



# VBC FERRO ALLOYS LIMITED

(An ISO 9001-2000 Company)



VBCFAL / SEC / 2023/

14<sup>th</sup> August 2023

The Bombay Stock Exchange Limited  
Floor 25, PJ Towers Dalal Street.  
MUMBAI — 400 001.

Dear Sir/Madam,  
Sub: Outcome of the Board Meeting -reg  
Ref: Scrip Code – 513005

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In compliance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we wish to bring to the notice of the Exchange that the meeting of the Board of Directors of the Company held on 14<sup>th</sup> August 2023 at the Registered Office of the Company and outcome of the Meeting is as follows:

- A) Board decided to conduct 41<sup>st</sup> Annual General Meeting of the Company on 30<sup>th</sup> September 2023 at 3.00 PM. through Video Conferencing (“VC”)/ Other Audio- Visual Means (“OAVM”).
- B) Board decided to close the Register of Members from 23<sup>rd</sup> September 2023 to 30 September 2023 for the purpose of Annual General Meeting.
- C) Board considered and approved the Un- Audited Financial Results for the quarter ended 30<sup>th</sup> June, 2023.

The details required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI Circular No. CIR/CFD/CMD/4/2015 dated 9<sup>o</sup> September 2015 are attached as Annexure-A and Annexure-B to this letter.

Meeting started at 3.30 PM and concluded at 6.15 PM

This is for your information and records.

Thanking you,  
Yours faithfully  
for VBC Ferro Alloys Limited

**ANANTHAKRISHNA M V**  
Digitally signed by  
ANANTHAKRISHNA M V  
Date: 2023.08.14  
18:20:21 +05'30'

M.V. Ananthakrishna  
Whole-Time Director



# VBC FERRO ALLOYS LIMITED

(An ISO 9001-2008 Company)



## UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE,2023

(Amount in Lacs)

Particulars	Quarter Ended			Previous Year Ended
	30.06.2023	31.03.2023	30.06.2022	31.03.2023
	UnAudited	Audited	UnAudited	Audited
<b>Income from Operations</b>				
<b>I Sales / Income from Operations</b>	1,008.15	4,654.07	5,571.00	17,566.53
<b>II Other income</b>	42.23	256.67	76.99	684.79
<b>III Total Income from Operations (I+II)</b>	<b>1,050.38</b>	<b>4,910.74</b>	<b>5,647.99</b>	<b>18,251.32</b>
<b>IV Expenses</b>				
a) Cost of materials consumed	1,212.08	1,312.56	1,479.75	5,402.23
b) Changes in inventories of finished goods, work-in-progress	-2,608.23	629.51	112.74	505.29
c).Power and Fuel	1,965.11	2,214.95	2,750.75	8,994.21
d) Employee benefits expense	135.35	56.93	138.13	517.83
e) Finance costs	0.54	0.69	4.46	6.51
f) Depreciation and amortization expense	178.71	178.05	178.06	712.21
g) Other expenses	150.98	327.25	538.14	2,046.76
<b>Total expenses (IV)</b>	<b>1,034.54</b>	<b>4,719.94</b>	<b>5,202.03</b>	<b>18,185.04</b>
<b>V Profit/(Loss) from Operations before Exceptional Items and Tax (III-IV)</b>	<b>15.84</b>	<b>190.80</b>	<b>445.96</b>	<b>66.28</b>
<b>VI Exceptional items</b>				
Earlier year taxes written back	-	-	-	-
<b>VII Profit/(Loss) before Tax (VIII+IX)</b>	<b>15.84</b>	<b>190.80</b>	<b>445.96</b>	<b>66.28</b>
<b>VIII Tax expenses - Current Tax</b>				
- Earlier Year taxes		-23.40	74.44	-206.49
<b>IX Profit/(Loss) for the Quarter (X+XI)</b>	<b>15.84</b>	<b>420.69</b>	<b>371.52</b>	<b>272.77</b>
<b>X Total Other Comprehensive Income [(Gains)/Losses]</b>	-	-	-	-
<b>XI Changes in property plant and equipment recognised to Revaluation Surplus</b>	-	-	-	-
<b>XII Total Comprehensive Income/(Loss) for the Quarter (XIII+XIV)</b>	<b>15.84</b>	<b>420.69</b>	<b>371.52</b>	<b>272.77</b>
(Comprising Profit/(Loss) and other comprehensive income for the period)				
Paid-up equity share capital (Face Value Rs.10/- each)	<b>1639.50</b>	<b>1639.50</b>	<b>1639.50</b>	<b>1639.50</b>
<b>Earnings per equity share (of Rs 10/- each)</b>				
Basic	0.10	2.57	2.27	1.66
Diluted	0.10	2.57	2.27	1.66



