

Ref. No.: EIL/SD/Regl.-30/2023-2024/2705

Date : 27th May, 2023

To,
General Manager (Listing)
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai - 400 001
COMPANY CODE : 526608

To,
Listing Department
National Stock Exchange of India Ltd.
Exchange Plaza, Bandra – Kurla Complex,
Bandra (East),
Mumbai – 400 051
COMPANY CODE : ELECTHERM

Dear Sir/Madam,

Sub: Submission of Standalone and Consolidated Audited Financial Results alongwith Auditors' Report and Statement of Impact of Audit Qualification(s) for the quarter and year ended on 31st March, 2023

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and further to outcome of Board Meeting dated 24th May, 2023, this is to inform you that the Board of Directors of the Company at their Adjourned Board Meeting held on 27th May, 2023 has considered, approved and adopted Standalone & Consolidated Audited Financial Results for the quarter and year ended on 31st March, 2023.

Pursuant to Regulation 33 of the Listing Regulations, we enclose herewith Standalone and Consolidated Audited Financial Results alongwith Auditors' Report and Statement of Impact of Audit Qualification(s) for quarter and year ended on 31st March, 2023.

The Board Meeting concluded at 4.00 pm on 27th May, 2023.

You are requested to take the same on your record.

Thanking you,

Yours faithfully,

For Electrotherm (India) Limited

Jigar Shah
Company Secretary

Encl: As Above

ELECTROTHERM (India) Limited

HEAD OFFICE & WORKS:
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Email: ho@electrotherm.com | Website: www.electrotherm.com

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A-1, Skylark Apartment, Satellite Road,
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Phone: +91-79-26768844, Fax: +91-79-26768855
CIN : L29249GJ1986PLC009126
Email: sec@electrotherm.com

Other Offices: •Angul•Banglore• Bangladesh • Bellary • Chennai • Coimbatore • Delhi • Ghaziabad • Goa • Hyderabad • Jaipur • Jalna • Jalandhar • Jamnagar • Jamshedpur • Kanpur • Koderma • Kolhapur • Kolkata • Ludhiana • Mandi Gobindgarh • Mumbai • Nagpur • Nasik • Panaji • Pune • Raipur • Raigarh • Rajkot • Rourkela • Sambalpur

**ELECTROTHERM (INDIA) LIMITED**

Registered Office : A-1, Skylark Apartment, Satellite Road, Satellite, Ahmedabad - 380 015

Phone : +91-79-26768844 Fax : +91-79-26768855 E-mail : sec@electrotherm.com

Website : www.electrotherm.com CIN : L29249GJ1986PLC009126

Statement of Audited Standalone Financial Results For The Quarter & Year ended on 31st March, 2023

(Rs. in Crores Except for Earning Per Share)

Sr. No.	Particulars	Standalone				
		Quarter Ended			Year Ended	
		31-03-2023	31-12-2022	31/03/2022	31-03-2023	31-03-2022
		Audited (Refer Note No 2)	Unaudited	Audited (Refer Note No 2)	Audited	Audited
I.	Revenue from Operations	1,033.16	614.97	606.74	3,074.05	2,830.28
II.	Other income	2.03	0.68	1.68	6.69	3.76
III.	Total Income (I+II)	1,035.19	615.65	608.42	3,080.74	2,834.04
IV.	Expenses :					
	(a) Cost of materials consumed	709.43	421.07	432.70	2,285.26	2,127.85
	(b) Purchases of stock-in-trade	-	-	-	-	1.60
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	10.37	11.53	8.12	9.81	(48.01)
	(d) Employee benefits expenses	38.71	36.20	34.13	144.75	133.67
	(e) Finance Costs	18.99	18.78	13.73	66.07	45.35
	(f) Depreciation and amortisation expenses	11.54	11.88	20.80	47.08	85.78
	(g) Other expenses	167.51	108.44	119.42	499.68	519.79
	Total Expenses (IV)	956.55	607.90	628.90	3,052.65	2,866.03
V.	Profit / (Loss) before exceptional items and tax(III-IV)	78.64	7.75	(20.48)	28.09	(31.99)
VI.	Exceptional items (Refer Note 8)	(59.20)	(23.21)	(22.33)	(104.75)	(22.33)
VII.	Profit / (Loss) before tax (V+VI)	19.44	(15.46)	(42.81)	(76.66)	(54.32)
VIII.	Tax expense	-	-	-	-	-
IX.	Net Profit / (Loss) for the period (VII-VIII)	19.44	(15.46)	(42.81)	(76.66)	(54.32)
X.	Other Comprehensive Income / (Loss)					
	<i>A) Items that will not be reclassified to Profit or Loss</i>					
	i) Remeasurement Gain/(Loss) on Defined Benefit Plans	(2.32)	0.48	(0.61)	(2.03)	0.39
	ii) Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-	-
	<i>B) Items that will be reclassified to Profit or Loss</i>	-	-	-	-	-
XI.	Total Comprehensive Income / (Loss) for the period (IX+X)	17.12	(14.98)	(43.42)	(78.69)	(53.93)
XII.	Paid-up Equity Share Capital (Face value of Rs. 10/- each)	12.74	12.74	12.74	12.74	12.74
XIII.	Other Equity excluding Revaluation Reserve as at March 31st				(1,253.19)	(1,177.76)
XIV.	Earnings per equity share (not annualised for the quarter)					
	Basic	15.26	(12.14)	(33.60)	(60.17)	(42.64)
	Diluted	15.26	(12.14)	(33.60)	(60.17)	(42.64)



