

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

October 19, 2021

Ref: CSSL/CS/2021-22/MH/OCT

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 Unaudited Financial Results along with Limited Review Report for the quarter and half-year ended 30th September, 2021.

Dear Sir/Madam,

We wish to inform you that, the Board of Directors of the Company, at its meeting held today i.e. October 19, 2021, has inter alia considered and approved the un-audited financial results for the quarter and half year ended 30th September, 2021, which was duly reviewed and recommended by the Audit Committee.

Pursuant to Regulation 52 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (Regulations), we are enclosing herewith, unaudited financial results of the Company for the quarter and half year ended September 30, 2021 containing the information required under Regulation 52(4) of the Regulations and the Limited Review Report issued by the Statutory Auditors of the Company.

You are requested to kindly take the same on record and acknowledge the receipt.

Thanking you,

Yours faithfully,

For Creixent Special Steels Limited

Keshav Anand

Chief Financial Officer



CREIXENT SPECIAL STEELS LIMITED

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

CIN: U27209CT2018PLC008397

Statement of Unaudited Standalone Financial Results for the quarter and six months ended 30 September 2021

Rs. in thousand

Sr. No.	Particulars	Quarter ended	Six months ended		Year ended
		30.09.2021	30.09.2021	30.09.2020	31.03.2021
		Unaudited	Unaudited	Unaudited	Audited
I	Income from operations				
	Revenue from operations	7,066	7,066	38,331	145,936
	Total income (I)	7,066	7,066	38,331	145,936
II	Expenses				
	a) Purchases of stock-in-trade	7,060	7,060	38,276	145,753
	b) Personnel support cost	1,345	2,308	2,600	4,414
	c) Finance cost	225,299	428,724	426,893	871,055
	d) Other expenses	1,860	2,372	1,308	1,950
	Total expenses (II)	235,564	440,464	469,077	1,023,172
III	Loss before tax (I-II)	(228,498)	(433,398)	(430,746)	(877,236)
IV	Tax credit				
	Deferred tax	-	-	(41,693)	(78,608)
V	Net loss after tax for the period / year (III-IV)	(228,498)	(433,398)	(389,053)	(798,628)
VI	Other comprehensive income	-	-	-	-
VII	Total comprehensive loss for the period / year (V+VI)	(228,498)	(433,398)	(389,053)	(798,628)
VIII	Paid up equity share capital (face value of Rs. 10 per share)	100,000	100,000	100,000	100,000
IX	Other equity excluding revaluation reserves	(1,768,894)	(1,768,894)	(925,921)	(1,335,496)
X	Debenture redemption reserve	-	-	-	-
XI	Paid-up debt capital	1,863,000	1,863,000	1,863,000	1,863,000
XII	Earnings per equity share (not annualised)				
	Basic (Rs.)	(22.85)	(43.34)	(38.91)	(79.86)
	Diluted (Rs.)	(22.85)	(43.34)	(38.91)	(79.86)



CREIXENT SPECIAL STEELS LIMITED

STATEMENT OF ASSETS AND LIABILITIES

Rs. in thousand

Particulars	As at 30 September 2021	As at 31 March 2021
	Unaudited	Audited
(1) Non-current assets		
(a) Financial assets		
(i) Investments	5,664,225	5,664,225
(ii) Other financial assets	186	186
(b) Current tax assets (net)	117	114
Total non-current assets	5,664,528	5,664,525
(2) Current assets		
(a) Financial assets		
(i) Trade receivables		7,022
(ii) Cash and cash equivalents	663	1,858
(b) Other current assets	9,084	4,169
Total current assets	9,747	13,049
TOTAL ASSETS	5,674,275	5,677,574
II. EQUITY AND LIABILITIES		
(1) Equity		
(a) Equity share capital	100,000	100,000
(b) Other equity	(1,768,894)	(1,335,496)
Total equity	(1,668,894)	(1,235,496)
(2) Non-current liabilities		
(a) Financial liabilities		
(i) Borrowings	4,995,194	4,993,994
(ii) Other financial liabilities	2,307,067	1,880,034
(b) Deferred tax liabilities		
Total non-current liabilities	7,302,261	6,874,028
(3) Current liabilities		
(a) Financial liabilities		
(i) Short term borrowings	2,500	2,500
(ii) Trade payables		
(A) total outstanding dues of micro enterprises and small enterprises		
(B) total outstanding of creditors other than micro enterprises and small enterprises	4,017	7,853
(iii) Other financial liabilities	29,798	28,436
(b) Other current liabilities	4,593	253
Total current liabilities	40,908	39,042
Total liabilities	7,343,169	6,913,070
TOTAL EQUITY AND LIABILITIES	5,674,275	5,677,574