**OFFICE:** 6-2-913/914, 3rd Floor, Progressive Towers, Khairatabad, Hyderabad - 500 004. T.S. India.  
**Tel:** +91 40 23301200/1230; **Fax:** +91 40 23301160/61  
**Mail:** vbcsilicon@gmail.com / info@vbcfal.in  
**Web:** www.vbcfal.in, **CIN:** L27101TG1981PLC003223

**FACTORY:** Rudraram Village, Patancheru Mandal Sangareddy District - 502 329, Telangana State, India.  
**Tel:** +91 8455 221802/4/5/6  
**Mail:** vbcfalplant@gmail.com / plant@vbcfal.in



# VBC FERRO ALLOYS LIMITED

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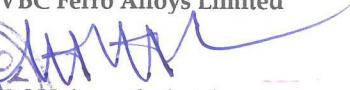
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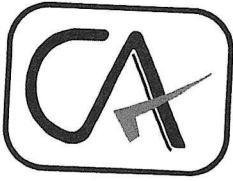
- 1 The above unaudited financial results of the Company have been approved by the Board of Directors on recommendations of the Audit Committee at its meetings held on 14th Aug, 2023
- 2 These financial results have been prepared in accordance with Indian Accounting Standards ('Ind AS') prescribed under section 133 of the Companies Act, 2013 read with the relevant rules thereunder and in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- 3 The company has complied with all the applicable Indian Accounting Standards ('Ind AS') prescribed under section 133 of the Companies Act, 2013 read with the relevant rules.
- 4 The auditors have qualified in their report for the period ended 30th June, 2023 regarding the,
  - 1.The company has not measured its Investments in Equity Instruments designed to be measured at Fair Value through Other Comprehensive Income at fair values as required by Indian Accounting Standard "Financial Instruments" (Ind AS 109), the impact of the same on the loss of the company is not ascertainable.
  2. Non-provision of shortfall of deemed energy charges for earlier years amounting to Rs 53,44,77,378/- , pending disposal of company's petition before TSERC as stated in to the standalone Ind AS financial statements has resulted in understatement of the loss for the year.
  3. The balances lying in the lenders', sundry creditors, like, suppliers', service providers', employees' and customers' accounts are subject to confirmation, reconciliation. The impact of the same on reconciliation on the statement of affairs of the company is not ascertainable.
- 5 Segmental reporting as per Ind AS-108 is not applicable, as the Company is engaged in manufacture of a single line of product.
- 6 Figures for the previous periods/year have been regrouped/reclassified wherever necessary.

Place: Hyderabad

Date: 14.08.2023

For VBC Ferro Alloys Limited  
  
M.V. Ananthakrishna  
Whole Time Director





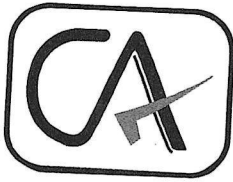
**PAVULURI & Co.**  
**CHARTERED ACCOUNTANTS**  
Plot No.48, Flat No.301,  
MICASA, Phase - I, Kavuri Hills,  
Hyderabad - 500 033.  
Ph : 040-2970 2638 / 2639  
Email : mail@pavuluriandco.com

