

Ref. No.: EIL/SD/OBM/Regl.-30/2022-2023/1208

Date : 12th August, 2022

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,

Subject: Outcome of Board Meeting held on 12th August, 2022

This is to inform you that the Board of Directors ("Board") of the Company at their meeting held on 12th August, 2022, *inter alia* approved and adopted Standalone and Consolidated Unaudited Financial Results for the quarter ended on 30th June, 2022. Copy of Standalone and Consolidated Unaudited Financial Results for the quarter ended on 30th June, 2022 along with limited review report are attached herewith.

The Board Meeting concluded at 5.20 p.m. on 12th August, 2022.

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
Survey No. 72, Palodia, (Via Thaltej, Ahmedabad), Gujarat-382115, India
Phone: +91-2717-234553 – 7, 660550 Fax: +91-2717-234866
Email: ho@electrotherm.com | Website: www.electrotherm.com

REGD. OFFICE:
A-1, Skylark Apartment, Satellite Road,
Satellite, Ahmedabad-380015.
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 unaudited Standalone Financial Results For The Quarter Ended on 30th June, 2022

(Rs. in Crores Except for Earning Per Share)

Sr. No.	Particulars	Standalone			
		Quarter Ended			Year Ended
		30-06-2022 Unaudited	31-03-2022 Audited (Refer Note No 2)	30-06-2021 Unaudited	31-03-2022 Audited
I.	Revenue from Operations	678.58	606.74	694.27	2,830.28
II.	Other income	2.55	1.68	0.41	3.76
III.	Total Income (I+II)	681.13	608.42	694.68	2,834.04
IV.	Expenses :				
	(a) Cost of materials consumed	573.88	432.70	504.17	2,127.85
	(b) Purchases of stock-in-trade	-	-	0.88	1.60
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(6.70)	8.12	(17.66)	(48.01)
	(d) Employee benefits expenses	33.01	34.13	34.61	133.67
	(e) Finance Costs	10.97	13.73	10.66	45.35
	(f) Depreciation and amortisation expenses	11.72	20.80	21.66	85.78
	(g) Other expenses	101.21	119.42	116.36	519.79
	Total Expenses (IV)	724.09	628.90	670.68	2,866.03
V.	Profit / (Loss) before exceptional items and tax(III-IV)	(42.96)	(20.48)	24.00	(31.99)
VI.	Exceptional items	-	(22.33)	-	(22.33)
VII.	Profit / (Loss) before tax (V+VI)	(42.96)	(42.81)	24.00	(54.32)
VIII.	Tax expense				
	(1) Current tax	-	-	-	-
	(2) Deferred Tax	-	-	-	-
IX.	Net Profit / (Loss) for the period (VII-VIII)	(42.96)	(42.81)	24.00	(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	(0.10)	(0.61)	0.33	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)	(43.06)	(43.42)	24.33	(53.93)
XII.	Paid-up Equity Share Capital (Face value of Rs. 10/- each)	12.74	12.74	12.74	12.74
XIII.	Other Equity excluding Revaluation Reserve as at March 31st	-	-	-	(1,177.76)
XIV.	Earnings per equity share (not annualised for the quarter)				
	Basic	(33.71)	(33.60)	18.84	(42.64)
	Diluted	(33.71)	(33.60)	18.84	(42.64)

Notes:

1	The above Standalone financial results of the Company were required to be reviewed in the meeting held on 2nd August, 2022, but due to technical issues in SAP accounting software, the Standalone unaudited financial results for the quarter ended on 30th June, 2022 have been reviewed by the Audit Committee and approved by the Board of Directors of Electrotherm (India) Limited (the "Company") at their meeting held on 12th August, 2022.
2	The figures for the last quarter ended 31st March, 2022 are the balancing figures between audited figures in respect of the full financial year ending 31st March, 2022 and the unaudited published year-to-date figures up to 31st December, 2021 being the date of the end of the third quarter, which were subjected to limited review.
3	The statutory auditors have carried out limited review of the standalone financial results of the Company for the quarter ended 30th June, 2022.
4	The Effect of Settlement with Assets Reconstruction Companies / Bankers, if any, is made on the final compliance of all the term and conditions of the agreements and the sanction of the revised repayment schedule by the respective lenders/ARCs.
5	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 1st March, 2020 to 31st August, 2020. The company has not paid one of the instalments each due for the quarter ended on 31st December, 2019 and 31st March, 2020. The company has not paid major of the instalments due from 30th June, 2020 to 30th June, 2022 and interest due thereon for the period from 30th September, 2020 to 30th June, 2022. The company 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 further subject the outcome of notice issued under SARFAESI Act, by the lender ARC.



