance to regulation 52(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

You are requested to take the above information on record.

Thanking You,

Yours faithfully,

For **Creixent Special Steels Limited**



Keshav Anand

Chief Financial Officer