



Ref. No.: EIL/SD/OBM/Regl.-30/2023-2024/0411

Date : 4th November, 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,

Subject: Outcome of Board Meeting held on 4th November, 2023

This is to inform you that the Board of Directors (“Board”) of the Company at their meeting held on 4th November, 2023, *inter alia* approved and adopted Standalone and Consolidated Unaudited Financial Results for the quarter and half year ended on 30th September, 2023. Copy of Standalone and Consolidated Unaudited Financial Results for the quarter and half year ended on 30th September, 2023 along with limited review report are attached herewith.

The Board Meeting commenced 11.45 a.m. and concluded at 2.30 p.m. on 4th November, 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:

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 and Half Year Ended on 30th September, 2023

(Rs. in Crores Except for Earning Per Share)

Sr. No.	Particulars	Standalone					
		Quarter Ended			Half Year Ended		Year Ended
		30/09/2023 Unaudited	30/06/2023 Unaudited	30/09/2022 Unaudited	30/09/2023 Unaudited	30/09/2022 Unaudited	31/03/2023 Audited
I.	Revenue from Operations	985.15	931.45	747.34	1,916.60	1,425.92	3,074.05
II.	Other income	1.73	0.46	1.43	2.19	3.98	6.69
III.	Total Income (I+II)	986.88	931.91	748.77	1,918.79	1,429.90	3,080.74
IV.	Expenses :						
	(a) Cost of materials consumed	667.51	696.18	580.88	1,363.69	1,154.76	2,285.26
	(b) Changes in inventories of finished goods, work-in-progress and stock-in-trade	7.27	(15.18)	(5.39)	(7.91)	(12.09)	9.81
	(c) Employee benefits expenses	43.02	32.71	36.83	75.73	69.84	144.75
	(d) Finance Costs	13.32	21.66	17.33	34.98	28.30	66.07
	(e) Depreciation and amortisation expenses	11.57	11.51	11.94	23.08	23.66	47.08
	(f) Other expenses	176.51	145.81	122.52	322.32	223.73	499.68
	Total Expenses (IV)	919.20	892.69	764.11	1,811.89	1,488.20	3,052.65
V.	Profit / (Loss) before exceptional items and tax(III-IV)	67.68	39.22	(15.34)	106.90	(58.30)	28.09
VI.	Exceptional items (Refer Note 8)			(22.34)		(22.34)	(104.75)
VII.	Profit / (Loss) before tax (V+VI)	67.68	39.22	(37.68)	106.90	(80.64)	(76.66)
VIII.	Tax expense						
IX.	Net Profit / (Loss) for the period (VII-VIII)	67.68	39.22	(37.68)	106.90	(80.64)	(76.66)
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	(0.07)	(0.51)	(0.09)	(0.58)	(0.19)	(2.03)
	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)	67.61	38.71	(37.77)	106.32	(80.83)	(78.69)
XII.	Paid-up Equity Share Capital (Face value of Rs. 10/- each)	12.74	12.74	12.74	12.74	12.74	12.74
XIII.	Other Equity excluding Revaluation Reserve as at March 31st						(1,253.19)
XIV.	Earnings per equity share (not annualised for the quarter)						
	Basic	53.12	30.78	(29.58)	83.91	(63.30)	(60.17)
	Diluted	53.12	30.78	(29.58)	83.91	(63.30)	(60.17)