6	Subsequent to the quarter ended on 30th June, 2022, 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 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.
7	Central Bank of India, 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. 1059.59 Crores. The Company has filed its affidavit of objection and the Bank has filed rebuttal affidavit. The matter was lastly heard by the Hon'ble NCLT on 04th May 2022 and reserved for order. The Company has on 29th June, 2022 accepted the Compromise / One Time Settlement (OTS) letter of Central Bank of India dated 28th June, 2022 for their outstanding loan / credit facilities. As per the settlement terms and conditions, all the proceedings in various legal forums will be kept in abeyance till receipt of final payment under the OTS. Based on this, the pronouncement of order was deferred to place on record the proposal by way of settlement terms. Further Edelweiss Asset Reconstruction Company Limited has filed an application for Proceedings under Section Rule 11 of NCLT, 2016 and the same has been adjourned to next date.
8	The bank accounts of company were classified as non-performing assets (other than loan stated in para 5 & 7) and therefore provision for interest on term loan and working capital loan for the quarter ended as on 30th June, 2022 under consideration on approximate basis of Rs 24.36 Crore and upto 30th June, 2022 of Rs 590.71 Crore have not been provided in the books of accounts and accordingly the amount of Net loss for the quarter is understated by Rs 24.36 Crore and the amount of Assets Reconstruction Company liability and total retained earnings/(loss) as on 30th June, 2022 is under stated by Rs. 590.71 Crore. The statutory auditor has expressed qualification in respect of above as regards to non-provision of interest by the company.
9	Few accounts of "Trade Receivables", "Trade Payable", Bank / Loan Account, "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 these statements and it will be considered on attaining its finality
11	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.
12	<p>The Company hold 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 22nd November, 2019, 29th April, 2020, 24th September, 2021 and 18th November, 2021. On 18th November, 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 handover the possession on 6th April, 2022 to the auction purchaser. Sale Certificate was issued on 7th April, 2022 in favour of the auction purchaser.</p> <p>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 19th April, 2022 that further proceeding consequent to the sale which has already confirmed and possession handed-over be stalled and stayed further proceedings and status-quo to be maintained. The said appeal is pending in DRAT, Mumbai for further hearing.</p> <p>In view of this above facts and circumstance, the company have not impaired the value of the investment in equity of the Wholly Owned Subsidiary Company.</p> <p>Further, as on 31st March 2022, the company had receivable in the form of Advances and Trade Receivable of Rs 89.36 Crore and against which as a prudent decision, during the quarter ended as at 31st March 2022, the company had provided expected credit loss of Rs 22.33 Crore on the balance outstanding and which had been considered as Exceptional items and the treatment of the balance amount will be accounted on the basis of the final outcome of the order of the Hon'ble DRAT and/or Court.</p>
13	Figure of previous period's have been regrouped, wherever considered necessary to make them comparable to current period figure.



FOR ELECTROTHERM (INDIA) LIMITED

Shailesh Bhandari
Managing Director
(DIN: 00058866)

Place: Ahmedabad
Date: 12th August, 2022



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 unaudited Consolidated Financial Results For The Quarter Ended on 30th June, 2022



(Rs. in Crores Except for Earning Per Share)