Notes:	
1	The above Standalone financial results of Electrotherm (India) Limited (the "Company") have been reviewed and recommended by the Audit Committee meeting held on May 23, 2023 and approved by the Board of Directors at their meeting held on May 27, 2023
2	The figures of the last quarter are the balancing figures between audited figures in respect of the financial year ended March 31, 2023 and March 31, 2022 and the unaudited published year to date figures upto December 31, 2022 and December 31, 2021 respectively, being the date of the end of the third quarter of the respective financial year which were subjected to limited review.
3	(a) Edelweiss Asset Reconstruction Company Limited has issued statutory demand notice dated July 13, 2022 under section 13(2) of Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 ("SARFAESI") read with Security Interest (Enforcement) Rules, 2002 to the Company and personal guarantors to discharge the liabilities within sixty days from the date of notice. The Company is yet to reply/comply, to the said notice and there is no further communication from the Edelweiss Asset Reconstruction Company Limited. (b) Edelweiss Asset Reconstruction Company Limited ("EARC"), a financial creditor has filed a petition under section 7 of the Insolvency and Bankruptcy Code, 2016 before the National Company Law Tribunal (NCLT), Ahmedabad for initiating Corporate Insolvency Resolution Process (CIRP) against the Company for an amount of Rs. 1900.56 Crores in respect of outstanding dues of Bank of India, the original lender only. The Company has filed its affidavit in reply and the EARC has filed its affidavit in rejoinder. The Company has filed two Interlocutory Applications related to company being a going concern & solvent and non-submission of record of default with information utility by EARC. The petition alongwith Interlocutory Applications are pending for further hearing before the Hon'ble NCLT, Ahmedabad.
4	As per Ind AS 108 "Operating Segments", if a financial report contains both consolidated financial statements and the separate financial statements of the Parent Company, segment information may be presented on the basis of the consolidated financial statements. Thus, disclosure required by regulation 33 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 on segment information is given in consolidated financial results.
5	The company has not paid major of the instalments due from June 30, 2020 to March 31, 2023 and major of the interest due thereon for the period from September 30, 2020 to March 31, 2023 (which has been included under the head finance cost of the respective quarter/years). The company has requested respective lenders/ARCs to revise repayment schedule and which is yet to be confirmed by the respective lenders/ARCs and is further subject to the outcome of notice issued under SARFAESI Act by the lender ARC.
6	The loan account of Indian Overseas Bank, which was classified as non-performing assets during August 2011, has been assigned to ARC, but with whom the settlement terms have not been entered into, accordingly the company has not made provision for interest for the quarter and year ended March 31, 2023, under consideration on approximate basis of Rs 26.80 Crore and Rs 102.27 Crore respectively in the books of accounts and accordingly the amount of net profit for the quarter is over stated Rs 26.80 Crore and net loss for the year ended March 31, 2023 is understated by Rs 102.27 Crore. Accordingly, the total amount, of Assets Reconstruction Company liability and retained earnings/(loss) as on March 31, 2023 is under stated by Rs. 668.62 Crore. The statutory auditor has expressed qualification in respect of non-provision of interest by the company on the said loan.
7	The Company has also defaulted in complying with the terms and conditions of settlement entered with the Banks / ARCs (other than Central Bank of India) and as per the settlement terms, in case of default, the agreement stands withdrawn and all the dues & liabilities as per original terms shall be restored. However, the company is in negotiation with the respective lenders for rescheduling / restructuring of the said loan and the company is hopeful for no further liability on the company and therefore, the final amount of liability to be paid is not ascertainable and which has not been accounted for. With regard to Central Bank of India the impact of Settlement with Banker, will be given on the final compliance of all the terms and conditions of the agreements.
8	The Company holds investment in equity shares of Hans Ispat Limited (Wholly Owned Subsidiary Company). Bank of Baroda had filed Original Application against said Wholly Owned Subsidiary Company & its guarantors (i.e. Mr. Shailesh Bhandari and Mr. Mukesh Bhandari) before Debts Recovery Tribunal-1, Ahmedabad ("DRT") under section 19 of the Recovery of Debts due to Banks and Financial Institutions Act 1993. The Hon'ble DRT vide judgement dated April 15, 2019 allowed the original application filed by the Bank of Baroda and for issue of recovery certificate against the Wholly Owned Subsidiary Company and guarantors to the tune of Rs. 50.74 Crores and future interest on the amount due @12.00% p.a. with monthly rests from the date of filing of Original Application till the recovery of amount. The Hon'ble Recovery Officer of the DRT has initiated recovery proceedings and passed order / issued warrant for attachment of hypothecated / mortgaged properties. Thereafter, the Hon'ble Recovery Officer has put the properties for e-auction on November 22, 2019, April 29, 2020, September 24, 2021 and November 18, 2021. On November 18, 2021 the bid offer of Rs. 33.03 Crores from Kemo Steel Industries Private Ltd was successful. The Ld. Recovery Officer, DRT-I Ahmedabad confirmed the sale and handed over the possession on April 6, 2022 to the auction purchaser. Sale Certificate was issued on April 7, 2022 in favour of the auction purchaser. However, Invent Assets Securitisation & Reconstruction Private Limited (assignee of debts of State Bank of India for Wholly Owned Subsidiary Company) has filed an appeal in DRAT, Mumbai. The Hon'ble DRAT has passed an order on April 19, 2022 that further proceeding consequent to the sale which has already been confirmed and possession handed-over be stalled and stayed further proceedings and status-quo to be maintained. Thereafter, by order dated August 10, 2022, the Hon'ble DRAT by way of an interim arrangement, permitted the auction purchaser to run the factory, subject to the certain condition and to the ultimate decision to be taken in the Appeal. Invent Assets Securitisation & Reconstruction Private Limited has filed a Writ Petition before the Bombay High Court challenging this order of the DRAT. Hans Ispat Limited has also filed an appeal in the DRAT against the order of the Recovery officer, DRT Ahmedabad finalising the sale of the mortgaged property. The said appeals are pending for further hearing. As on March 31, 2023 the company had Trade Receivable of Rs 27.90 Crore, Advances of Rs 63.24 Crore and investment of Rs 36.46 Crore and against which on considering all the facts as stated above, during the quarter, the company has provided expected credit loss / Provision for doubtful Debt of Rs 6.94 Crore on trade receivable, Rs 15.81 Crore on advances and impairment on investment in subsidiary of Rs 36.46 Crores, for the year ended as at March 31, 2022 the company has provided expected credit loss / Provision for doubtful Debt of Rs 20.57 Crore on trade receivable, Rs 47.73 Crore on advances and impairment on investment in subsidiary of Rs 36.46 Crores and which had been considered as Exceptional items and the cumulative provision for expected credit loss / Provision for doubtful debt upto March 31, 2023 on trade receivable is Rs 27.90 Crore, on Advances Rs 63.24 Crores and impairment of investment is Rs 36.46 Crore.
9	Few accounts (including entries there in of) "Trade Receivables," "Trade Payable", "Advances from Customer", "Advances Recoverable in Cash or Kind", "Advances to suppliers and other parties", including very old balances, are subject to confirmation/reconciliation. The balance with revenue authorities are subject to final assessment order and/or submission of returns. The amounts of inventories are as taken by the management.
10	There are certain pending enquiries / notices / summons / litigation / recovery proceedings against the company and directors of the company before debts recovery tribunal, Central bureau of Investigation, Directorate of Enforcement, National Company Law Tribunal, Regional Director of Ministry of Corporate Affairs, Indirect Tax Department (Ahmedabad and Mumbai) and various courts. Pending final outcome of the ongoing investigations/enquiries, no impact of the same has been considered in financial statements and it will be considered on attaining its finality.
11	Figure of previous period's have been regrouped, wherever considered necessary to make them comparable to current period figure.

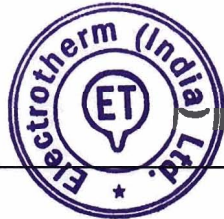


Statement of Assets and Liabilities: (Standalone)			
(Rs. in Crores)			
Sr. No.	Particulars	As At	As At
		31-03-2023	31-03-2022
		Audited	Audited
A	ASSETS		
1	Non-current Assets		
	(a) Property, Plant and Equipment	614.90	634.49
	(b) Capital Work-in-Progress	26.08	32.68
	(c) Other Intangible assets	3.71	4.73
	(d) Right of Use Asset	1.60	2.19
	(i) Investments	9.80	46.26
	(ii) Loans	-	-
	(iii) Other Financial Assets	32.12	43.55
	(f) Other non-current assets	2.44	6.30
	Sub Total Non-Current Assets	690.65	770.20
2	Current Assets		
	(a) Inventories	566.19	541.93
	(b) Financial Assets		
	(i) Investment	0.04	0.04
	(ii) Trade receivables	197.13	176.17
	(iii) Cash and cash equivalents	65.64	64.01
	(iv) Bank balances other than (iii) above	6.64	7.25
	(v) Other Financial Assets	1.39	1.57
	(c) Current Tax Assets (Net)	5.53	3.28
	(d) Other current assets	175.81	201.04
	Sub Total Current Assets	1,018.37	995.29
	TOTAL ASSETS	1,709.02	1,765.49
B	EQUITY AND LIABILITIES		
(I)	Equity		
	(a) Equity Share Capital	12.74	12.74
	(b) Other Equity	(1,052.15)	(973.46)
	Total Equity	(1,039.41)	(960.72)
(II)	LIABILITIES		
1	Non-current liabilities		
	(a) Financial Liabilities		
	(i) Borrowings	244.88	362.25
	(ii) Lease Liabilities	0.18	0.90
	(b) Provisions	21.35	19.67
	Sub Total Non-Current Liabilities	266.41	382.82
2	Current liabilities		
	(a) Financial Liabilities		
	(i) Short term borrowings	1,643.74	1,626.10
	(ii) Lease Liabilities	1.36	1.13
	(iii) Trade payables		
	(a) Micro Enterprises & Small Enterprises	50.19	38.69
	(b) Other than Micro Enterprises & Small Enterprises	324.66	345.85
	(iv) Other financial liabilities	89.67	26.93
	(b) Other current liabilities	355.31	289.43
	(c) Provisions	17.09	15.26
	Sub Total Current Liabilities	2,482.02	2,343.39
	TOTAL EQUITY AND LIABILITIES	1,709.02	1,765.49