CREIXENT SPECIAL STEELS LIMITED
STATEMENT OF CASH FLOWS FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2021

Particulars	Rs. in thousand	
	For the six months ended 30 September 2021	For the six months ended 30 September 2020
A. Cash flow from operating activities :		
Loss before tax	(433,398)	(430,746)
Adjustments for :		
Interest expense	428,724	426,933
Changes in working capital	(4,674)	(3,813)
Decrease in other assets	(4,915)	(4,894)
Increase / (decrease) in trade receivables	7,022	(24,802)
(Decrease) / Increase in trade payables	(3,838)	20,270
Increase in other current liabilities	4,340	2,655
Cash used in from operations	(2,065)	(10,584)
Direct taxes paid	(3)	-
Net cash used in operating activities (A)	(2,068)	(10,584)
B. Cash flow from investing activities (B)		
Net cash used in investing activities (B)	-	-
C. Cash flow from financing activities :		
Proceeds from borrowings	1,200	9,000
Interest paid	(327)	(226)
Net cash flow generated from financing activities (C)	873	8,774
Net decrease in cash and cash equivalents (A+B+C)	(1,195)	(1,810)
Cash and cash equivalents at the beginning of the period	1,858	2,834
Cash and cash equivalents at the end of the period	663	1,024



Notes

1. The above results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 19 October, 2021. The statutory auditors have carried out limited review of the above standalone financial results for the quarter and six months ended 30 September, 2021. However, the statement of cash flows for the corresponding six months ended 30 September, 2020, as reported in the accompanying Statement have been approved by the Company's Board of Directors, but have not been subjected to review by the auditors.
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.1,668,894 thousand and current liabilities exceeding current assets by Rs.31,161 thousand, as at 30 September, 2021. The Company would be receiving the continual unconditional financial support committed by an investing party in respect of which the Company is a joint venture, as and when needed. Having regard to the above, the financial results have been prepared on a going concern basis.
3. Details of unsecured Non-Convertible Debentures (NCD) are as follows:

Non – convertible debenture	Nos.	Value (Rs. in thousand)	Asset cover
0.01% NCD	1,863	1,863,000	1.78*

* Asset cover ratio = Net assets of the listed entity available for unsecured lenders (Investments (including encumbered investment in a subsidiary) + 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 (-) unsecured current/ non-current liabilities (-) interest accrued/ payable on unsecured borrowings)/ Total borrowings (excluding liability component of redeemable preference shares)

4. The Company is engaged in only one segment i.e., trading of steel products and manufacturing of steel through its subsidiary.
5. The Company, while assessing the impact of COVID 19 in preparation of the Statement, has considered internal and external sources of information, and determined, exercising reasonable estimates and judgement, that the carrying amounts of its assets are recoverable. The impact of COVID 19 may be different from that estimated as at the date of approval of the Statement, and the Company will continue to closely monitor the developments.
6. Previous period's/ year's figures have been regrouped/ reclassified wherever necessary.



7. Additional information pursuant to Regulation 52(4) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended for the quarter and six months ended 30 September, 2021:

Sr. No.	Particulars	Quarter ended	Six Months ended		Year ended
		30.09.2021	30.09.2021	30.09.2020	31.03.2021
		Unaudited#	Unaudited#	Unaudited#	Audited#
I	Debt equity ratio	(2.99)	(2.99)	(6.04)	(4.04)
II	Debt service coverage ratio	(0.01)	(0.01)	(0.01)	(0.01)
III	Interest service coverage ratio	(0.01)	(0.01)	(0.01)	(0.01)
IV	Outstanding redeemable Preference shares				
	Number of shares (in nos.)	370,269,610	370,269,610	370,269,610	370,269,610
	Value (Rs. in thousands)	3,702,696	3,702,696	3,702,696	3,702,696
V	Net worth (Rs. in thousands)	(1,668,894)	(1,668,894)	(825,921)	(1,235,496)
VI	Current ratio	0.24	0.24	0.51	0.33
VII	Long term debt to working capital	(174.37)	(174.37)	(164.81)	(212.68)
VIII	Bad debts to account receivable ratio	NA	NA	NA	NA
IX	Current liability ratio	0.01	0.01	0.01	0.01
X	Total debts to total assets	0.88	0.88	0.88	0.88
XI	Debtors turnover	2.01	1.01	11.77	41.57
XII	Inventory turnover*	NA	NA	NA	NA
XIII	Operating margin	-19%	-33%	-7%	-3%
XIV	Net profit margin	-3234%	-6134%	-1015%	-547%

computed basis the unaudited/ audited financial information, as applicable.