Sr. No.	Particulars	Consolidated			
		Quarter Ended		Year Ended	
		30-06-2022 Unaudited	31-03-2022 Audited (Refer Note No 2)	30-06-2021 Unaudited	31-03-2022 Audited
I.	Revenue from Operations	678.58	606.74	695.32	2,831.31
II.	Other income	2.55	4.42	0.42	6.54
III.	Total Income (I+II)	681.13	611.16	695.74	2,837.85
IV.	Expenses :				
	(a) Cost of materials consumed	573.88	432.85	504.05	2,127.45
	(b) Purchases of stock-in-trade	-	-	-	-
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(6.69)	8.89	(16.25)	(45.18)
	(d) Employee benefits expenses	33.05	35.30	35.37	137.16
	(e) Finance Costs	12.06	13.78	10.70	45.45
	(f) Depreciation and amortisation expenses	12.23	21.17	22.24	87.90
	(g) Other expenses	101.33	121.89	117.47	525.44
	Total Expenses (IV)	725.86	633.88	673.58	2,878.22
V.	Profit/ (Loss) before exceptional items, Share in Profit/ (Loss) of Joint Venture and tax (III-IV)	(44.73)	(22.72)	22.16	(40.37)
VI.	Exceptional items	-	-	-	-
VII.	Profit / (Loss) before tax and share in Profit/(Loss) of Joint Venture (V+VI)	(44.73)	(22.72)	22.16	(40.37)
VIII.	Tax expense				
	(1) Current tax	0.00	-	-	-
	(2) Deferred Tax	-	-	-	-
IX.	Profit/(Loss) for the period before Share of Profit of Joint Venture (VII-VIII)	(44.73)	(22.72)	22.16	(40.37)
X.	Share of Profit of Joint Venture	-	-	-	0.01
XI.	Net Profit / (Loss) for the period (IX+X)	(44.73)	(22.72)	22.16	(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	(0.10)	(0.61)	0.33	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)	(44.83)	(23.33)	22.49	(39.97)
XIV.	Net Profit / (Loss) after share of Profit / (Loss) after share of Profit of Joint Venture attributable to				
	Equity holder of the parent	(44.73)	(22.72)	22.16	(40.36)
	Non controlling Interest	-	-	-	-
	Other Comprehensive Income / (Loss) attributable to				
	Equity holder of the parent	(0.10)	(0.61)	0.33	0.39
	Non controlling Interest	-	-	-	-
XV.	Total Comprehensive Income / (Loss) for the period attributable to				
	Equity holder of the parent	(44.83)	(23.33)	22.49	(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
XVII.	Other Equity excluding Revaluation Reserve as at March 31st	-	-	-	(1,341.67)
XVIII.	Earnings per equity share (not annualised for the quarter)				
	Basic	(35.10)	(17.83)	17.39	(31.68)
	Diluted	(35.10)	(17.83)	17.39	(31.68)



SEGMENT WISE REVENUE, RESULTS, ASSETS & LIABILITIES					
				(Rs. in Crores)	
Sr. No.	Particulars	Consolidated			
		Quarter Ended			Year Ended
		30-06-2022	31-03-2022	30-06-2021	31-03-2022
		Unaudited	Audited (Refer Note No 2)	Unaudited	Audited
1	Segment Revenue				
	(a) Engineering & Technologies Division	190.23	267.61	213.04	975.32
	(b) Special Steel Division	497.38	357.89	493.61	1,894.93
	(c) Electric Vehicle Division	11.19	12.15	8.24	55.68
	(d) Others	0.02	0.11	0.08	0.32
	Total	698.82	637.76	714.97	2,926.25
	Less: Inter Segment Revenue	20.24	31.02	19.65	94.94
	Revenue from Operations	678.58	606.74	695.32	2,831.31
2	Segment Results Profit Before Finance Cost and Tax				
	(a) Engineering & Technologies Division	16.16	10.57	21.78	62.88
	(b) Special Steel Division	(49.08)	(16.15)	10.88	(56.84)
	(c) Electric Vehicle Division	0.25	(3.51)	0.21	(1.18)
	(d) Others	0.00	0.15	(0.01)	0.22
	Total	(32.67)	(8.94)	32.86	5.08
	Less: (i) Finance Costs	12.06	13.78	10.70	45.45
	Add : (ii) Exceptional Item	-	-	-	-
	Total Profit / (Loss) Before Tax	(44.73)	(22.72)	22.16	(40.37)
3	Segment Assets				
	(a) Engineering & Technologies Division	571.91	541.50	565.47	541.50
	(b) Special Steel Division	1,197.31	1,162.51	1,231.75	1,162.51
	(c) Electric Vehicle Division	33.17	33.05	33.34	33.05
	(d) Others	7.80	7.78	6.69	7.78
	Total	1,810.19	1,744.84	1,837.25	1,744.84
4	Segment Liabilities				
	(a) Engineering & Technologies Division	836.68	781.05	720.91	781.05
	(b) Special Steel Division	2,062.56	2,006.84	2,098.20	2,006.84
	(c) Electric Vehicle Division	10.31	10.49	9.61	10.49
	(d) Others	27.83	28.82	28.44	28.82
	Total	2,937.38	2,827.20	2,857.16	2,827.20
Notes:					
1	The above Consolidated financial results of the Company were required to be reviewed in the meeting held on 2nd August, 2022, but due to technical issues in SAP accounting software, the consolidated unaudited financial results for the quarter ended on 30th June, 2022 have been reviewed by the Audit Committee and approved by the Board of Directors of Electrotherm (India) Limited (the "Company") at their meeting held on 12th August, 2022.				
2	The figures for the last quarter ended 31st March, 2022 are the balancing figures between audited figures in respect of the full financial year ending 31st March, 2022 and the unaudited published year to-date figures up to 31st December, 2021 being the date of the end of the third quarter, which were subjected to limited review.				
3	The statutory auditors have carried out limited review of the consolidated financial results of the group for the quarter ended 30th June, 2022.				
4	The Effect of Settlement with Assets Reconstruction Companies / Bankers, if any, is made on the final compliance of all the term and conditions of the agreements and the sanction of the revised repayment schedule by the respective lenders/ARCs.				
5	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 1st March, 2020 to 31st August, 2020. The group has not paid two of the instalments each due for the quarter ended on 31st December, 2019 and 31st March, 2020. The group has not paid major of the instalments due from 30th June, 2020 to 30th June, 2022 and interest due thereon for the period from 30th September, 2020 to 30th June, 2022. 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 further subject the outcome of notice issued under SARFAESI Act, by the lender ARC.				
6	Subsequent to the quarter ended on 30th June, 2022, 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 ("SARFASI") read with Security Interest (Enforcement) Rules, 2002 to the holding company and its 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.				