Statement of Cash Flow: (Standalone)			
			(Rs. in Crores)
Sr. No.	Particulars	Year Ended	Year Ended
		31-03-2023 Audited	31-03-2022 Audited
A: CASH FLOW FROM OPERATING ACTIVITIES			
	Profit / (Loss) Before Tax	(76.66)	(54.32)
Adjustments to reconcile profit/(loss) before tax to net cash			
	Depreciation on property, plant, equipment & Amortization of Assets	47.08	85.78
	Finance income (including fair value changes in financial instruments)	(2.70)	(2.91)
	Net Sundry Balances Written Off (Written Back)	0.31	(0.20)
	Exceptional Item	104.75	22.33
	Provision For Doubtful Trade Receivables & Advances	2.09	1.92
	Finance costs (including fair value changes in financial instruments)	66.07	45.35
	Unrealized foreign exchange (gain)/loss	(3.33)	(2.14)
	Operating Profit before working capital changes	137.61	95.81
Working capital adjustments:			
	Decrease/(Increase) in trade receivables	(40.02)	94.61
	Decrease/(Increase) in inventories	(24.26)	(46.66)
	Decrease/(Increase) in other current financial assets & others	(0.09)	0.11
	Decrease/(Increase) in other current Asset	(22.50)	(31.21)
	(Decrease)/Increase in trade payables	(10.27)	(1.97)
	(Decrease)/Increase in other current liabilities	65.88	63.84
	(Decrease)/Increase in other current financial liabilities	0.41	(0.75)
	(Decrease)/Increase in provisions	1.48	6.97
	Cash generated from operations	108.24	180.75
	Direct taxes (paid) / refund	(2.25)	(1.50)
	Net Cash generated from operating activities	105.99	179.25
B: CASH FLOW FROM INVESTING ACTIVITIES			
	Purchase of Property, Plant & Equipments & intangible assets (including CWIP and capital advances)	(17.50)	(40.11)
	Redemption/(Investment) of bank deposits	12.25	23.56
	Interest income	2.77	2.40
	Net Cash (used in) / generated from investing activities	(2.48)	(14.15)
C: CASH FLOW FROM FINANCING ACTIVITIES			
	Repayment of borrowings (Net)	(99.73)	(147.55)
	Payment of Principal portion of Lease Liabilities	(0.70)	(0.95)
	Finance Cost (Net)	(1.45)	(40.79)
	Net Cash (used in) / generated from financing activities	(101.88)	(189.29)
	Net (Decrease)/ Increase in Cash and Cash Equivalents	1.63	(24.19)
	Cash and Cash Equivalents at the beginning of the year	64.01	88.20
	Cash and Cash Equivalents at the end of the year	65.64	64.01

Place: Ahmedabad
Date: 27/05/2023



FOR ELECTROTHERM (INDIA) LIMITED

Shailesh Bhandari
Managing Director
(DIN: 00058866)



INDEPENDENT AUDITOR'S REPORT ON THE QUARTERLY AND YEAR TO DATE AUDITED STANDALONE FINANCIAL RESULTS OF THE COMPANY PURSUANT TO THE REGULATION 33 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015, AS AMENDED.

**TO
THE BOARD OF DIRECTORS OF
ELECTROTHERM (INDIA) LIMITED**

REPORT ON THE AUDIT OF THE STANDALONE FINANCIAL RESULTS

Qualified Opinion

We have audited the accompanying statement of quarterly and year to date standalone financial results of **ELECTROTHERM (INDIA) LIMITED** ("the Company"), for the quarter ended March 31, 2023 and for the year ended March 31, 2023 (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 ("the Listing Regulations")

In our opinion and to the best of our information and according to the explanations given to us, the Statement:

1. except for the possible effect of the matter described in the basis for qualified opinion section of our report, is presented in accordance with the requirements of the Listing Regulations in this regard; and
11. except for the possible effect of the matter described in basis for qualified opinion paragraph below, gives a true and fair view in conformity with the applicable accounting standards and other accounting principles generally accepted in India, of the net profit/(loss) and other comprehensive loss and other financial information of the Company for the quarter ended March 31, 2023 and for the year ended March 31, 2023.

Basis for Qualified Opinion on the Audited Standalone Financial Results for the year ended 31st March, 2023

We draw attention to Note No. 6 to the accompanying standalone financial results regarding non-provision of interest on NPA accounts of banks for the quarter and year ended as at March 31, 2023 of Rs. 26.80 Crore and Rs. 102.27 Crore respectively and the total amount of such unprovided interest till date is Rs. 668.62 Crore. The exact amounts of the said non-provisions of interest are not determined accordingly the amount of Net profit for the quarter is overstated by Rs. 26.80 Crore and the amount of Net loss for the year ended as at March 31, 2023 is understated by Rs. 102.27 Crore and the amount of Bank/ARC liability and Total retained earnings/(loss) as on March 31, 2023 is under stated by Rs. 668.62 Crore. Our audit report for the previous year ended March 31, 2022 and limited review report for the quarter ended December 31, 2022 were also qualified in respect of this matter.

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act 2013, as amended ("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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our qualified opinion.



Emphasis of Matter

We draw attention to following Notes of Statement of Standalone Audited Financial Results of the Company: -

- (a) **Note No 3(a)** to the standalone financial result related to statutory demand notice issued by Edelweiss Asset Reconstruction Company Limited under section 13(2) of Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (“SARFAESI”) read with Security Interest (Enforcement) Rules, 2002 to discharge the liabilities.
- (b) **Note No 3(b)** to the standalone financial result related to petition filed under section 7 of the Insolvency and Bankruptcy Code, 2016 before the Hon’ble National Company Law Tribunal (NCLT), Ahmedabad for initiating Corporate Insolvency Resolution Process (CIRP) against the Company by Edelweiss Asset Reconstruction Company Limited.
- (c) **Note No 5** to the standalone financial result in respect of non-payment of major Instalments due to lender of the loan for the period from June 30, 2020 to March 31, 2023 and major of the Interest due for the period from September 30, 2020 till March 31, 2023 and the lenders are yet to confirm the revised repayment schedule.
- (d) **Note No 7** to the standalone financial result related to default in complying with the terms and conditions of settlement entered with the Banks / ARCs (other than Central Bank of India) and the uncertainty about the amount of final liability and the impact of the settlement with Central Bank of India.
- (e) **Note No 8** to the standalone financial result in respect of pending appeal filed against order of DRT Ahmedabad filed for sale of property of the wholly owned subsidiary M/s Hans Ispat Limited and provision of expected credit losses / provision for doubtful debt on the balances outstanding of the said subsidiary and impairment in value of investment.
- (f) **Note No 9** to the standalone financial result in respect of confirmation / reconciliation of few accounts of “Trade Receivables”, “Trade Payable”, “Advance from Customers”, Advances Recoverable in Cash or Kind”, and “Advance to suppliers and other parties” and the amounts of inventories are as taken by the management.
- (g) **Note No 10** to the standalone financial result in respect of pending enquiries/notices/summons/ litigation /recovery proceedings against the company and the Directors of the Company.

in our opinion, in respect of the above Emphasis of Matter, we do not provide any modified opinion.

Management’s Responsibilities for the Standalone Financial Results

The Statement has been prepared on the basis of the standalone annual financial statements. The Board of Directors of the Company are responsible for the preparation and presentation of the Statement that gives a true and fair view of the net profit/(loss) and other comprehensive loss of the Company and other financial information in accordance with the applicable 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 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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 Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Statement, management and 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 management and 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 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 Statements as a whole is 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 the statements.