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 November 03, 2023 and approved by the Board of Directors at their meeting held on November 04, 2023.
2	The Statutory auditor have carried out limited review of the standalone financial results of the company for the quarter and half year ended on September 30, 2023.
3	<p>(a)(i) 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 has not replied to the said notice and there is no further communication from the Edelweiss Asset Reconstruction Company Limited. Now, in view of approval of restructuring by Edelweiss Asset Reconstruction Company Limited; through communication, subject to formal documentation, this demand notice has become inexecutable.</p> <p>(ii) 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 a default 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 said petition alongwith Interlocutory Applications are pending and as restructuring proposal of the Company by EARC, was under active consideration and on payment of substantial dues of default amount by the Company, a joint pursis dated October 3, 2023 was filed before the Hon'ble NCLT, Ahmedabad and the petition was adjourned.</p> <p>(iii) Based on the proposal of the Company, through communication, Edelweiss Assets Reconstruction Company Limited on November 01, 2023 approved the restructuring of the outstanding due up to August 31, 2023, wherein the company is required to pay total amount of Rs.390.65 Crore, through 28 instalment (from August 08 2023 to March 31, 2026) and as per the terms and conditions mentioned in the restructuring.</p> <p>(b) (i) Union Bank of India, a financial creditor has filed a petition 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 for the default amount of Rs. 305.38 Crores. The petition is pending and in view of the approval for condonation of delay in payment of OTS amount by Union Bank of India on August 18, 2023, the petition was adjourned from time to time by the Hon'ble NCLT, Ahmedabad.</p> <p>(ii) Based on the proposal of the Company, Union Bank of India (including Corporation bank merged with Union Bank of India) on August 18, 2023 has approved condonation of delay in payment of OTS amount towards the outstanding due up to March 31, 2023 (both principal and Interest), where in company has agreed to pay Rs 45.00 Crore payable in seven instalment (from June 30, 2023 to December 31, 2023) and Interest is payable @ 1 year MCLR + 2% on reducing balance from April 01, 2023. The difference amount of Rs. 5.16 Crores on account of OTS / condonation with the Bank has been included in finance cost during the quarter and half year ended as on September 30, 2023. The Company is regularly paying the installment as and when due.</p>
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 instalments due from June - 2020 to September - 2023 to Invent Assets Securitization and Reconstruction Private Limited and Rare Asset Reconstruction Limited from December-2020 to September-2023. The company has not paid interest due thereon for the period from September - 2020 to September - 2023 to the above lenders. The said interest has been included under the head finance cost of the respective quarters. The company has requested respective lenders/ARCs to approve revised repayment schedule in relation to it and which is yet to be confirmed by the respective lenders/ARCs.
6	The loan account with Indian Overseas Bank, which was classified as non-performing assets during August 2011, has been assigned to Assets Reconstruction Company, but with whom the settlement terms have not been entered into, accordingly the company has not made provision for interest for the quarter and half year ended September 30, 2023 of Rs 28.55 Crore and Rs 56.21 Crore respectively (on approximate basis), in the books of accounts and accordingly the amount of net profit for the quarter and half year ended September 30, 2023 is overstated by Rs 28.55 Crore and Rs 56.21 Crore respectively. Accordingly, the total amount, of Assets Reconstruction Company liability and retained earnings/(loss) as on September 30, 2023 is understated by Rs. 724.83 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 defaulted in complying with the terms and conditions of settlement entered with the ARCs as stated in para 5 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 and Edelweiss Assets Reconstruction Company Limited the impact of reduction in debt due to Settlement with Banker/ARCs, will be given on the final compliance of all the terms and conditions of the settlement terms.
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. Shallesh 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 Hon'ble 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 finalizing the sale of the mortgaged property where in DRAT has directed Hans Ispat Limited to deposit Rs. 25 crores in 4 equal instalments within 7 weeks. The said appeals are pending for further hearing. During the quarter and half year ended as on September 30, 2022 and year ended as on March 31, 2023, the company has provided expected credit loss / Provision for doubtful Debt of Rs 22.34 Crore, Rs 22.34 Crore and 68.29 Crore, respectively (on trade receivable & on advances) and impairment on Investment in subsidiary as on March 31, 2023 is Rs 36.46 Crore.
9	Few accounts 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	(Rs. in Crores)	
		As At	As At
		30/09/2023	31/03/2023
		Unaudited	Audited
A	ASSETS		
1	Non-current Assets		
	(a) Property, Plant and Equipment	606.10	614.90
	(b) Capital Work-in-Progress	31.55	26.08
	(c) Other Intangible assets	3.21	3.71
	(d) Right of Use Asset	1.32	1.60
	(e) Financial Assets		
	(i) Investments	9.89	9.80
	(ii) Loans	-	-
	(iii) Other Financial Assets	32.44	32.12
	(f) Other non-current assets	3.98	2.44
	Sub Total Non-Current Assets	688.49	690.65
2	Current Assets		
	(a) Inventories	597.99	566.19
	(b) Financial Assets		
	(i) Investment	0.05	0.04
	(ii) Trade receivables	228.22	197.13
	(iii) Cash and cash equivalents	31.56	65.64
	(iv) Bank balances other than (iii) above	5.76	6.64
	(v) Other Financial Assets	1.32	1.39
	(c) Current Tax Assets (Net)	6.98	5.53
	(d) Other current assets	215.70	175.81
	Sub Total Current Assets	1,087.58	1,018.37
	TOTAL ASSETS	1,776.07	1,709.02
B	EQUITY AND LIABILITIES		
(I)	Equity		
	(a) Equity Share Capital	12.74	12.74
	(b) Other Equity	(945.83)	(1,052.15)
	Total Equity	(933.09)	(1,039.41)
(II)	LIABILITIES		
1	Non-current liabilities		
	(a) Financial Liabilities		
	(i) Borrowings	900.93	244.88
	(ii) Lease Liabilities	-	0.18
	(b) Provisions	21.35	21.35
	Sub Total Non-Current Liabilities	922.28	266.41
2	Current liabilities		
	(a) Financial Liabilities		
	(i) Short term borrowings	899.52	1,643.74
	(ii) Lease Liabilities	1.30	1.36
	(iii) Trade payables		
	(a) Micro Enterprises & Small Enterprises	90.50	50.19
	(b) Other than Micro Enterprises & Small Enterprises	361.46	324.66
	(iv) Other financial liabilities	72.56	89.67
	(b) Other current liabilities	340.87	355.31
	(c) Provisions	20.67	17.09
	(d) Current Tax Liabilities (Net)		
	Sub Total Current Liabilities	1,786.88	2,482.02
	TOTAL EQUITY AND LIABILITIES	1,776.07	1,709.02



