



FACOR ALLOYS LIMITED

CIN- L27101AP2004PLC043252

Corp. Office: 160 B, Western Avenue, Sainik Farms, New Delhi - 110062, India

Phone: +91-11-4107 2935

E-Mail: corpoffice@falgroup.in; Website: www.facoralloys.in

30th May, 2024

The Manager,
The Bombay Stock Exchange Ltd.,
Phiroze Jeejeebhoy Towers,
Dalal Street,
MUMBAI - 400 001

Ref: Scrip Code- 532656

Dear Sir,

Sub: Submission of Audited Financial Results for the quarter and year ended 31st March, 2024 under Regulation 33 of SEBI (Listing Obligations & Disclosure Requirements), Regulations, 2015.

We would like to inform that the Board of Directors of the Company at their meeting held on today i.e. 30th May, 2024, has approved the Audited Financial Results of the Company for the quarter and year ended on 31st March, 2024.

In terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose herewith the aforesaid Unaudited Standalone as well as Consolidated Financial Results of the Company in the prescribed format along with the Review Report issued by the Statutory Auditor.

The meeting commenced at 03:30 p.m. and concluded at 05.00 p.m.

Request to take the above information on your record.

Thanking you,

Yours' faithfully
For FACOR ALLOYS LTD.

(Piyush Agarwal)
Company Secretary
M'ship No-A25165



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The Manager,
The Bombay Stock Exchange Ltd.,
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Dalal Street,
MUMBAI - 400 001

Ref: Scrip Code- 532656

Dear Sir,

Sub: Declaration under Regulation 33(3)(d) of SEBI (Listing Obligations & Disclosure Requirements), Regulations, 2015.

Pursuant to the provisions of Regulation 33(3)(d) of the SEBI LODR Regulations read with Circular no. SEBI/LAD-NRD-GN/20/16-17/001 dated 25/05/2016 and Circular no. CIR/CFD/CMD/ 56/2016 dated 27/5/2016, issued by the SEBI, it is hereby declared that the Auditors' Report as submitted by M/s K. K. Mankeshwar & Co., Statutory Auditors, on the Audited Standalone Financial Statements for the year ended 31st March, 2024 and the Audited Consolidated Financial Statements for the year ended 31st March, 2024 are with un-modified opinion.

Request to take the above information on your record.

Thanking you,

Yours' faithfully
For FACOR ALLOYS LTD.

(Piyush Agarwal)
Company Secretary
M'ship No-A25165

INDEPENDENT AUDITORS' REPORT
TO THE BOARD OF DIRECTORS OF FACOR ALLOYS LIMITED
Report on the audit of the Consolidated Financial Results

Opinion

We have audited the accompanying consolidated financial results of Facor Alloys Limited (hereinafter referred to as "the Holding Company"), and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group" for the quarter ended March 31, 2024, and the year to date results for the period from April 01, 2023 to March 31, 2024, attached herewith, being submitted by the Company pursuant to the requirement of regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, as amended (Listing Regulations).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone annual financial results:

- a. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- b. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards, and other accounting principles generally accepted in India, of the net profit and other comprehensive income and other financial information of the Company for the quarter ended 31st March 2024 as well as year to date result for the period from 1st April 2023 to 31st March, 2024.

Basis for opinion

We conducted our audit of the consolidated financial results in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial results section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the consolidated financial results under the provisions of the Act and the Rules made 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 we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial results.

Emphasis of Matter

We draw attention to Note 7 of the consolidated annual financial results, which states that the holding company had entered into long term conversion agreement with M/s Tata Steel Mining Ltd (TSML), a wholly owned subsidiary of M/s Tata Steel Ltd (TSL) on 22-03-2021. Consequent to the merger of TSML into TSL on 08-08-2023, agreement was modified in the name of M/s TSL w.e.f. 01-09-2023. In respect of the said agreement, TSL has raised the dispute over shortage of 9885 MT of TSL's raw material laying at the holding company's premises amounting to INR 31.15 Crores. The holding company has also raised its objection on quantum of shortage of material as well as valuation and insisted TSL to initiate joint reconciliation of raw material since the inception of agreement as it was never done during



the tenure of the agreement. Matter is under discussion at management level to arrive at solution. In respect of above, the group has not booked any liability in the books of accounts during the current financial year.