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

- Identify and assess the risks of material misstatement of the Statement, 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 with reference to financial statements 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 and Board of directors.
- Conclude on the appropriateness of managements and 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 Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial 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 Statement, including the disclosures, and whether the Statement represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matters

The Statement includes the results for the quarter ended March 31, 2023 being the balancing figure between audited figures in respect of the full financial year ended March 31, 2023 and the published unaudited year-to-date figures up to the third quarter of the current financial year, which were subjected to a limited review by us, as required under the Listing Regulations.

PLACE: AHMEDABAD
DATE: May 27, 2023
UDIN: 23124095BGXFQQ4970

FOR, HITESH PRAKASH SHAH & CO
(FIRM REGD.NO: 127614W)
CHARTERED ACCOUNTANTS


HITESH P SHAH
PARTNER

MEMBERSHIP NO. 124095





ELECTROTHERM (INDIA) LIMITED

Registered Office : A-1, Skylark Apartment, Satellite Road, Satellite, Ahmedabad - 380 015

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Website : www.electrotherm.com CIN : L29249GJ1986PLC009126

Statement of Audited Consolidated Financial Results For The Quarter & Year ended on 31st March, 2023

(Rs. in Crores Except for Earning Per Share)

Sr. No.	Particulars	Consolidated				
		Quarter Ended			Year Ended	Year Ended
		31-03-2023 Audited (Refer Note No 2)	31-12-2022 Unaudited	31-03-2022 Audited (Refer Note No 2)	31-03-2023 Audited	31-03-2022 Audited
I.	Revenue from Operations	1,033.16	614.97	606.74	3,074.05	2,831.31
II.	Other income	1.99	0.73	4.42	6.69	6.54
III.	Total Income (I+II)	1,035.15	615.70	611.16	3,080.74	2,837.85
IV.	Expenses :					
	(a) Cost of materials consumed	709.43	421.07	432.85	2,285.26	2,127.45
	(b) Changes in inventories of finished goods, work-in-progress and stock-in-trade	10.37	11.52	8.89	9.81	(45.18)
	(c) Employee benefits expenses	38.71	36.20	35.30	144.79	137.16
	(d) Finance Costs	18.99	18.78	13.78	67.17	45.45
	(e) Depreciation and amortisation expenses	12.08	12.40	21.17	49.19	87.90
	(f) Other expenses	167.54	108.41	121.89	499.88	525.44
	Total Expenses (IV)	957.12	608.38	633.88	3,056.10	2,878.22
V.	Profit/ (Loss) before exceptional items, Share in Profit/ (Loss) of Joint Venture and tax (III-IV)	78.03	7.32	(22.72)	24.64	(40.37)
VI.	Less:Exceptional items (Refer Note 11)	36.46	-	-	36.46	-
VII.	Profit / (Loss) before tax and share in Profit/(Loss) of Joint Venture (V+VI)	41.57	7.32	(22.72)	(11.82)	(40.37)
VIII.	Tax expense					
	(1) Tax of Earlier year	-	(0.01)	-	(0.01)	-
IX.	Profit / (Loss) for the period before Share of Profit of Joint Venture (VII-VIII)	41.57	7.31	(22.72)	(11.83)	(40.37)
X.	Share of Profit of Joint Venture	-	-	-	0.01	0.01
XI.	Net Profit / (Loss) for the period (IX+X)	41.57	7.31	(22.72)	(11.82)	(40.36)
XII.	Other Comprehensive Income / (Loss)					
	<i>A) Items that will not be reclassified to Profit or Loss</i>					
	i) Remeasurement Gain/(Loss) on Defined Benefit Plans	(2.32)	0.48	(0.61)	(2.03)	0.39
	ii) Income tax relating to items that will not be reclassified to	-	-	-	-	-
	<i>B) Items that will be reclassified to Profit or Loss</i>	-	-	-	-	-
XIII.	Total Comprehensive Income/ (Loss) for the period (XI+XII)	39.25	7.79	(23.33)	(13.85)	(39.97)
XIV.	Net Profit / (Loss) after share of Profit of Joint Venture attributable to					
	Equity holder of the parent	41.57	7.31	(22.72)	(11.82)	(40.36)
	Non controlling Interest	-	-	-	-	-
	Other Comprehensive Income / (Loss) attributable to					
	Equity holder of the parent	(2.32)	0.48	(0.61)	(2.03)	0.39
	Non controlling Interest	-	-	-	-	-
XV.	Total Comprehensive Income / (Loss) for the period attributable to					
	Equity holder of the parent	39.25	7.79	(23.33)	(13.85)	(39.97)
	Non controlling Interest	-	-	-	-	-
XVI.	Paid -up Equity Share Capital (Face value of Rs. 10/- each)	12.74	12.74	12.74	12.74	12.74
XVII.	Other Equity excluding Revaluation Reserve as at March 31st				(1,352.25)	(1,341.67)
XVIII.	Earnings per equity share (not annualised for the quarter)					
	Basic	32.63	5.74	(17.83)	(9.28)	(31.68)
	Diluted	32.63	5.74	(17.83)	(9.28)	(31.68)



SEGMENT WISE REVENUE, RESULTS, ASSETS & LIABILITIES						
						(Rs. in Crores)
Sr. No.	Particulars	Consolidated				
		Quarter Ended		Year Ended		Year Ended
		31-03-2023	31-12-2022	31-03-2022	31-03-2023	31-03-2022
		Audited (Refer Note No 2)	Unaudited	Audited (Refer Note No 2)	Audited	Audited
1	Segment Revenue					
	(a) Engineering & Technologies Division	370.85	218.56	238.99	1,007.50	892.90
	(b) Special Steel Division	659.04	389.26	357.89	2,034.65	1,894.93
	(c) Electric Vehicle Division	6.98	7.70	12.15	39.52	55.68
	(d) Others	-	-	0.11	0.02	0.32
	Total	1,036.87	615.52	609.14	3,081.69	2,843.83
	Less: Inter Segment Revenue	3.71	0.55	2.40	7.64	12.52
	Revenue from Operations	1,033.16	614.97	606.74	3,074.05	2,831.31
2	Segment Results Profit (Loss) Before Finance Cost and Tax					
	(a) Engineering & Technologies Division	65.00	27.88	10.57	143.82	62.88
	(b) Special Steel Division	(3.62)	(1.05)	(16.15)	(86.25)	(56.84)
	(c) Electric Vehicle Division	(0.75)	(0.82)	(3.51)	(2.15)	(1.18)
	(d) Others	(0.07)	0.09	0.15	(0.06)	0.22
	Total	60.56	26.10	(8.94)	55.35	5.08
	Less: (i) Finance Costs	18.99	18.78	13.78	67.17	45.45
	Total Profit / (Loss) Before Tax	41.57	7.32	(22.72)	(11.82)	(40.37)
3	Segment Assets					
	(a) Engineering & Technologies Division	657.82	613.66	541.50	657.82	541.50
	(b) Special Steel Division	1,055.48	1,097.22	1,162.51	1,055.48	1,162.51
	(c) Electric Vehicle Division	31.06	31.35	33.05	31.06	33.05
	(d) Others	7.78	7.82	7.78	7.78	7.78
	Total	1,752.14	1,750.05	1,744.84	1,752.14	1,744.84
4	Segment Liabilities					
	(a) Engineering & Technologies Division	768.77	845.66	781.05	768.77	781.05
	(b) Special Steel Division	2,041.20	2,001.03	2,006.84	2,041.20	2,006.84
	(c) Electric Vehicle Division	9.59	10.03	10.49	9.59	10.49
	(d) Others	28.79	28.79	28.82	28.79	28.82
	Total	2,848.35	2,885.51	2,827.20	2,848.35	2,827.20