Statement of Cash Flow: (Standalone)

Sr. No.	Particulars	(Rs. in Crores)	
		Period Ended	Period Ended
		30/09/2023 Unaudited	30/09/2022 Audited
A: CASH FLOW FROM OPERATING ACTIVITIES			
	Profit / (Loss) Before Tax	106.90	(80.64)
Adjustments to reconcile profit/(loss) before tax to net cash			
	Depreciation on property, plant, equipment & Amortization of Assets	23.08	23.66
	Finance income (including fair value changes in financial instruments)	(1.05)	(0.87)
	Net Sundry Balances Written Off (Written Back)	0.01	(0.07)
	Exceptional item	-	22.34
	Finance costs (including fair value changes in financial instruments)	34.98	28.30
	Unrealized foreign exchange (gain)/loss	(3.33)	(4.25)
	Operating Profit before working capital changes	160.59	(11.53)
Working capital adjustments:			
	Decrease/(Increase) in trade receivables	(27.49)	(9.00)
	Decrease/(Increase) in inventories	(31.80)	(31.78)
	Decrease/(Increase) in other current financial assets & others	0.04	(0.03)
	Decrease/(Increase) in other current Asset	(39.89)	(29.92)
	(Decrease)/Increase in trade payables	76.83	38.87
	(Decrease)/Increase in other current liabilities	(14.44)	50.78
	(Decrease)/Increase in other current financial liabilities	(1.27)	1.45
	(Decrease)/Increase in provisions	3.00	2.90
	Cash generated from operations	125.57	11.74
	Direct taxes (paid) / refund	(1.46)	(0.28)
	Net Cash generated from operating activities	124.11	11.46
B: CASH FLOW FROM INVESTING ACTIVITIES			
	Purchase of Property, Plant & Equipments & intangible assets (including CWIP and capital advances)	(20.52)	(6.16)
	Redemption/(Investment) of bank deposits	0.05	2.31
	Interest income	1.50	1.58
	Net Cash (used in) / generated from investing activities	(18.97)	(2.27)
C: CASH FLOW FROM FINANCING ACTIVITIES			
	Repayment of borrowings (Net)	(88.17)	(43.70)
	Payment of Principal portion of Lease Liabilities	(0.30)	(0.39)
	Finance Cost (Net)	(50.75)	(0.82)
	Net Cash (used in) / generated from financing activities	(139.22)	(44.91)
	Net (Decrease)/ Increase in Cash and Cash Equivalents	(34.08)	(35.72)
	Cash and Cash Equivalents at the beginning of the year	65.64	64.01
	Cash and Cash Equivalents at the end of the year	31.56	28.29