We draw attention to Note 8 of the consolidated annual financial results, regarding the dispute raised by RTVNPL over amounting outstanding in the group's books of accounts. The matter is in the arbitration and management has no doubt regarding recoverability of the outstanding amount. During the current year, the holding company has not realised any amount from the said debtor. The holding company has neither created any provision against trade receivable nor booked any liability for the claims raised by the RTVNL on the company.

Our opinion is not modified in respect of the above matters.

Responsibilities of management and those charged with governance for the consolidated financial results

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to preparation of these consolidated financial results that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of the adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 consolidated financial results that give a true and fair view and are free from material misstatements, whether due to fraud or error.. In preparing the consolidated financial results, the respective Board of Directors of the companies included in the Group are responsible for assessing the Group'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 management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so. The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's responsibilities for the audit of the consolidated financial results

Our objectives are to obtain reasonable assurance about whether the consolidated financial results as a whole are free from material misstatements, 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 consolidated financial results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated 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. 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 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 consolidated 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 consolidated financial results, including the disclosures, and whether the consolidated 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 entities or business activities within the Group to express an opinion on the consolidated financial results. We are responsible for the direction, supervision and performance of the audit of the financial results of such entities included in the consolidated financial results.

Materiality is the magnitude of misstatement in the consolidated financial results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the 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 misstatement in the 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial results of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



Other Matters

The consolidated Ind AS financial results include the financial results of four subsidiaries which have been audited by the other Auditor.

In respect of these subsidiaries, financial results have been furnished to us by the management and our opinion on the statement in so far as it relates to these subsidiaries, is based solely on such audited financial statement, whose financial statement reflect total assets of Rs. 194.88 lakhs as on 31st March 2024, total profit/(loss) of Rs. 716.00 lakhs and net cash outflow of Rs. 0.84 lakhs for the year ended as considered in the consolidated Ind AS financial statement.

The consolidated annual financial results include total assets of Rs. 146.89 lakhs as at 31st March, 2024, total revenues of Rs. 111.86 lakhs, total net profit/(loss) after tax of Rs. 716.19 lakhs for the year ended 31st March, 2024, and net cash outflow of Rs. 0.82 lakhs for the year ended 31st March, 2024 as considered in the consolidated annual financial results in respect of one subsidiary which is located outside India whose financial information/ financial results have been prepared in accordance with accounting principles generally accepted in that country and which have been audited by other auditor under generally accepted auditing standards applicable in that country. The Holding Company's management has converted the financial information/financial results of such subsidiary located outside India from accounting principles generally accepted in that country to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiary located outside India is solely based on the reports of other auditor and the conversion adjustments prepared by the management of the Holding Company and audited by us.

Our opinion on the consolidated financial results is not modified in respect of the above and the financial results are certified by the management.



Ashwin Mankeshwar
Partner
Membership No. 046219
For and on Behalf of
K. K. Mankeshwar & Co.
Chartered Accountants
FRN - 106009W
UDIN: 24046219BKHJTH1309
Place: Nagpur
Date: 30th May 2024



FACOR ALLOYS LIMITED

REGD. OFFICE: SHREERAMNAGAR 535 101, GARIVIDI, DISTRICT: VIZIANAGARAM (A.P.) CIN: L27101AP2004PLC043252
 WEBSITE: www.facoralloys.in, PHONE: +91 8952 282029, FAX: +91 8952 282188, E-MAIL: facoralloys@falgroup.in
 STATEMENT OF CONSOLIDATED AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH, 2024

(₹ in Lakhs)