Statement of Assets and Liabilities: (Consolidated)			
(Rs. In Crores)			
Sr. No.	Particulars	Year Ended	Year Ended
		31-03-2023	31-03-2022
		Audited	Audited
A	ASSETS		
1	Non-current Assets		
	(a) Property, Plant and Equipment	632.45	654.15
	(b) Capital Work-in-Progress	26.08	32.69
	(c) Investment Property		
	(c) Goodwill	-	36.46
	(d) Other Intangible assets	3.71	4.73
	(e) Right to use assets	1.60	2.19
	(f) Financial Assets		
	(i) Investments in Joint Venture	6.98	6.97
	(ii) Investments	0.49	0.49
	(iii) Other Financial Assets	39.94	51.37
	(g) Other non-current assets	3.00	6.86
	Sub Total Non-Current Assets	714.25	795.91
2	Current Assets		
	(a) Inventories	570.63	546.37
	(b) Financial Assets		
	(i) Investments	0.04	0.04
	(ii) Trade receivables	208.38	166.97
	(iii) Cash and cash equivalents	66.09	64.47
	(iv) Bank balances other than (iii) above	6.64	7.25
	(v) Other Financial Assets	1.68	1.86
	(c) Current Tax Assets (Net)	6.90	4.66
	(d) Other current assets	177.53	157.31
	Sub Total Current Assets	1,037.89	948.93
	TOTAL ASSETS	1,752.14	1,744.84
B	EQUITY AND LIABILITIES		
(I)	Equity		
	(a) Equity Share Capital	12.74	12.74
	(b) Other Equity	(1,108.95)	(1,095.10)
	Total Equity	(1,096.21)	(1,082.36)
(II)	LIABILITIES		
1	Non-current liabilities		
	(a) Financial Liabilities		
	(i) Borrowings	244.92	362.29
	(ii) Other financial liabilities	0.02	0.02
	(iii) Lease Liability	0.18	0.90
	(b) Provisions	21.35	19.67
	Sub Total Non-Current Liabilities	266.47	382.88
2	Current liabilities		
	(a) Financial Liabilities		
	(i) Short term borrowings	1,739.97	1,722.33
	(ii) Lease Liability	1.36	1.13
	(iii) Trade payables		
	(a) Micro Enterprises & Small Enterprises	50.20	38.70
	(b) Other than Micro Enterprises & Small Enterprises	326.29	347.81
	(iv) Other financial liabilities	89.68	26.94
	(b) Other current liabilities	357.22	291.48
	(c) Provisions	17.16	15.93
	Sub Total Current Liabilities	2,581.88	2,444.32
	TOTAL EQUITY AND LIABILITIES	1,752.14	1,744.84

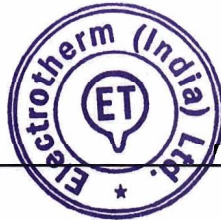


Notes:	
1	The above Consolidated financial results of Electrotherm (India) Limited (the "Company" and along with its subsidiary and joint venture the "Group") were reviewed and recommended by the Audit Committee held on May 23, 2023 and approved by the Board of Directors at their meeting held on May 27, 2023.
2	The figures of the last quarter are the balancing figures between audited figures in respect of the financial year ended March 31, 2023 and March 31, 2022 and the unaudited published year to date figures upto December 31, 2022 and December 31, 2021 respectively, being the date of the end of the third quarter of the respective financial year which were subjected to limited review.
3	The Reserve Bank of India (RBI) has notified the Covid-19 Regulatory Packages permitting lenders to grant moratorium period for all instalments falling due between March 1, 2020 to August 31, 2020. The group has not paid one of the instalment each due for the quarter ended on December 31, 2019 and March 31, 2020. The group has not paid major of the instalments due from June 30, 2020 to March 31, 2023 and major of the interest due thereon for the period from September 30, 2020 to March 31, 2023 (which has been included under the head finance cost of the respective quarter). The group has requested respective lenders/ARCs to allow this moratorium period for the payments and / or the revised repayment schedule and which is yet to be confirmed by the respective lenders/ARCs and is subject to the outcome of notice issued under SARFAESI Act by the lender ARC.
4	(a) Edelweiss Asset Reconstruction Company Limited has issued statutory demand notice dated 13th July 2022 under section 13(2) of Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 ("SARFAESI") read with Security Interest (Enforcement) Rules, 2002 to the holding company and personal guarantors to discharge the liabilities within sixty days from the date of notice. The holding Company is yet to reply/comply, to the said notice. There is no further communication from Edelweiss Asset Reconstruction Company Limited. (b) Edelweiss Asset Reconstruction Company Limited ("EARC"), a financial creditor has filed a petition under section 7 of the Insolvency and Bankruptcy Code, 2016 before the National Company Law Tribunal (NCLT), Ahmedabad for Initiating Corporate Insolvency Resolution Process (CIRP) against the Company for an default amount of Rs. 1900.56 Crores in respect of outstanding dues of Bank of India, the original lender only. The Holding Company has filed its affidavit in reply and the EARC has filed its affidavit in rejoinder. The Holding Company has filed two Interlocutory Applications related to company being a going concern & solvent and non-submission of record of default with information utility by EARC. The petition alongwith Interlocutory Applications are pending for further hearing before the Hon'ble NCLT, Ahmedabad.
5	Some of the bank accounts of group were classified as non-performing assets and with whom settlement agreement has not been entered into, provision for interest on term loan and working capital loan for the quarter and year ended March 31, 2023 on approximate basis of Rs 31.94 Crore & Rs 122.11 Crore respectively have not been provided in the books of accounts and accordingly the amount of Net profit for the quarter is overstated by Rs 31.94 Crore and net loss for the year ended March 31, 2023 is understated by Rs 122.11 Crore and the amount of Assets Reconstruction Company liability and total retained earnings/(loss) as on March 31, 2023 is under stated by Rs. 804.80 Crore. The statutory auditor has expressed qualification in respect of above as regards to non-provision of interest by the company.
6	The group has defaulted in complying with the terms and conditions of settlement entered with the Banks / ARCs (other than Central Bank of India) and as per the settlement terms, in case of default, the agreement stands withdrawn and all the dues & liabilities as per original terms shall be restored. However, the group is in negotiation with the respective lenders for rescheduling / restructuring of the said loan and the group is hopeful for no further liability on the group and therefore, the final amount of liability to be paid is not ascertainable and which has not been accounted for. With regard to Central Bank of India the impact of Settlement with Banker, will be given on the final compliance of all the terms and conditions of the agreements.
7	Figure of previous period's have been regrouped, wherever considered necessary to make them comparable to current period figure.
8	Few accounts (including entries there in of) of "Trade Receivables", "Trade Payables", "Advances from Customer", "Advances Recoverable in Cash or Kind", "Advances to suppliers and other parties", including very old balances, are subject to confirmation/reconciliation. The balance with revenue authorities are subject to final assessment order and/or submission of returns. The amounts of inventories are as taken by the management.
9	There are certain pending enquiries / notices / summons / litigation / recovery proceedings against the company and directors of the company before debts recovery tribunal, Central bureau of Investigation, Directorate of Enforcement, National Company Law Tribunal, Regional Director of Ministry of Corporate Affairs, Indirect Tax Department (Ahmedabad and Mumbai) and various courts. Pending final outcome of the ongoing investigations/enquiries, no impact of the same has been considered in financial statements and it will be considered on attaining its finality.
10	(a) In respect of Joint Venture Bhaskarpara Coal Company Limited, the Ministry of Coal, Government of India has taken action for de-allocation of Coal Block, affecting the going concern of the said company. (b) In respect of Shree Ram Electro Cast Limited, one of the subsidiary, the State Bank of India has taken action under SARFAESI Act, 2002 and subsequent action of the sale through auction of the hypothecated / mortgaged assets of the Company situated at Honnarhalli Village, Hatchali Post, Siruguppa Taluk, Bellari District, Karnataka in February 2019, affecting the going concern of the said company. (c) ET-Electrans Limited has cash loss of Rs. 0.00 Crore and accumulated losses of Rs 1.48 Crore which has fully eroded the net worth of the said subsidiary company. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the said subsidiary company's ability to continue as a going concern. (d) Bank of Baroda had filed Original Application against Hans Ispat Limited (Wholly Owned Subsidiary Company) & its guarantors (i.e. Mr. Shailesh Bhandari and Mr. Mukesh Bhandari) before Debts Recovery Tribunal-1, Ahmedabad ("DRT") under section 19 of the Recovery of Debts due to Banks and Financial Institutions Act 1993. The Hon'ble DRT vide judgement dated April 15, 2019 allowed the original application filed by the Bank of Baroda and for issue of recovery certificate against the Wholly Owned Subsidiary Company and guarantors to the tune of Rs. 50.74 Crores and future interest on the amount due @12.00% p.a. with monthly rests from the date of filing of Original Application till the recovery of amount. The Hon'ble Recovery Officer of the DRT has initiated recovery proceedings and passed order / issued warrant for attachment of hypothecated / mortgaged properties. Thereafter, the Hon'ble Recovery Officer has put the properties for e-auction on November 22, 2019, April 29, 2020, September 24, 2021 and November 18, 2021. On November 18, 2021 the bid offer of Rs. 33.03 Crores from Kemo Steel Industries Private Ltd was successful. The Ld Recovery Officer, DRT-I Ahmedabad confirmed the sale and handed over the possession on April 6, 2022 to the auction purchaser. Sale Certificate was issued on April 7, 2022 in favour of the auction purchaser. However, Invent Assets Securitisations & Reconstruction Private Limited (assignee of debts of State Bank of India for Wholly Owned Subsidiary Company) has filed an appeal in DRAT, Mumbai. The Hon'ble DRAT has passed an order on April 19, 2022 that further proceeding consequent to the sale which has already been confirmed and possession handed-over be stalled and stayed further proceedings and status-quo to be maintained. Thereafter, by order dated August 10, 2022, the Hon'ble DRAT by way of an interim arrangement, permitted the auction purchaser to run the factory, subject to the certain condition and to the ultimate decision to be taken in the Appeal. Invent Assets Securitisations & Reconstruction Private Limited has filed a Writ Petition before the Bombay High Court challenging this order of the DRAT. Hans Ispat Limited has also filed an appeal in the DRAT against the order of the Recovery officer, DRT Ahmedabad finalising the sale of the mortgaged property. The said appeals are pending for further hearing. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the said Wholly Owned Subsidiary Company's ability to continue as a going concern.
11	Goodwill is not amortized, instead, it is tested for impairment annually or more frequently if indications of impairment exist. The recoverable amount of a cash generating unit (CGU) is determined based on value-in-use or fair value less cost to sell calculations which requires the use of certain assumptions. Considering the outlook of the current situation as stated in para 10(d), it has been determined that an impairment would be required to be considered in the financial results. Accordingly, an impairment Rs 36.46 crores on goodwill has been provided in the financial results and have been shown as exceptional item.