### LIMITED REVIEW REPORT

#### **REVIEW REPORT TO THE BOARD OF DIRECTORS OF VBC FERRO ALLOYS LIMITED**

1. We have reviewed the accompanying Statement of Unaudited Financial Results of **M/s. VBC FERRO ALLOYS LIMITED** ("the Company") for the quarter ended June, 2023 (hereinafter referred to as "the Statement"), being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, to the extent applicable. This Statement is the responsibility of the Company's management and has been approved by the Board of Directors at its meeting held on 14th August 2023. Our responsibility is to express a conclusion on the Statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, Review of Interim Financial Information performed by the Independent Auditor of 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 financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. We draw attention to the following:
  - a) The company has not accounted for the shortfall of deemed energy charges amounting to Rs 53,44,77,378/- for prior years. This is pending resolution of the company's petition before TSERC. This omission leads to an overstatement of the reported profit for the financial year.
  - b) The company has not adhered to the requirements of Indian Accounting Standard "Financial Instruments" (Ind AS 109) by failing to measure its investments in equity instruments, designed to be measured at fair value through Other Comprehensive Income, at their fair values. This is a contravention of the provisions outlined in section 133 of the Companies Act, 2013.
  - c) The balances in the Long Term and Short-Term Borrowings, Trade Payables, Trade Receivables and other payables are subject to confirmations.





**PAVULURI & Co.**  
**CHARTERED ACCOUNTANTS**

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- d) The company has not made provision for future payments of gratuity and leave encashment, considering the present liability using the Projected Unit Credit method as mandated by Ind AS 19 "Employee Benefits". This constitutes non-compliance with the provisions of section 133 of the Companies Act, 2013.
- e) The company has not performed the impairment test of its cash-generating assets despite indications of assets remaining idle. This contravenes Ind AS 36 "Impairment of Assets" and is non-compliant with section 133 of the Companies Act, 2013.
- f) The company has not carried out physical verification of its inventories during the Quarter. Consequently, we are unable to express our opinion on the realisability of the stated amount in the books of account.
4. Based on our review conducted as above, except for the possible effects of our observations in para 3 above, nothing has come to our attention that causes us to believe that the accompanying statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting standards('Ind AS') specified under section 133 of the Companies Act 2013 as amended, read with relevant rules issued thereunder and other recognized accounting practices and policies has disclosed the information required to be disclosed in terms of the Regulation, read with the Circular, including the manner in which it is to be disclosed, or that it contains any material misstatement.

**For PAVULURI & CO.,**  
Chartered Accountants  
(Firm's Reg No: 012194S)

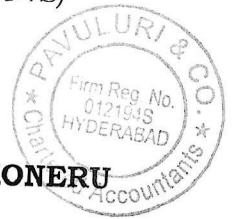
*kvn Deepthi*

**CA. V N DEEPTHI KONERU**

Partner

M.No: F-228424

UDIN: **23228424BGQBJE4156**



Place: Hyderabad

Date: 14.08.2023



# VBC FERRO ALLOYS LIMITED

(An ISO 9001-2008 Company)



## ANNEXURE - 1

Statement on Impact of UnAudit Qualifications submitted along-with period ended 30<sup>th</sup> June,2023 UnAudited Financial. Results - (Standalone)

Statement on Impact of Audit Qualifications for the Financial period ended 30<sup>th</sup> June,2023

Rs.in Lacs

Sl no.	Particulars	Un-Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (Unaudited figures after adjusting for Qualifications)
1	Turnover / Total Income	1050.38	1050.38
2	Total Expenditure	1034.54	1034.54
3	Net Profit / (Loss) after Tax	15.84	(5328.94)
4	Earnings Per Share	0.10	(32.50)
5	Total Assets	29031.88	29031.88
6	Total Liabilities	17175.70	22520.47
7	Net Worth	11856.18	6511.41
8	Any other financial items(s) (as felt appropriate by the management)		