* there is no inventory in the Company accordingly this ratio is not applicable.

Foot notes:

- Debt-equity ratio = Total borrowings / Total equity
- Debt service coverage ratio = Profit/ (Loss) before tax, depreciation, net finance charges and exceptional items / (Net finance charges + Long term borrowings scheduled principal repayments (excluding prepayments) during the period)
- Interest service coverage ratio = Profit/ (Loss) before tax, depreciation, net finance charges and exceptional items/ Net finance charges
- Net worth= Paid up equity share capital and other equity
- Current ratio= Current assets / Current liabilities
- Long term debt to working capital= Total long term borrowings (including current maturities of long term debt) / Total working capital [Total working capital = Current assets – Current liabilities (excluding current maturities of long term debt)]
- Current liability ratio= Current liabilities / total liabilities
- Total debt to total assets ratio= Total debt / Total assets
- Debtors turnover (no. of days) = Total income/ Average trade receivables
- Operating margin= Operating EBIDTA (Sales of traded goods - purchase of traded goods – Personnel support cost) / Total income
- Net profit margin= Profit/ (Loss) after tax / Total income

For Crexent Special Steels Limited

Kaushik Subramaniam

Director

DIN: 08190548

October 19, 2021



INDEPENDENT AUDITOR’S REVIEW REPORT ON REVIEW OF INTERIM FINANCIAL RESULTS

**TO THE BOARD OF DIRECTORS OF
CREIXENT SPECIAL STEELS LIMITED**

1. We have reviewed the accompanying Statement of Unaudited Financial Results of **CREIXENT SPECIAL STEELS LIMITED** (“the Company”), for the quarter and six months ended 30 September, 2021 (“the Statement”), being submitted by the Company pursuant to the requirement of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement, which is the responsibility of the Company’s Management and approved by the Company’s Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 “Interim Financial Reporting” (“Ind AS 34”), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 ‘Review of Interim Financial Information Performed by the Independent Auditor of the Entity’, issued by the Institute of Chartered Accountants of India (ICAI). A review of interim financial information consists of making inquiries, primarily of the Company’s personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Attention is drawn to Note 1 of the Statement which states that the statement of cash flows for the corresponding six months ended 30 September, 2020, as reported in the accompanying Statement have been approved by the Company’s Board of Directors, but have not been subjected to review.

4. Based on our review conducted as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For **DELOITTE HASKINS & SELLS LLP**

Chartered Accountants
(Firm’s Registration No. 117366W/W-100018)


(Mehul Parekh)

Partner

(Membership No. 121513)

(UDIN: 21121513AAAAFR6633)

Place: MUMBAI

Date: October 19, 2021

REF: MP/2021-22/44

To
The Board of Directors
Creixent Special Steels Limited

Independent Auditor's certificate on the Statement of computation of asset coverage ratio as at September 30, 2021 for Listed Unsecured rated non-convertible debentures issued by the Company

1. This certificate is issued in accordance with the terms of our engagement letter dated MP/EL/2021-22/16 dated September 23, 2021.
2. We Deloitte Haskins & Sells LLP, Chartered Accountants (Firm Registration Number 117366W/W-100018), refer to the request from the management of the Creixent Special Steels Limited ("the Company"), requesting us to examine the attached Statement of Asset Coverage Ratio as at September 30, 2021 ("the Statement") for submission to Debenture Trustees of the Debentures pursuant to Regulation 56(1)(d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended vide notification No. SEBI.LAD-NRO/GN/2020/33 dated October 8, 2020 and Regulation 15(1)(t) of the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993 as amended vide notification No. SEBI/LAD-NRO/GN/2020/34 dated October 8, 2020 (together the "Regulations"), and to certify whether the financial information considered in the Statement has been appropriately extracted from the unaudited books of account for the half year ended September 30, 2021 and other relevant records and documents maintained by the Company. The Statement is stamped and initialed by us for identification purpose only.