Statement of Cash Flow: (Consolidated)			
		(Rs. In Crores)	
Sr. No.	Particulars	Year Ended	Year Ended
		31-03-2023	31-03-2022
		Audited	Audited
A: CASH FLOW FROM OPERATING ACTIVITIES			
	Profit / (Loss) Before Tax	(11.82)	(40.37)
Adjustments to reconcile profit/(loss) before tax to net cash flows:			
	Depreciation on property, plant, equipment & Amortization of Assets	49.19	87.90
	Finance income (including fair value changes in financial instruments)	(2.70)	(3.24)
	Net Sundry Balances Written Off (Written Back)	0.31	(0.20)
	Exceptional item	36.46	-
	Provision For Doubtful Trade Receivables & Advances	2.09	1.92
	Profit From Joint Venture	0.01	0.01
	Finance costs (including fair value changes in financial instruments)	67.17	45.45
	Unrealized foreign exchange (gain)/loss	(3.33)	(2.14)
	Operating Profit before working capital changes	137.38	89.33
Working capital adjustments:			
	Decrease/(increase) in trade receivables	(39.90)	110.71
	Decrease/(increase) in inventories	(24.26)	(42.94)
	Decrease/(increase) in other current financial assets & others	(0.10)	0.11
	Decrease/(increase) in other current Asset	(20.23)	(9.65)
	(Decrease)/increase in trade payables	(10.60)	(36.29)
	(Decrease)/increase in other current liabilities	65.74	63.67
	(Decrease)/increase in other current financial liabilities	0.41	(0.75)
	(Decrease)/increase in provisions	0.88	7.01
	Cash generated from operations	109.32	181.20
	Direct taxes paid (net)	(2.24)	(1.96)
	Net Cash generated from operating activities	107.08	179.24
B: CASH FLOW FROM INVESTING ACTIVITIES			
	Purchase of Property Plant and Equipment & Intangible assets (including CWIP and Capital Advance)	(17.49)	(40.38)
	Increase in investment in Joint Venture	(0.01)	(0.01)
	Redemption/(Investment) of bank deposits	12.25	23.56
	Interest income	2.77	2.77
	Net Cash (used in) / generated from investing activities	(2.48)	(14.06)
C: CASH FLOW FROM FINANCING ACTIVITIES			
	(Repayment) of borrowings	(99.73)	(147.55)
	Payment of Principal portion of Lease Liabilities	(0.70)	(0.95)
	Finance Cost (Net)	(2.55)	(40.89)
	Net Cash (used in) / generated from financing activities	(102.98)	(189.39)
	Net (Decrease)/ Increase in Cash and Cash Equivalents	1.62	(24.21)
	Cash and Cash Equivalents at the beginning of the year	64.47	88.68
	Cash and Cash Equivalents at the end of the year	66.09	64.47

FOR ELECTROTHERM (INDIA) LIMITED



Place: Ahmedabad
Date: 27/05/2023

Shailesh Bhandari
Managing Director
(DIN: 00059866)



INDEPENDENT AUDITOR'S REPORT ON THE QUARTERLY AND YEAR TO DATE CONSOLIDATED FINANCIAL RESULTS OF THE COMPANY PURSUANT TO THE REGULATION 33 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AS AMENDED

TO
THE BOARD OF DIRECTORS OF
ELECTROTHERM (INDIA) LIMITED

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL RESULTS

Qualified Opinion

We have audited the accompanying statement of quarterly and year to date Consolidated Financial Results of Electrotherm (India) Limited ("Holding Company") and its Subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its joint venture for the quarter ended March 31, 2023 and for the year ended March 31, 2023 ("Statement"), attached herewith, being submitted by the Holding 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 and based on the consideration of reports of other auditors on separate audited financial statements of the subsidiaries, the aforesaid consolidated financial results:

- a. include the financial results of the following entities:

List of Subsidiaries

1. Hans Ispat Limited
2. Electrotherm Services Limited
3. Shree Ram Electro Cast Limited
4. ET Elec-Trans Limited
5. Jinhua Indus Enterprise Limited - China -----
6. Jinhua Jahari Enterprise Limited -China (Step-down Subsidiary Company)

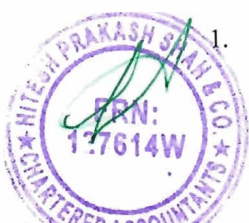
List of Joint Venture Company

1. Bhaskarpara Coal Company Limited

- b. except for the possible effect of the matter described in basis for qualified opinion section of our report are presented in accordance with the requirements of the Listing Regulations in this regard; and
- c. except for the possible effect of the matter described in basis for qualified opinion paragraph below, gives a true and fair view in conformity with the applicable accounting standards, and other accounting principles generally accepted in India, of consolidated net profit and consolidated other comprehensive loss and other financial information of the Group for the quarter ended March 31, 2023 and for the year ended March 31, 2023.