7	Central Bank of India, 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 holding company for an amount of Rs. 1059.59 Crores. The holding company has filed its affidavit of objection and the Bank has filed rebuttal affidavit. The matter was lastly heard by the Hon'ble NCLT on 04th May 2022 and reserved for order. The holding Company has on 29th June, 2022 accepted the Compromise / One Time Settlement (OTS) letter of Central Bank of India dated 28th June, 2022 for their outstanding loan / credit facilities. As per the settlement terms and conditions, all the proceedings in various legal forums will be kept in abeyance till receipt of final payment under the OTS. Based on this, the pronouncement of order was deferred to place on record the proposal by way of settlement terms. Further Edelweiss Asset Reconstruction Company Limited has filed an application for Proceedings under Section Rule 11 of NCLT, 2016 and the same has been adjourned to next date.
8	The bank accounts of group were classified as non-performing assets (other than loan stated in para 5 & 7) and therefore provision for interest on term loan and working capital loan for the quarter ended as on 30th June, 2022 under consideration on approximate basis of Rs 29.11 Crore and upto 30th June, 2022 of Rs 711.80 Crore have not been provided in the books of accounts and accordingly the amount of Net loss for the quarter is understated by Rs 29.11 Crore and the amount of Assets Reconstruction Company / Bank liability and total retained earnings/(loss) as on 30th June, 2022 is under stated by Rs. 711.80 Crore. The statutory auditor has expressed qualification in respect of above as regards to non-provision of interest by the group.
9	Few accounts of "Trade Receivables", "Trade Payable", Bank / Loan Account, "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 group and directors of the group 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 these statements and it will be considered on attaining its finality.
11	(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 Nil 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 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 15th April, 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 22nd November, 2019, 29th April, 2020, 24th September, 2021 and 18th November, 2021. On 18th November, 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 handover the possession on 6th April, 2022 to the auction purchaser. Sale Certificate was issued on 7th April, 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 19th April, 2022 that further proceeding consequent to the sale which has already confirmed and possession handed-over be stalled and stayed further proceedings and status-quo to be maintained. 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 Wholly Owned Subsidiary Company's ability to continue as a going concern, but, being the matter Sub Judge before the Hon'ble DRAT, the group has not impaired the value of the goodwill and it is will treated on its final outcome.
12	Figure of previous period's have been regrouped, wherever considered necessary to make them comparable to current period figure.
Place: Ahmedabad Date: 12th August, 2022	<div style="text-align: right;">  FOR ELECTROTHERM (INDIA) LIMITED Shailesh Bhandari Managing Director (DIN: 00058866) </div> <div style="text-align: center;">  </div>