Sr. No.	Particulars	Quarter Ended			Year Ended	
		31ST MARCH 2024	31ST DECEMBER 2023	31ST MARCH 2023	31ST MARCH 2024	31ST MARCH 2023
		Refer Note 4 (Audited)	(Unaudited)	Refer Note 4 (Audited)	(Audited)	(Audited)
	INCOME					
1	Revenue from operations	42.12	709.98	10,680.72	15,379.49	32,098.81
2	Other income	45.31	118.11	289.50	397.29	513.30
3	Total Income (1+2)	87.43	828.09	10,970.22	15,776.78	32,612.11
4	Expenses					
	a) Cost of materials consumed	33.77	318.81	3,938.12	5,151.23	10,059.93
	b) Changes in inventories of finished goods, work-in-progress	12.66	(0.69)	85.91	462.41	(352.78)
	c) Employee benefits expense	241.82	254.44	417.48	1,225.22	1,704.56
	d) Finance costs	142.42	67.31	14.54	266.77	87.34
	e) Depreciation and amortisation expense	49.29	50.72	51.87	202.17	193.72
	f) Power and Fuel Expenses	19.80	363.91	4,477.68	8,598.93	16,306.75
	g) Other expenses	174.51	316.64	1,278.43	2,196.55	4,322.30
	Total expenses	674.27	1,371.14	10,264.03	18,103.28	32,321.82
5	Profit / (Loss) Before Exceptional items and tax (3-4)	(586.84)	(543.05)	706.19	(2,326.50)	290.29
6	Exceptional Items					
	Profit/ (Loss) on Sale /Discard of Fixed Asset	(63.11)	(261.11)	(79.95)	(291.77)	108.46
	Profit/ (Loss) on Sale of Investment	-	-	(0.01)	-	1,699.99
	Arrear Electricity Charges (True-up Charges) (Note-5)	-	-	(317.50)	-	(476.25)
	Arrear Electricity Charges (FPPCA Charges) (Note-6)	0.53	-	-	(797.66)	-
	Sundry Balance Written Off	(20.75)	0.51	-	653.04	-
	Impairment of Goodwill	-	-	(1,619.22)	-	(1,619.22)
7	Net Profit /(Loss) before Tax (5+6)	(670.17)	(803.65)	(1,310.49)	(2,762.91)	3.27
8	Tax Expense					
	(a) Current tax	-	-	-	-	-
	(b) Tax for earlier years	-	-	(4.51)	-	(4.51)
	(c) Deferred tax	(180.38)	(148.11)	111.32	(839.15)	(688.33)
9	Net Profit /(Loss) for the period (7-8)	(489.79)	(655.54)	(1,417.30)	(1,923.76)	696.11
10	Other Comprehensive income/(loss)					
	Items that will not be reclassified to Profit and Loss					
	Remeasurement of defined benefit plans	(92.44)	4.92	125.82	(77.68)	120.79
	Deferred tax relating to remeasurement of defined benefit plans	23.26	(1.23)	(31.66)	19.55	(30.40)
	Foreign currency translation reserve	4.42	-	770.79	(791.24)	850.31
	Income tax on foreign currency translation reserve	-	-	-	-	-
	Other Comprehensive income/(loss)-Total	(64.76)	3.69	864.95	(849.37)	940.70
11	Total Comprehensive income for the period (9+10)	(554.55)	(651.85)	(552.35)	(2,773.13)	1,636.81
	Profit attributable to :					
	- Shareholders of the company	(487.22)	(651.80)	(1,270.28)	(1,990.83)	843.68
	- Non-controlling interests	(2.57)	(3.74)	(147.02)	67.07	(147.57)
	Other Comprehensive Income attributable to :					
	- Shareholders of the company	(64.76)	3.69	864.95	(849.37)	940.70
	- Non-controlling interests	-	-	-	-	-
	Total Comprehensive Income attributable to :					
	- Shareholders of the company	(551.98)	(648.11)	(405.33)	(2,840.20)	1,784.38
	- Non-controlling interests	(2.57)	(3.74)	(147.02)	67.07	(147.57)
12	Paid-up equity share capital (Face value ₹ 1/- per share)	1,955.48	1,955.48	1,955.48	1,955.48	1,955.48
13	Earnings per share (in ₹) (of ₹ 1/-each) (not annualised):					
	(a) Basic EPS	(0.25)	(0.33)	(0.65)	(1.02)	0.43
	(b) Diluted EPS	(0.25)	(0.33)	(0.65)	(1.02)	0.43

STATEMENT OF ASSETS AND LIABILITIES

ASSETS	CONSOLIDATED	
	As at March 31st, 2024 (Audited)	As at March 31st, 2023 (Audited)
Non-Current Assets		
Property, plant and equipment	10,935.12	11,367.54
Intangible	26.64	35.09
Right of Use Assets (ROU)	-	11.65
Financial assets		
(i) Other non-current financial assets	1,171.14	2,553.60
Deferred tax Asset (net)	1,676.07	822.36
Total Non-Current Assets	13,808.97	14,790.24
Current Assets		
Inventories	301.21	1,343.03
Financial assets		
(i) Trade receivables	4,413.34	5,237.54
(ii) Cash and cash equivalents	132.77	616.52
(iii) Other bank balances	301.58	313.68
(iv) Other current financial assets	11.76	25.16
Current tax assets (net)	276.30	527.80
Other current assets	286.41	453.33
Assets Classified as Held for Sale	543.25	1,442.24
Total Current Assets	6,266.62	9,959.30
Total Assets	20,075.59	24,749.54
EQUITY AND LIABILITIES		
Equity		
Equity share capital	1,955.48	1,955.48
Other equity	14,099.54	16,940.01
Non-Controlling Interest	(914.29)	(965.16)
Total Equity	15,140.73	17,930.33
Liabilities		
Non-Current Liabilities		
Financial liabilities		
(i) Borrowings	-	82.27
Provisions	56.80	83.96
Total Non-Current Liabilities	56.80	166.23
Current Liabilities		
Financial liabilities		
(i) Borrowings	917.89	693.86
(ii) Trade payables		
Micro Small and Medium Enterprises	60.37	131.90
Others	2,316.25	3,097.83
(iii) Other financial liabilities	332.63	351.64
Other current liabilities	182.81	1,299.71
Provisions	1,068.11	1,078.04
Total Current Liabilities	4,878.06	6,652.98
Total Liabilities	4,934.86	6,819.21
Total Equity and Liabilities	20,075.59	24,749.54