Place: Ahmedabad
Date: 04/11/2023



FOR ELECTROTHERM (INDIA) LIMITED

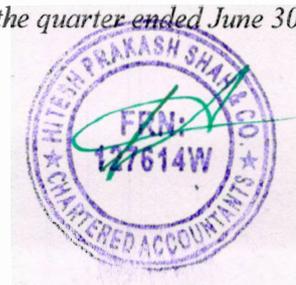
SHAILESH BHANDARI
MANAGING DIRECTOR
(DIN: 00058866)



INDEPENDENT AUDITOR'S REVIEW REPORT ON THE QUARTERLY AND YEAR TO DATE UNAUDITED STANDALONE FINANCIAL RESULTS 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 September 30, 2023 and year to date from April 1, 2023 to September 30, 2023 (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. The Company's Management is responsible for the preparation of the Statement 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 compliance with Regulation 33 of Listing Regulations. The Statement has been approved by the Company's Board of Directors. 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 No. 6 of non-provision of interest on NPA accounts of banks on approximate basis of Rs. 28.55 Crore, for the quarter ended September 30, 2023 under consideration and the total amount of such unprovided interest till date is Rs 724.83 Crore. The exact amounts of the said non provision of interest are not determined and accordingly the amount of Net Profit for the quarter is Overstated by Rs. 28.55 crore and the amount of Bank/ARC liability and Total retained earnings/(loss) as on September 30, 2023 is under stated by Rs. 724.83 Crore. Our audit report for the previous year ended on March 31, 2023 and limited review report for the quarter ended June 30, 2023 and September 30, 2022 were also qualified in respect of this matter.



5. Based on our review conducted as 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 3(a) (i)** 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(a)(ii) & 3(b)(i)** 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 and Union Bank of India.
 - c) **Note No. 3(a)(iii) and 3(b)(ii)** to the standalone financial results related to approval of restructuring of outstanding dues as per the proposal by the company with Edelweiss Assets Reconstruction Company Limited and Union Bank of India.
 - d) **Note No 5** to the standalone financial result in respect of non-payment of Instalments due to lender of the loan for the period from June 30, 2020 to September 30, 2023 and Interest due for the period from September 30, 2020 till September 30, 2023 and the lenders are yet to confirm the revised repayment schedule.
 - e) **Note No 7** to the standalone financial result related to default in complying with the terms and conditions of settlement entered with the ARCs as specified in note no 5 to the standalone financial results and the uncertainty about the amount of final liability and the impact of the settlement with Central Bank of India and Edelweiss Assets Reconstruction Company Limited.
 - 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.

Our conclusion is not modified in respect of these matters.

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



PLACE: AHMEDABAD
DATE: 04th November, 2023
UDIN: 23124095BGXFTK1232

HITESH P SHAH
PARTNER
MEMBERSHIP NO. 124095

**ELECTROTHERM (INDIA) LIMITED**

Registered Office : A-1, Skyark 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 Consolidated Financial Results For The Quarter And Half Year ended on 30th September, 2023

(Rs. in Crores Except for Earning Per Share)