Management's Responsibility

3. The preparation of the Statement from the unaudited books of account and other relevant records and documents, and compliance with covenants as per the respective debenture trust deeds and with relevant regulations issued by Securities Exchange Board of India, in respect of the debentures, are the responsibilities of the Management of the Company. This responsibility includes preparation and maintenance of the books of account and the records of the Company, and the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.
4. The Management of the Company is also responsible for the adherence with the Regulation, including, amongst others, ensuring compliance with all the covenants as per respective Debenture Trust Deeds, in respect of listed non-convertible debt securities.

Auditor's Responsibility

5. Pursuant to the requirements of the Regulation, our responsibility is to provide a limited assurance as to whether the particulars contained in the Statement are in agreement with the unaudited books of account and other relevant records and documents maintained by the Company and whether Asset Cover is correctly computed as per the terms of the debenture deeds and whether other covenants relating to the debentures are complied with. This did not include the evaluation of adherence by the Company with all the applicable terms of the Offer Document / Information Memorandum, Debenture Trust Deed and guidelines of the Regulations.



Deloitte Haskins & Sells LLP

6. The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement; and consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.
7. Nothing contained in this Certificate, nor anything said or done in the course of, or in connection with the services that are subject to this Certificate, will extend any duty of care that we may have in our capacity of the statutory auditors of any financial statements of the Company.
8. We conducted our examination of the Statement in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
9. 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.

Conclusion

10. On the basis of aforementioned procedures and according to the information and explanations furnished to us by the Management of the Company, we certify that the financial and other information contained in the Statement read with the notes thereon are in agreement with the unaudited books of account and relevant records and documents of the Company, the Asset Cover is correctly computed and other covenants of the debentures have been complied with by the Company.

Restriction on Use

11. This Certificate is addressed to and provided to the Board of Directors of the Company solely for the purpose of submission to Debenture Trustees as mentioned above, and should not be used for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)



Mehul Parekh
Partner
(Membership No. 121513)
UDIN: 21121513AAAAFU6362

Mumbai, October 19, 2021

Creixent Special Steels Limited

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STATEMENT OF ASSET COVERAGE RATIO AS AT SEPTEMBER 30, 2021**Asset Coverage in respect of Listed Secured Debt Securities**

There are no Listed Secured Debt Securities issued by the Company.

Asset Coverage in respect of Unsecured Borrowings (Including Listed Unsecured Debentures):**A. Details of Debentures:**

ISIN	Rs. in thousands	BSE Security Code	Nature of Security
INE01F608017	18,63,000	958220	Privately placed unsecured non-convertible debentures

B. Computation of assets coverage ratio maintained by the Company as at September 30, 2021:

SN.	Particulars		Rs.in thousands	
			Amount	Amount
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		33,65,115*
II	Total Borrowings (unsecured)	B		18,94,500^
	Term loan		-	
	Non-convertible Debt Securities (Unsecured Debentures)		18,63,000	
	CC/ OD Limits		-	
	Other Borrowings (including Commercial Paper)		31,500	
	IND - AS adjustment for effective Interest rate on unsecured Borrowings		-	
III	Assets Coverage Ratio (100% or higher as per the terms of Offer Document/ Information Memorandum/ Debenture Trust Deed)	A/B		1.78

* as per para 11.7 of the debenture trust deed dated August 25, 2018, investments encumbered for the subsidiary company borrowing have not been deducted for computation of net assets as the encumbrance is agreed to by the Debenture Trustee vide agreement dated December 18, 2018 entered into between the debenture trustee, the subsidiary and the Company.

^ redeemable preference share capital amounting to Rs.31,03,194 thousands is treated as share capital pursuant to concurrence of debenture trustee, although the same has been regarded as borrowings in the unaudited standalone books of account of the Company for the half year ended September 30, 2021.

Deloitte Haskins & Sells LLP
For identification purposes only

Management notes:

1. The Company has complied with the financial and other covenants as specified in clause 12 of the debenture trust deed dated August 25, 2018 with respect to Non-convertible debentures issued by it.
2. This statement is prepared in accordance with requirement of Regulation 56(1)(d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended vide notification No. SEBI.LAD-NRO/GN/2020/33 dated October 8, 2020 and Regulation 15(1)(t) of the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993, as amended vide notification No. SEBI/LAD-NRO/GN/2020/34 dated October 8, 2020, with respect to listed non-convertible debt securities.

For Creixent Special Steels Limited



Keshav Anand
Chief Financial Officer
Mumbai, 19 October 2021



Deloitte Haskins & Sells LLP
For identification purposes only