Statement of Cash Flow for the period ended 31st March 2024

(₹ in Lakhs)

CONSOLIDATED

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
A. Cash flows from operating activities		
Net Profit/ (Loss) after Prior Period Items and before Tax	(2,762.91)	3.27
Adjustments For:		
a) Interest Income	(212.53)	(247.90)
b) Depreciation	202.17	193.72
c) (Gain)/Loss on sale of fixed assets	291.77	(108.46)
d) (Gain)/Loss on sale of investment	-	(1,699.99)
d) Effect of change in foreign currency translation reserve	(791.24)	850.31
e) Interest Expense	266.77	87.34
Operating Cash Profit before Working Capital Changes	(3,005.97)	(921.71)
Movement in Working Capital:-		
a) Increase/(Decrease) in Trade Payables	(853.11)	2,139.70
b) Increase/(Decrease) in Other Current Liabilities	(1,116.90)	(533.76)
c) Increase/(Decrease) in Other Current Financial Liabilities	(89.34)	167.17
d) (Increase)/Decrease in Other Non Current Financial Assets	1,389.40	(386.16)
e) (Increase)/Decrease in Provisions	(114.77)	38.36
f) (Increase)/Decrease in Other Current Financial Assets	12.10	(0.18)
g) (Increase)/Decrease in Inventories	1,041.82	(344.29)
h) (Increase)/Decrease in Trade Receivables	824.20	(2,873.77)
i) (Increase)/Decrease in Other Current Assets	166.92	63.22
j) Increase/(Decrease) in Other Non Current Financial Liabilities	-	(12.34)
k) (Increase)/Decrease in Long Term Loans & Advances	-	5.20
Cash Generated From/ (used in) operations	(1,745.65)	(2,658.56)
Less: Income Tax Paid (net of refunds)	251.50	(421.13)
Net Cash Generated From/ (used in) Operating Activities before Extraordinary item	(1,494.15)	(3,079.69)
Net Cash Generated From/ (used in) Operating Activities(A)	(1,494.15)	(3,079.69)
B. Cash Flow from Investing Activities:		
(Purchase) of property, plant and equipment and capital work in progress	(45.48)	(291.53)
Net proceeds of property, plant and equipment and capital work in progress	901.10	2,332.79
Interest received	225.93	233.24
Net movement in Investments	-	1,700.05
Change in Minority interest of Subsidiary company	(16.20)	(67.36)
Net Cash Generated from/ (Used in) Investing Activities (B)	1,065.35	3,907.19
C. Cash Flow from Financing Activities:		
Net proceeds/(Repayment) of Borrowings	141.49	(692.82)
Interest Expense Paid	(196.44)	(87.34)
Net Cash generated from/ (used in) Financing Activities (C)	(54.95)	(780.16)
Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)	(483.75)	47.34
Cash and cash equivalents at the beginning of the year	616.52	569.18
Balance at the end of year	132.77	616.52

Notes:

- 1 The above consolidated financial results have been reviewed by the Audit Committee and approved by the Board of Directors, at their Meeting held on 30th May, 2024. The Statutory Auditor have expressed an unmodified audit opinion on these consolidated financial results.
- 2 The financial results are prepared in accordance with Indian Accounting Standards ('Ind AS') notified under section 133 of the Companies Act, 2013, read together with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other recognised accounting practices and policies to the extent applicable.
- 3 The Company does not have more than one reportable segment. Accordingly, segment information is not required to be provided.
- 4 The figures for last quarter are the balancing figures between the audited figures in respect of the full financial year and the published year to date figures upto the third quarter of the financial year.
- 5 True-up charges liability for the period 2014-2019 amounting to Rs. 476.25 lakhs as per APERC order dated 14th July, 2022 provided during the previous year.
- 6 In view of Andhra Pradesh Electricity Regulatory Commission order for payment of Fuel & Power Purchase Cost Adjustment (FPPCA) pertaining to financial year 2021-22, company has provided liability during the year.
- 7 Company has long term conversion agreement with TSL which will last on 31.03.2025. During the Annual physical verification of inventory, TSL has informed that they have observed shortage of material worth Rs.31.15 Crores laying at plant of the company, company has raised objection and sought joint reconciliation. Matter in under discussion as on date.
- 8 Receivables amounting to Rs 24.45 Crore from RTVNPL is under arbitration since 10.11.2022. Company is hopeful to get favourable arbitration award shortly.
- 9 The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received approval from the Indian Parliament and Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record related impact, if any, in the period the Code becomes effective.
- 10 Plant operation is temporarily shut down w.e.f. 31-10-2023, which has caused lowest revenue during the quarter/year. Top management had recently undergone reshuffle and new management has taken charge w.e.f. 9th April, 2024. New management is rigorously exploring all options including dialogues with corporate houses and lenders to get assistance to resume operations and moreover, promotor entity is also infusing funds to meet running fund requirement. Company has state-of-art manufacturing facility and enjoying debt free status i.e. no financial obligation towards any financial institutions. Management is very keen and hopeful to overcome all odds and resume operation at the earliest.
- 11 Previous period figures are regrouped/rearranged wherever necessary to facilitate comparison.

For FACOR ALLOYS LIMITED



M.D. SARAF
DIRECTOR
DIN: 00011966

Place : Nagpur

Date : 30th May, 2024

Corporate Office : 160-B, Ground Floor, Western Avenue, Sainik Farms, New Delhi-110062

INDEPENDENT AUDITORS' REPORT

TO THE BOARD OF DIRECTORS OF FACOR ALLOYS LIMITED

Report on the audit of the Standalone Financial Results

Opinion

We have audited the accompanying statement of Standalone Audited Financial Results ("the Statement") of Facor Alloys Limited ("the Company") for the quarter ended March 31, 2024, and the year to date results for the period from April 01, 2023 to March 31, 2024 (the 'Statement'), attached herewith, being submitted by the Company pursuant to the requirement of regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, as amended (Listing Regulations).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone annual financial results:

- a. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- b. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards, and other accounting principles generally accepted in India, of the net profit and other comprehensive income and other financial information of the Company for the quarter ended 31st March 2024 as well as year to date result for the period from 1st April 2023 to 31st March, 2024.

Basis for opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Results 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 (ICAI) together with the ethical requirements that are relevant to our audit of the Standalone 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

We draw attention to Note 7 of the standalone annual financial results, which states that the company had entered into long term conversion agreement with M/s Tata Steel Mining Ltd (TSML), a wholly owned subsidiary of M/s Tata Steel Ltd (TSL) on 22-03-2021. Consequent to the merger of TSML into TSL on 08-08-2023, agreement was modified in the name of M/s TSL w.e.f. 01-09-2023. In respect of the said agreement, TSL has raised the dispute over shortage of 9885 MT of TSL's raw material laying at the company's premises amounting to INR 31.15 Crores. The company has also raised its objection on quantum of shortage of material as well as valuation and insisted TSL to initiate joint reconciliation of raw material since the inception of agreement as it was never done during the tenure of the agreement. Matter is under discussion at management level to arrive at solution. In respect of above, the company has not booked any liability in the books of accounts during the current financial year.



We draw attention to Note 8 of the standalone annual financial results, regarding the dispute raised by RTVNPL over amounting outstanding in the company's books of accounts. The matter is in the arbitration and management has no doubt regarding recoverability of the outstanding amount. During the current year, the company has not realised any amount from the said debtor. The company has neither created any provision against trade receivable nor booked any liability for the claims raised by the RTVNL on the company.

We draw attention to Note 9 of the standalone annual financial results, which states that the company has given corporate guarantee to the lender of its step-down subsidiary company. On default of repayment of loan by such subsidiary and based on the demand letter raised by the lender dated 17.01.2019, the company has remitted the loan amount to such lender against the corporate guarantee and the amount paid is shown as loans and advances to the subsidiaries in the financial results of the company. During the current year, the company estimated that there is uncertainty regarding recoverability of loan amounting to INR 852.32 Lakhs from such step-down subsidiary company. Hence, the company has booked the lifetime expected credit loss for the same. However, the company has not written off the amount due to pending approvals from regulatory authority.