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

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

1. We have reviewed the accompanying statement of unaudited standalone financial results of **Electrotherm (India) Limited** ("the Company"), for the quarter ended June 30, 2022 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. **Basis of Qualified Opinion**
We draw attention to Note 8 to the standalone financial results for non-provision of interest on NPA accounts of banks on approximate basis of Rs 24.36 Crore, for the quarter under consideration and the total amount of such unprovided interest till date is Rs 590.71 Crore. The exact amount of the said non-provision of interest are not determined and accordingly the amount of Net loss for the quarter is understated by Rs 24.36 Crore and the amount of Bank/Asset Reconstruction Company (ARC) liability and Total retained earnings/(loss) as on 30th June, 2022 is understated by Rs 590.71 Crore. Our audit report for the previous year ended 31st March, 2022 and limited review report for the quarter ended 30th June, 2021 were also qualified in respect of this matter.
5. Based on our review conducted as above, except for the possible effect of our observation in paragraph 4 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard ('Ind AS') specified under Section 133 of the Companies Act, 2013, as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information



required to be disclosed in terms of Regulation 33 of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

6. Attention is invited to the following: -

- a) Note No 4 to the standalone financial result related to treatment in the books of accounts of the assignment/settlements of debts of the various banks/lenders.
- b) Note No 5 to the standalone financial result related to non-payment of one of the instalments each due for the quarter ended on 31st December, 2019 and 31st March, 2020 and major of the instalments due from 30th June, 2020 to 30th June, 2022 and interest due thereon for the period from 30th September, 2020 to 30th June, 2022.
- c) Note No 6 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.
- d) Note No 7 related to petition filed 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 by Central Bank of India and accepting the Compromise / One Time Settlement (OTS) letter of Central Bank of India dated 28th June, 2022 for their outstanding loan / credit facilities. Also the application filed under section Rule 11 of the NCLT, 2016 by Edelweiss Asset Reconstruction Company Limited.
- e) Note No 10 to the standalone financial result related to pending enquiries / notices / summons / litigation / recovery proceedings against the company and directors of the Company.
- f) Note No 12 to the standalone financial result related to pending appeal filed against order of DRT Mumbai for sale of property of the Wholly owned subsidiary M/s Hans Ispat Limited, non-impairment of the investment value of the subsidiary company and provision of expected credit losses on the balances outstanding of the said subsidiary.

Our conclusion is not modified in respect of these matters.

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



PLACE: AHMEDABAD
DATE: 12th August, 2022
UDIN: 22124095AOXISI7316

HITESH P SHAH
PARTNER
MEMBERSHIP NO. 124095



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

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

1. We have reviewed the accompanying statement of unaudited consolidated financial results of Electrotherm (India) Limited ("Holding Company") and its subsidiaries and joint venture (the Holding Company and its subsidiaries and joint venture together referred to as the "Group"), for the quarter ended June 30, 2022 (the "Statement") attached herewith, being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
2. This Statement, which is the responsibility of the Holding Company's Management and approved by the Holding Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

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

4. The Statement includes the results of following companies:
 - a) Jinhua Indus Enterprise Limited (Republic of China, Wholly Owned Subsidiary)
 - b) Jinhua Jahari Enterprise Limited (Republic of China, fellow Subsidiary)
 - c) ET Elec-Trans Limited (Subsidiary)
 - d) Hans Ispat Limited (Wholly Owned Subsidiary)
 - e) Shree Ram Electro Cast Limited (Wholly Owned Subsidiary)
 - f) Electrotherm Services Limited (Wholly Owned Subsidiary)
 - g) Bhaskarpara Coal Company Limited (Joint Venture)



5. Basis for Qualified Opinion

We draw attention to Note 8 to the consolidated financial results for non-provision of interest on NPA accounts of banks on approximate basis of Rs 29.11 Crore, for the quarter under consideration and the total amount of such unprovided interest till date is Rs 711.80 Crore. The exact amount of the said non-provision of interest are not determined and accordingly the amount of Net loss for the quarter is understated by Rs 29.11 Crore and the amount of Bank/Asset Reconstruction Company (ARC) liability and Total retained earnings/(loss) as on 30th June, 2022 is understated by Rs 711.80 Crore.