Basis for Qualified Opinion

1. We draw attention to Note No. 5 of consolidated financial results regarding non-provision of interest on NPA accounts of banks for the quarter and year ended as at March 31, 2023 on approximate basis of Rs.



31.94 Crore and Rs. 122.11 Crore respectively and the total amount of such unprovided interest till March 31, 2023 is Rs.804.80 Crore. The exact amounts of the said non provisions of interest are not determined accordingly the amount of Net profit for the quarter is overstated by Rs. 31.94 Crore, net loss for the year ended as at March 31, 2023 is understated by Rs. 122.11 Crore and the amount of Bank / Assets Reconstruction Company liability and total retained earnings/(loss) as on March 31, 2023 is understated by Rs. 804.80 Crore. Our audit report for the previous year ended March 31, 2022 and limited review report for the quarter ended December 31, 2022 were also qualified in respect of this matter.

2. We conducted our audit in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Companies Act 2013, as amended (“the Act”). 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 and its Joint Venture, in accordance with the ‘Code of Ethics’ issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the consolidated financial statements 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 obtained by us and other auditors in terms of their reports referred to in “Other Matter” paragraph below, is sufficient and appropriate to provide a basis for our qualified opinion.

Material Uncertainty Related to Going Concern of its Subsidiary and Joint Venture

A. Bhaskarpara Coal Company Limited

We draw attention on Note No 10(a) of the consolidated financial result, relating to the actions taken by Ministry of Coal, Government of India for de-allocation of the Coal block in Joint venture Bhaskarpara Coal Company Limited, affecting the going concern of the said company.

B. Shree Ram Electrocast Limited

We draw attention on Note No 10(b) of the consolidated financial result, relating to the actions taken by State Bank of India under SARFAESI Act, 2002 and subsequent action of the sale through auction of the assets of the Company by Bank, affecting the going concern of the said company.

C. ET Elec-Trans Limited

We draw attention on Note No. 10(c) of the consolidated financial result, that during the year, ET Elec-Trans Limited has a cash loss of Rs 0.00 Crore and accumulated losses of Rs 1.48 Crore, which has fully eroded the net worth of the said company. These conditions, indicate the existence of a material uncertainty that may cast significant doubt about the said Company’s ability to continue as a going concern.

D. Hans Ispat Limited

We draw attention on Note No. 10(d) of the consolidated annual financial results in respect of pending appeal filed against order of DRT Ahmedabad for sale of property of the wholly owned subsidiary M/s Hans Ispat Limited. The said appeal is pending in DRAT, Mumbai for further hearing. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the said subsidiary company’s ability to continue as a going concern.

Emphasis of Matter

We draw attention of following Notes of Statement of Consolidated Audited Financial Results of the Group: -

- (a) **Note No 3** to the consolidated financial result related to non-payment of one of the Instalments due for the quarter ended on December 31, 2019 and March, 31, 2020 and major of the installments due from June 30, 2020 to March 31, 2023 and major of the Interest due for the period from September 30, 2020 to March 31, 2023 and further the group has requested all lenders to allow this moratorium period for the payments and the lenders are yet to confirm the revised repayment schedule.
- (b) **Note No 4(a)** to the consolidated financial result related to statutory demand notice issued by Edelweiss Asset Reconstruction Company Limited under section 13(2) of Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (“SARFAESI”) read with Security Interest (Enforcement) Rules, 2002 to discharge the liabilities.



- (c) **Note No 4(b)** to the consolidated financial result related to petition filed under section 7 of the Insolvency and Bankruptcy Code, 2016 before the Hon'ble National Company Law Tribunal (NCLT), Ahmedabad for initiating Corporate Insolvency Resolution Process (CIRP) against the Company by Edelweiss Asset Reconstruction Company Limited.
- (d) **Note No 6** to the consolidated financial result related to default in complying with the terms and conditions of settlement entered with the Banks / ARCs (other than Central Bank of India) and the uncertainty about the amount of final liability and the impact of the settlement with Central Bank of India.
- (e) **Note No 8** to the consolidated financial result in respect of confirmation / reconciliation of few accounts of "Trade Receivables", "Trade Payable", "Advance from Customers", Advances Recoverable in Cash or Kind", and "Advance to suppliers and other parties" and the amount of inventories are taken by the management.
- (f) **Note No 9** to the consolidated financial result in respect of pending enquiries/notices/summons/litigation /recovery proceedings against the company and the Directors of the Company.
- (g) **Note No 10 & 11** to the consolidated financial result in respect of pending appeal filed against order of DRT Ahmedabad filed for sale of property of the wholly owned subsidiary M/s Hans Ispat Limited and provision for impairment in the value of goodwill.

In our opinion, in respect of the above Emphasis of Matter, we do not provide any modified opinion.

Management's Responsibilities for the Consolidated Financial Results

The Statement has been prepared on the basis of the consolidated annual financial statements. The Holding Company's Board of Directors are responsible for the preparation and presentation of the Statement that gives a true and fair view of the net loss and other comprehensive loss and other financial information of the Group in accordance with the applicable 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 of the Listing Regulations. The respective Board of Directors of the Companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements 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 statement that give a 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 Statement by the Directors of the Holding Company, as aforesaid.

In preparing the Statement, the respective Board of Directors of the Companies included in the Group and of its Joint Ventures are responsible for assessing the ability of respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

Those charged with Governance of the companies included in the Group and of its jointly controlled entity are also responsible for overseeing the financial reporting process of Group and its Joint Ventures.

Auditor's Responsibilities for the Audit of the Consolidated Financial Results

Our objectives are to obtain reasonable assurance about whether the Statement as a whole is 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 the Statement.



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

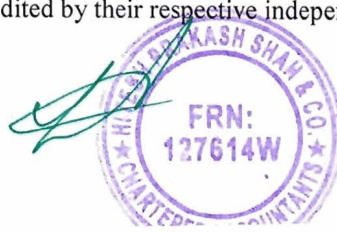
- Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material 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 with reference to financial statements 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 and Board of Directors.
- Conclude on the appropriateness of managements and 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 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 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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial results of the entities within the Group and joint venture to express an opinion on the consolidated annual financial results. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the Statement of which we are the independent auditors. For the other entities included in the Statement, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entity included in the Statement of which we are the independent auditors 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.

We also performed procedures in accordance with the Circular No. CIR/CFD/CMDI/44/2019 dated March 29, 2019 issued by the Securities Exchange Board of India under Regulation 33 (8) of the Listing Regulations, to the extent applicable.

Other Matters

- (a) The consolidated financial results include the audited financial results of Four subsidiaries, whose financial statements/financial results/financial information reflects total assets (before consolidation adjustments) of Rs 44.46 crores as at March 31, 2023, total revenues (before consolidation adjustments) of Rs 0.00 crores and Rs 0.04 crores, total net loss after tax (before consolidation adjustments) of Rs.0.53 crores and Rs. 3.42 crores, total comprehensive loss (before consolidation adjustments) of Rs. 0.53 crores and Rs. 3.42 crores, for the quarter and the year ended on that date respectively, and net cash outflow (before consolidation adjustments) of Rs. 1.32 crores for the year ended March 31, 2023, as considered in the consolidated financial results which have been audited by their respective independent auditors. The Consolidated annual financial results also include the Group's share of total net profit after tax Rs 0.01 Crore for the year ended March, 31, 2023, as considered in the consolidated financial result, in respect of one joint venture, whose financial statements/financial information/financial results have been audited by their respective independent auditors.