We draw attention to Note 9 of the standalone annual financial results, which states that the company has not created any deferred tax asset on the on the expected credit loss booked by the company in respect of amount recoverable from Cati Madencilik Ithalat Ve Ihracat. However, the company has recorded the deferred tax asset of INR 1721.67 Lakhs on account of unabsorbed depreciation, business loss and long-term capital loss. The company assessed that it is probable that the future taxable profit will be available against which the unused tax losses and unused tax credits can be utilised.

Our opinion is not modified in respect of the above matters.

Responsibilities of management and those charged with governance for the Standalone financial results

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Standalone financial results 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 the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of 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 Standalone financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial results , management 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 management 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 company's financial reporting process.



Auditor's responsibilities for the audit of the Standalone financial results

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 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 scepticism 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 control 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 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 standalone financial results of the company to express an opinion in the standalone financial results.

Materiality is the magnitude of misstatements in the standalone financial results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the 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 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.

Other Matter

The standalone annual financial results include the results for the quarter ended 31st March, 2024 being the balancing figure between audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current year, which were subject to limited review by us.



Ashwin Mankeshwar

Partner

Membership No. 046219

For and on behalf of

K.K. Mankeshwar & Co.

Chartered Accountants

Firm's Registration No. 106009W

UDIN: 24046219BKHJTG5649

Place: Nagpur

Date: 30th May 2024



FACOR ALLOYS LIMITED

REGD. OFFICE: SHREERAMNAGAR 535 101, GARIVIDI, DISTRICT: VIZIANAGARAM (A.P.) CIN: L27101AP2004PLC043252
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 STATEMENT OF STANDALONE AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH, 2024

(₹ in Lakhs)

Sr. No.	Particulars	Quarter Ended			Year Ended	
		31ST MARCH, 2024	31ST DECEMBER, 2023	31ST MARCH, 2023	31ST MARCH, 2024	31ST MARCH, 2023
		Refer Note 4		Refer Note 4		
		(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
	INCOME					
1	Revenue from operations	42.12	709.98	10,680.72	15,379.49	32,098.81
2	Other income	55.43	127.48	101.23	285.43	305.10
3	Total Income (1+2)	97.55	837.46	10,781.95	15,664.92	32,403.91
4	Expenses					
	a) Cost of materials consumed	33.77	318.81	3,938.12	5,151.23	10,059.93
	b) Changes in inventories of finished goods, work-in-progress	12.66	(0.69)	85.91	462.41	(352.78)
	c) Employee benefits expense	241.82	254.44	417.48	1,225.22	1,704.56
	d) Finance costs	139.96	67.31	14.41	264.29	87.03
	e) Depreciation and amortisation expense	47.18	49.69	49.67	194.02	172.54
	f) Power and Fuel Expenses	19.80	363.91	4,477.68	8,598.93	16,306.75
	g) Other expenses	181.71	287.74	1,135.73	2,158.43	4,163.31
	Total expenses	676.90	1,341.21	10,119.00	18,054.53	32,141.34
5	Profit / (Loss) Before Exceptional items and tax (3-4)	(579.35)	(503.75)	662.95	(2,389.61)	262.57
6	Exceptional Items					
	Profit/ (Loss) on Sale /Discard of Fixed Asset	(63.11)	(261.11)	(79.45)	(291.77)	108.96
	Profit/ (Loss) on Sale of Investment	-	-	-	-	1,700.00
	Arrear Electricity Charges (True-up Charges) (Note-5)	-	-	(317.50)	-	(476.25)
	Arrear Electricity Charges (FPPCA Charges) (Note-6)	0.53	-	-	(797.66)	-
	Life Time Expected Credit Loss (Note-7)	(852.32)	-	-	(852.32)	-
7	Net Profit /(Loss) before Tax (5+6)	(1,494.25)	(764.86)	266.00	(4,331.38)	1,595.28
8	Tax Expense					
	(a) Current tax	-	-	-	-	-
	(b) Tax for earlier years	-	-	(4.51)	-	(4.51)
	(c) Deferred tax	(180.38)	(148.11)	111.32	(839.15)	(688.33)
9	Net Profit /(Loss) for the period (7-8)	(1,313.87)	(616.75)	159.19	(3,492.23)	2,288.12
10	Other Comprehensive income/(loss)					
	Items that will not be reclassified to Profit and Loss					
	Remeasurement of defined benefit plans	(92.44)	4.92	125.82	(77.68)	120.79
	Deferred tax relating to remeasurement of defined benefit plans	23.26	(1.23)	(31.66)	19.55	(30.40)
	Other Comprehensive income/(loss)-Total	(69.18)	3.69	94.16	(58.13)	90.39
11	Total Comprehensive income for the period (9+10)	(1,383.05)	(613.06)	253.35	(3,550.36)	2,378.51
12	Paid-up equity share capital (Face value ₹ 1/- per share)	1,955.48	1,955.48	1,955.48	1,955.48	1,955.48
13	Earnings per share (in ₹) (of ₹ 1/-each) (not annualised):					
	(a) Basic EPS	(0.67)	(0.32)	0.08	(1.79)	1.17
	(b) Diluted EPS	(0.67)	(0.32)	0.08	(1.79)	1.17