Our audit report for the previous year ended 31st March, 2022 and limited review report for the quarter ended 30th June, 2021 were also qualified in respect of this matter.

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

A. Bhaskarpara Coal Company Limited

We draw attention on Note No 11(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 11(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 subsidiary company by Bank, affecting the going concern of the said company.

C. ET Elec-Trans Limited

We draw attention on Note No 11(c) of the consolidated financial result. ET Elec-Trans Limited has a cash loss of Rs Nil 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 subsidiary Company's ability to continue as a going concern.

D. Hans Ispat Limited

We draw attention on Note No 11(d) of the consolidated financial result, in respect of pending appeal filed against order of DRT Mumbai 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.

7. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of the other auditors referred to in paragraph 9 below, except for the possible effect of the matter described in previous section, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with recognition and measurement principles laid down in the aforesaid Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013, as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

8. Mainly, attention is invited to the followings: -

- a) Note No 4 to the consolidated financial result related to treatment in the books of accounts of the assignment/settlements of debts of the various banks/lenders.
- b) Note No 5 to the consolidated financial results related to non-payment of two instalments each falling due for the quarter ended on 31st December, 2019 and 31st March, 2020, and major of the instalments due from 30th June, 2020 to 30th June, 2022 and interest due thereon for the period from 30th September, 2020 to 30th June, 2022.



- c) Note No 6 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, and its application made with the NCLT.
- d) Note No 7 to the consolidated financial result related to petition filed 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 by Central Bank of India and accepting the Compromise / One Time Settlement (OTS) letter of Central Bank of India dated 28th June, 2022 for their outstanding loan / credit facilities. Also the application filed under section Rule 11 of the NCLT, 2016 by Edelweiss Asset Reconstruction Company Limited.
- e) Note No 10 to the consolidated financial result related to pending enquiries / notices / summons / litigation / recovery proceedings against the company and directors of the Company.

Our conclusion is not modified in respect of these matters.

9. The accompanying Statement includes the unaudited interim financial results and other financial information of 4 subsidiaries and whose unaudited interim financial results and other financial information reflect total revenues of Rs 0.04 crore (before consolidation adjustments), total net loss after tax of Rs. 1.79 crores (before consolidation adjustments), total comprehensive loss of Rs. 1.79 crores (before consolidation adjustments), for the quarter ended June 30, 2022, as considered in the Statement which have been reviewed by their respective independent auditors. The Statement also include the Group's share net profit/(loss) after tax of Rs 0.00 crore (before consolidation adjustments) and total comprehensive income of Rs 0.00 crore (before consolidation adjustments), for the quarter ended on 30th June, 2022 as considered in the statement. The independent auditor's reports on interim financial results and other financial information of these entities have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures in respect of these subsidiaries and joint venture are based solely on the report of such auditors and procedures performed by us as stated in paragraph 3 above.
10. The accompanying Statement includes the unaudited interim financial results and other financial information of 2 foreign subsidiaries and whose unaudited interim financial results and other financial information reflect total revenues of Rs 0.00 crore (before consolidation adjustments), total net loss after tax of Rs. 0.01 crores (before consolidation adjustments), total comprehensive loss of Rs. 0.01 crores (before consolidation adjustments), for the quarter ended June 30, 2022, as considered in the Statement. These unaudited interim financial results and other unaudited financial information have been approved and furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the affairs of these subsidiaries, are based solely on such unaudited interim financial results and other unaudited financial information. According to the information and explanations given to us by the Management, these interim financial results are not material to the Group.

Our conclusion on the Statement in respect of matters stated in para 9 and 10 above is not modified with respect to our reliance on the work done and the reports of the other auditors and the financial results/financial information certified by the Management.

PLACE: AHMEDABAD
DATE: 12th August, 2022
UDIN: 22124095AOXJBM6503

FOR, HITESH PRAKASH SHAH & CO
FIRM REGD.NO: 127614W)
CHARTERED ACCOUNTANTS
FRN:
127614W
HITESH P SHAH
MEMBERSHIP NO. 124095