R. Dharmendra



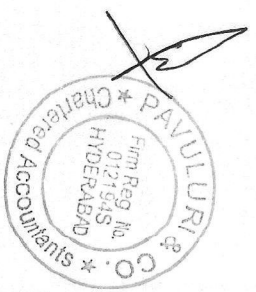
Sl. No	Details of Audit Qualification	Company's Reply	Type of Audit Qualification	Frequency of qualification	For Audit Qualification(s)	For Audit Qualification(s) where the impact is not quantified by the auditor
1	a) The company has not accounted for the shortfall of deemed energy charges amounting to Rs.53,44,77,378/- for prior years. This is pending resolution of the company's petition before TSERC. This omission leads to an overstatement of the reported profit for the financial year.	Company approached Telangana State Electricity Regulatory Commission (TSERC) with a request to waive the demand as the said amounts relating to deemed energy charges. As the TSSPDCL imposed said deemed energy charges even period relating to power cuts/ power holidays/non supply of power due to acute power shortage in the erstwhile undivided state of Andhra Pradesh. Therefore, the company is confident to get a favorable decision from TSERC/TSSPDCL and hence, the Board is not providing any liability. We take into consideration of Rs 53,44,77,378 for Adjusted Figures (audited figures after adjusting for qualifications)	Qualified Opinion	Twelveth	where the impact is quantified by the auditor, Management's Views: Impact assessed	N/A
2	b) The company has not adhered to the requirements of Indian Accounting Standard "Financial Instruments" (Ind AS 109) by failing to measure its investments in equity instruments, designed to be measured at fair value through Other Comprehensive Income, at their fair values. This is a contravention of the provisions outlined in section 133 of the Companies Act, 2013.	We approached by the investment companies and they informed that they are in the process of finalizing their accounts and related matters. Therefore, we could not comply the said requirement. As per the Board's view all the investments are considered as good. Therefore we have not taken any impact on for Adjusted Figures (audited figures after adjusting for qualifications).	Qualified Opinion	Ninth	where the impact is quantified by the auditor, Management's Views: Impact assessed	N/A
3	c) The balances in the Long Term and Short-Term Borrowings, Trade Payables, Trade Receivables and other Payables are subject to confirmations.	Company send the balance confirmation letter to the respective parties as per the standard audit practice. But Company is yet to receive the response from them. As per the Board's view all the balances are correct as per our books of accounts. Therefore we have not taken any impact on for Adjusted Figures (audited figures after adjusting for qualifications)	Qualified Opinion	Twelveth	where the impact is quantified by the auditor, Management's Views: Impact assessed	N/A

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4	d) The company has not made provision for future payments of gratuity and leave encashment, considering the present liability using the Projected Unit Credit method as mandated by Ind AS 19 "Employee Benefits". This constitutes non-compliance with the provisions of section 133 of the Companies Act, 2013.	The Company has made necessary provisions in the books of accounts without getting the report from the Actuarial valuation. However, Board is of view that the Company is not taken any impact on for Adjusted Figures (audited figures after adjusting for qualifications)	Qualified Opinion	Nineth	where the impact is quantified by the auditor, Management's Views: Impact assessed	NA
5	e) The company has not performed the impairment test of its cash-generating assets despite indications of assets remaining idle. This contravenes Ind AS 36 "Impairment of Assets" and is non-compliant with section 133 of the Companies Act, 2013.	Non availability of technical staff due to COVID-19, we could not conduct impairment status of assets. However, the Board is confident to get benefits from all the assets in future, therefore no provision has been made for impairment. As per the Board's view all the balances are correct as per our books of accounts. Therefore we have not taken any impact on for Adjusted Figures (audited figures after adjusting for qualifications)	Qualified Opinion	Nineth	where the impact is quantified by the auditor, Management's Views: Impact assessed	
6	f) The company has not carried out physical verification of its inventories during the period. Consequently, we are unable to express our opinion on the reliability of the stated amount in the books of account.	The company is having a system to make periodical physical verification of stock/inventories and also arriving at the values.	Qualified Opinion	Nineth	where the impact is quantified by the auditor, Management's Views: Impact assessed	

For and on behalf of the Board

*M V ANANTHAKRISHNA*  
Whole Time Director

*HIRAK KUMAR BASU*  
Chairman of Audit Committee

*R DHARMENDER*  
Chief Financial Officer

*K.V.N. Deepthi*

CA V N DEEPTHI KONERU  
Partner  
Membership Number F-228424  
Place : Hyderabad  
Date : 14-08-2023



For M/s PAVULURI & Co.,  
Chartered Accountants  
FRN No. 012194S