STATEMENT OF ASSETS AND LIABILITIES

ASSETS	STANDALONE	
	As at March 31st, 2024 (Audited)	As at March 31st, 2023 (Audited)
Non-Current Assets		
Property, plant and equipment	10,772.80	11,115.52
Right of Use Assets (ROU)	-	11.65
Financial assets		
(i) Other non-current financial assets	1,170.49	2,552.30
Deferred tax Asset (net)	1,676.07	817.37
Total Non-Current Assets	13,619.36	14,496.84
Current Assets		
Inventories	299.52	1,340.22
Financial assets		
(i) Trade receivables	4,413.34	5,237.54
(ii) Cash and cash equivalents	129.31	612.22
(iii) Other bank balances	301.58	313.68
(iv) Other current financial assets	59.47	925.21
Current tax assets (net)	276.30	527.80
Other current assets	286.29	420.20
Assets Classified as Held for Sale	543.25	1,442.24
Total Current Assets	6,309.06	10,819.11
Total Assets	19,928.42	25,315.95
EQUITY AND LIABILITIES		
Equity		
Equity share capital	1,955.48	1,955.48
Other equity	13,342.71	16,893.07
Total Equity	15,298.19	18,848.55
Liabilities		
Non-Current Liabilities		
Provisions	56.80	80.90
Total Non-Current Liabilities	56.80	80.90
Current Liabilities		
Financial Liabilities		
(i) Borrowings	632.00	632.00
(ii) Trade payables		
Micro Small and Medium Enterprises	60.37	131.90
Others	2,316.08	3,097.66
(iii) Other financial liabilities	332.63	351.64
Other current liabilities	164.24	1,095.26
Provisions	1,068.11	1,078.04
Total Current Liabilities	4,573.43	6,386.50
Total Liabilities	4,630.23	6,467.40
Total Equity and Liabilities	19,928.42	25,315.95

Statement of Cash Flow for the year ended 31 March 2024

(₹ in Lakhs)

STANDALONE

	For the Year Ended 31 March 2024	For the Year Ended 31 March 2023
A. Cash flows from Operating Activities		
Net Profit/ (Loss) after Prior Period Items and Before Tax	(4,331.38)	1,595.28
Adjustments For:		
a) Interest Income	(212.50)	(247.83)
b) Depreciation	194.02	172.54
c) Provision for Doubtful Advances	0.15	0.20
d) Life Time Expected Credit Loss	852.32	-
e) (Gain) / Loss on Sale of Fixed Assets	291.77	(108.96)
f) (Gain) / Loss on Sale of Investment	-	(1,700.00)
g) Interest Expense	264.29	87.03
Operating Cash Profit before Working Capital Changes	(2,941.33)	(201.74)
Movement in Working Capital:-		
a) Increase/(Decrease) in Trade Payables	(853.11)	2,139.70
b) Increase/(Decrease) in Other Current Liabilities	(931.02)	(331.90)
c) Increase/(Decrease) in Other Current Financial Liabilities	(89.34)	167.17
d) (Increase)/Decrease in Other Non Current Financial Assets	1,383.76	(387.49)
e) Increase/(Decrease) in Provisions	(111.71)	38.99
f) (Increase)/Decrease in Other Current Financial Assets	864.29	(1.36)
g) (Increase)/Decrease in Inventories	1,040.70	(344.87)
h) (Increase)/Decrease in Trade Receivables	824.20	(2,873.77)
i) (Increase)/Decrease in Other Current Assets	(718.41)	50.00
j) Increase/(Decrease) in Other Non Current Financial Liabilities	-	(12.34)
k) (Increase)/Decrease in Long term loans & Advances	-	5.20
Cash Generated from/ (used in) Operations	(1,531.97)	(1,752.41)
Less: Income Tax Paid (Net of Refunds)	251.50	(421.13)
Net Cash Generated from/ (used in) Operating Activities(A)	(1,280.47)	(2,173.54)
B. Cash Flow from Investing Activities:		
(Purchase) of Property, Plant and Equipment and Capital Work in Progress	(45.48)	(291.53)
Net Proceeds of Property, Plant and Equipment and Capital Work in Progress	811.10	670.48
Interest Received	225.90	233.17
Net movement in Investments	-	1,700.05
Net Cash Generated from/ (Used in) Investing Activities (B)	991.52	2,312.17
C. Cash Flow from Financing Activities:		
Interest Expense Paid	(193.96)	(87.03)
Net Cash generated from/ (used in) Financing Activities (C)	(193.96)	(87.03)
Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)	(482.91)	51.60
Cash and Cash Equivalents at the Beginning of the year	612.22	560.62
Cash and Cash Equivalents at the End of the year	129.31	612.22