Sr. No.	Particulars	Consolidated					
		Quarter Ended			Half Year Ended		Year Ended
		30/09/2023 Unaudited	30/06/2023 Unaudited	30/09/2022 Unaudited	30/09/2023 Unaudited	30/09/2022 Unaudited	31/03/2023 Audited
I	Revenue from Operations	985.15	931.45	747.34	1,916.60	1,425.92	3,074.05
II	Other income	2.13	0.46	1.42	2.59	3.97	6.69
III	Total Income (I+II)	987.28	931.91	748.76	1,919.19	1,429.89	3,080.74
IV	Expenses :						
	(a) Cost of materials consumed	667.51	696.18	580.88	1,363.69	1,154.76	2,285.26
	(b) Changes in inventories of finished goods, work-in-progress and stock-in-trade	7.27	(15.16)	(5.39)	(7.89)	(12.08)	9.81
	(c) Employee benefits expenses	43.02	32.72	36.83	75.74	69.88	144.79
	(d) Finance Costs	13.32	21.66	17.34	34.98	29.40	67.17
	(e) Depreciation and amortisation expenses	12.06	12.01	12.48	24.07	24.71	49.19
	(f) Other expenses	176.58	145.81	122.60	322.39	223.93	499.88
	Total Expenses (IV)	919.76	893.22	764.74	1,812.98	1,490.60	3,056.10
V	Profit/ (Loss) before exceptional items, Share in Profit/ (Loss) of Joint Venture and tax (III-IV)	67.52	38.69	(15.98)	106.21	(60.71)	24.64
VI	Less:Exceptional items (Refer Note 10)	-	-	-	-	-	36.46
VII	Profit / (Loss) before tax and share in Profit/(Loss) of Joint Venture (V-VI)	67.52	38.69	(15.98)	106.21	(60.71)	(11.82)
VIII	Tax expense						
	(1) Tax of Earlier year	-	-	0.00	-	-	(0.01)
IX	Profit / (Loss) for the period before Share of Profit of Joint Venture (VII-VIII)	67.52	38.69	(15.98)	106.21	(60.71)	(11.83)
X	Share of Profit of Joint Venture	0.01	-	0.01	0.01	0.01	0.01
XI	Net Profit / (Loss) for the period (IX+X)	67.53	38.69	(15.97)	106.22	(60.70)	(11.82)
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	(0.07)	(0.51)	(0.09)	(0.58)	(0.19)	(2.03)
	ii) Income tax relating to items that will not be reclassified to profit	-	-	-	-	-	-
	<i>B) Items that will be reclassified to Profit or Loss</i>						
XIII	Total Comprehensive Income/ (Loss) for the period (XI+XII)	67.46	38.18	(16.06)	105.64	(60.89)	(13.85)
XIV	Net Profit / (Loss) after share of Profit of Joint Venture attributable to						
	Equity holder of the parent	67.53	38.69	(15.97)	106.22	(60.70)	(11.82)
	Non controlling Interest	-	-	-	-	-	-
	Other Comprehensive Income / (Loss) attributable to						
	Equity holder of the parent	(0.07)	(0.51)	(0.09)	(0.58)	(0.19)	(2.03)
	Non controlling Interest	-	-	-	-	-	-
XV	Total Comprehensive Income / (Loss) for the period attributable to						
	Equity holder of the parent	67.46	38.18	(16.06)	105.64	(60.89)	(13.85)
	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	12.74
XVII	Other Equity excluding Revaluation Reserve as at March 31st						(1,352.25)
XVIII	Earnings per equity share (not annualised for the quarter)						
	Basic	53.01	30.37	(12.54)	83.38	(47.65)	(9.28)
	Diluted	53.01	30.37	(12.54)	83.38	(47.65)	(9.28)