The independent auditor's report on the financial statements and other financial information of these entities have been furnished to us by the Management and our opinion on the Statement in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and joint venture is based solely on the reports of such auditors and the procedures performed by us as stated in paragraph above.

- (b) The consolidated annual financial results include the unaudited financial results in respect of 2 foreign subsidiaries, whose financial statements/financial results/ financial information reflects total assets (before consolidation adjustments) of Rs 4.12 crores as at March 31, 2023, total revenues (before consolidation adjustments) of Rs (-0.04) crores and Rs Nil, total net loss after tax (before consolidation adjustments) of Rs. (0.04) crores and Rs (-0.00) crores, total comprehensive loss (before consolidation adjustments) of Rs. (0.04) crores and Rs. (-0.00) Crores, for the quarter and the year ended on that date respectively, and net cash outflow (before consolidation adjustments) of Rs.0.00 crores for the year ended March 31, 2023, whose financial statement and other financial information have not been audited by their auditors.

Our opinion on the consolidated annual financial results, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on such financial statements/financial results/ financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements/financial results/ financial information are not material to the Group.

Our opinion on the consolidated annual financial results is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements/financial information certified by the Management

- (c) The consolidated annual results include the results for the quarter ended March 31, 2023 being the balancing figures between the audited figures in respect of the full financial year ended March 31, 2023 and the published unaudited year-to-date figures up to the end of the third quarter of the current financial year, which were subjected to a limited review by us, as required under the Listing Regulations.

PLACE: AHMEDABAD
DATE: May 27, 2023
UDIN: 23124095BGXFQR6171



FOR, HITESH PRAKASH SHAH & CO
(FIRM REGD.NO: 127614W)
CHARTERED ACCOUNTANTS

A handwritten signature in green ink, appearing to read "Hitesh P Shah".

HITESH P SHAH
PARTNER
MEMBERSHIP NO. 124095

**Statement on Impact of Audit Qualifications (for audit report with modified opinion)
submitted along-with Annual Audited Financial Results**

Statement on Impact of Standalone Audit Qualifications for the Financial Year ended 31 st March, 2023 (See Regulation 33 of the SEBI (LODR) (Amendment) Regulations, 2016)				
I.	Sr. No.	Particulars	Audited Figures (as reported before adjusting for qualifications) (Rs. In Crores)	Audited Figures (as reported after adjusting for qualifications) (Rs. In Crores)
	1.	Turnover / Total Income	3080.74	3080.74
	2.	Total Expenditure	3157.40	3259.67
	3.	Net Profit / (Loss)	(76.66)	(178.93)
	4.	Earnings Per Share	(60.17)	(140.45)
	5.	Total Assets	1709.02	1709.02
	6.	Total Liabilities	2748.43	3417.05
	7.	Net Worth	(1039.41)	(1708.03)
	8.	Any other financial item(s) (as felt appropriate by the management)	Not Applicable	
II.	Audit Qualification (each audit qualification separately)			
	a.	Details of Audit Qualification	Non-provision of interest on Non-Performing Assets (NPA) accounts of banks of Rs. 102.27 Crore for the year under consideration and the total amount of such unprovided interest till date is Rs. 668.62 Crore.	
	b.	Type of Audit Qualification : Qualified Opinion / Disclaimer of Opinion / Adverse Opinion	Qualified Opinion	
	c.	Frequency of qualification : Whether appeared first time / repetitive / since how long continuing	Repetitive (Since Financial Year 2011-12)	



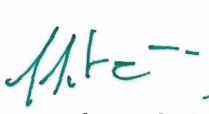





ELECTROTHERM (India) Limited

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• Nagpur • Nasik • Panaji • Pune • Raipur • Raigarh • Rajkot • Rourkela • Sambalpur



d.	For Audit Qualification(s) where the impact is quantified by the auditor, Management's views	The loan accounts of the Company has been classified as Non-Performing Assets (NPA) by the Bankers and some of the bankers has not charged interest on the said accounts and therefore provision for interest has not been made in the books of account. The quantification has been done only for the loans which has not been settled.
e.	For Audit Qualification(s) where the impact is not quantified by the auditor	Not Applicable
	(i) Management's estimation on the impact of audit qualification (ii) If management is unable to estimate the impact, reasons for the same (iii) Auditor's Comments on (i) or (ii) above	Not Applicable
III.	Signatories	
<p>For Hitesh Prakash Shah & Co. Chartered Accountants ICAI Firm Registration No. 127614W</p>  <p>CA Hitesh P. Shah Partner Membership No. 124095</p> 		<p>For Electrotherm (India) Limited</p>  <p>Mr. Shailesh Bhandari Managing Director</p>   <p>Mr. Chirag Shah Chief Financial Officer</p>  <p>Mr. Pratap Mohan Chairman – Audit Committee</p>

Place : Ahmedabad
Date: 27th May, 2023

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**Statement on Impact of Audit Qualifications (for audit report with modified opinion)
submitted along-with Annual Audited Financial Results**

Statement on Impact of Consolidated Audit Qualifications for the Financial Year ended 31 st March, 2023 (See Regulation 33 of the SEBI (LODR) (Amendment) Regulations, 2016)				
I.	Sr. No.	Particulars	Audited Figures (as reported before adjusting for qualifications) (Rs. In Crores)	Audited Figures (as reported after adjusting for qualifications) (Rs. In Crores)
	1.	Turnover / Total Income	3080.74	3080.74
	2.	Total Expenditure	3092.56	3214.67
	3.	Net Profit / (Loss)	(11.82)	(133.93)
	4.	Earnings Per Share	(9.28)	(105.13)
	5.	Total Assets	1752.14	1752.14
	6.	Total Liabilities	2848.35	3653.15
	7.	Net Worth	(1096.21)	(1901.01)
	8.	Any other financial item(s) (as felt appropriate by the management)	Not Applicable	
II.	Audit Qualification (each audit qualification separately)			
	a.	Details of Audit Qualification	Non-provision of interest on Non-Performing Assets (NPA) accounts of banks of Rs. 122.11 Crore for the year under consideration and the total amount of such unprovided interest till date is Rs. 804.80 Crore.	
	b.	Type of Audit Qualification : Qualified Opinion / Disclaimer of Opinion / Adverse Opinion	Qualified Opinion	
	c.	Frequency of qualification : Whether appeared first time / repetitive / since how long continuing	Repetitive (Since Financial Year 2011-12)	





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d.	For Audit Qualification(s) where the impact is quantified by the auditor, Management's views	The loan accounts of the Company and its two subsidiaries <i>i.e.</i> Hans Ispat Limited and Shree Ram Electro Cast Limited has been classified as Non-Performing Assets (NPA) by the Bankers and some of the Bankers has not charged interest on the said accounts and therefore provision for interest has not been made in the books of account. The quantification has been done only for the loans which has not been settled.
e.	For Audit Qualification(s) where the impact is not quantified by the auditor	Not Applicable
	(i) Management's estimation on the impact of audit qualification (ii) If management is unable to estimate the impact, reasons for the same (iii) Auditor's Comments on (i) or (ii) above	Not Applicable
III.	Signatories	
<p>For Hitesh Prakash Shah & Co. Chartered Accountants ICAI Firm Registration No. 127614W</p> <p><i>Hitesh P. Shah</i></p> <p>CA Hitesh P. Shah Partner Membership No. 124095</p> 		<p>For Electrotherm (India) Limited</p> <p><i>Shailish Bhandari</i></p> <p>Mr. Shailesh Bhandari Managing Director</p>  <p><i>Chirag Shah</i></p> <p>Mr. Chirag Shah Chief Financial Officer</p> <p><i>Pratap Mohan</i></p> <p>Mr. Pratap Mohan Chairman – Audit Committee</p>

Place : Ahmedabad
Date: 27th May, 2023

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