Notes:

- 1 The above standalone financial results have been reviewed by the Audit Committee and approved by the Board of Directors, at their Meeting held on 30th May, 2024. The Statutory Auditor have expressed an unmodified audit opinion on these standalone financial results.
- 2 The financial results are prepared in accordance with Indian Accounting Standards ('Ind AS') notified under section 133 of the Companies Act, 2013, read together with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other recognised accounting practices and policies to the extent applicable.
- 3 The Company does not have more than one reportable segment. Accordingly, segment information is not required to be provided.
- 4 The figures for last quarter are the balancing figures between the audited figures in respect of the full financial year and the published year to date figures upto the third quarter of the financial year.
- 5 True-up charges liability for the period 2014-2019 amounting to Rs. 476.25 lakhs as per APERC order dated 14th July, 2022 provided during the previous year.
- 6 In view of Andhra Pradesh Electricity Regulatory Commission order for payment of Fuel & Power Purchase Cost Adjustment (FPPCA) pertaining to financial year 2021-22, company has provided liability during the year.
- 7 Company has long term conversion agreement with TSL which will last on 31.03.2025. During the Annual physical verification of inventory, TSL has informed that they have observed shortage of material worth Rs.31.15 Crores laying at plant of the company, company has raised objection and sought joint reconciliation. Matter in under discussion as on date.
- 8 Receivables amounting to Rs 24.45 Crore from RTVNPL is under arbitration since 10.11.2022. Company is hopeful to get favourable arbitration award shortly.
- 9 Loans and Advance to subsidiaries includes Rs. 852.32 lakh receivable from Cati Madencilik Ithalat Ve Ihracat (Cati), a stepdown tier II overseas subsidiary. This amount refers to loan taken by Cati from BOI, London (The lender) and company provided corporate guarantee as collateral for such loan. Cati defaulted in repayment of loan, Consequently, company received demand notice dated 20.02.2017 from the lender of Cati against the corporate guarantee given by Facor Alloys Limited towards its borrowing amount of USD 1.5 million. The lender had offered one time settlement (OTS) vide its letter dated 17.01.2019 for payment of USD 1.188 million. Company remitted OTS amount to BOI (London) in FY 2019-20 and shown amount recoverable from Cati. Company has provided lifetime expected credit loss for the same during the year and no deferred tax assets has been recognised on the same.
- 10 The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received approval from the Indian Parliament and Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record related impact, if any, in the period the Code becomes effective.
- 11 Plant operation is temporarily shut down w.e.f. 31-10-2023, which has caused lowest revenue during the quarter/year. Top management had recently undergone reshuffle and new management has taken charge w.e.f. 9th April, 2024. New management is rigorously exploring all options including dialogues with corporate houses and lenders to get assistance to resume operations and moreover, promotor entity is also infusing funds to meet running fund requirement. Company has state-of-art manufacturing facility and enjoying debt free status i.e. no financial obligation towards any financial institutions. Management is very keen and hopeful to overcome all odds and resume operation at the earliest.
- 12 Previous period figures are regrouped/rearranged wherever necessary to facilitate comparison.

For FACOR ALLOYS LIMITED



M.D. SARAF
DIRECTOR
DIN: 00011966

Place : Nagpur
Date : 30th May, 2024

Corporate Office : 160-B, Ground Floor, Western Avenue, Sainik Farms, New Delhi-110062