SEGMENT WISE REVENUE, RESULTS, ASSETS & LIABILITIES							(Rs. in Crores)
Sr. No.	Particulars	Consolidated					Year Ended 31/03/2023
		Quarter Ended			Half Year Ended		
		30/09/2023	30/06/2023	30/09/2022	30/09/2023	30/09/2022	
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited	
1	Segment Revenue						
	(a) Engineering & Technologies Division	335.90	299.14	247.72	635.04	418.09	1,007.50
	(b) Special Steel Division	641.25	626.65	488.97	1,267.90	986.35	2,034.65
	(c) Electric Vehicle Division	10.84	7.80	13.65	18.64	24.84	39.52
	(d) Others	-	0.01	-	0.01	0.02	0.02
	Total	987.99	933.60	750.34	1,921.59	1,429.30	3,081.69
	Less: Inter Segment Revenue	2.84	2.15	3.00	4.99	3.38	7.64
	Revenue from Operations	985.15	931.45	747.34	1,916.60	1,425.92	3,074.05
2	Segment Results Profit (Loss) Before Finance Cost and Tax						
	(a) Engineering & Technologies Division	41.52	32.62	34.78	74.14	50.94	143.82
	(b) Special Steel Division	40.70	28.77	(32.51)	69.47	(81.59)	(86.25)
	(c) Electric Vehicle Division	(1.37)	(1.01)	(0.83)	(2.38)	(0.58)	(2.15)
	(d) Others	-	(0.03)	(0.08)	(0.03)	(0.08)	(0.06)
	Total	80.85	60.35	1.36	141.20	(31.31)	55.35
	Less: (i) Finance Costs	13.32	21.66	17.34	34.98	29.40	67.17
	Total Profit / (Loss) Before Tax	67.53	38.69	(15.98)	106.22	(60.71)	(11.82)
3	Segment Assets						
	(a) Engineering & Technologies Division	697.80	661.36	608.80	697.80	608.80	657.82
	(b) Special Steel Division	1,078.88	1,079.07	1,113.01	1,078.88	1,113.01	1,055.48
	(c) Electric Vehicle Division	33.76	31.37	30.98	33.76	30.98	31.06
	(d) Others	7.64	7.65	7.60	7.64	7.60	7.78
	Total	1,818.08	1,779.45	1,760.39	1,818.08	1,760.39	1,752.14
4	Segment Liabilities						
	(a) Engineering & Technologies Division	759.14	782.93	853.53	759.14	853.53	768.77
	(b) Special Steel Division	2,010.10	2,016.68	2,012.42	2,010.10	2,012.42	2,041.20
	(c) Electric Vehicle Division	10.74	9.20	9.01	10.74	9.01	9.59
	(d) Others	28.67	28.68	28.68	28.67	28.68	28.79
	Total	2,808.65	2,837.49	2,903.64	2,808.65	2,903.64	2,848.35



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 meeting held on November 03, 2023 and approved by the Board of Directors at their meeting held on November 04, 2023.
2	The Statutory auditor have carried out limited review of the standalone financial results of the company for the quarter and half year ended as on September 30, 2023.
3	<p>In Holding Company:-</p> <p>(a)(i) 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 has not replied to the said notice and there is no further communication from the Edelweiss Asset Reconstruction Company Limited. Now, in view of approval of restructuring by Edelweiss Asset Reconstruction Company Limited through communication, subject to formal documentation, this demand notice has become infructuous.</p> <p>(ii) 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 a default 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 said petition alongwith Interlocutory Applications are pending and as restructuring proposal of the Company by EARC, was under active consideration and on payment of substantial dues of default amount by the Company, a joint pursis dated October 3, 2023 was filed before the Hon'ble NCLT, Ahmedabad and the petition was adjourned.</p> <p>(iii) Based on the proposal of the holding Company, through communication, Edelweiss Assets Reconstruction Company Limited on November 01, 2023 approved the restructuring of the outstanding due up to August 31, 2023, wherein the company is required to pay total amount of Rs.390.65 Crore, through 28 instalment (from August 08 2023 to March 31, 2026) and as per the terms and conditions mentioned in the restructuring.</p> <p>(b)(i) Union Bank of India, a financial creditor has filed a petition 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 for the default amount of Rs. 305.38 Crores. The petition is pending and in view of the approval for condonation of delay in payment of OTS amount by Union Bank of India on August 18, 2023, the petition was adjourned from time to time by the Hon'ble NCLT, Ahmedabad.</p> <p>(ii) Based on the proposal of the holding Company, Union Bank of India (including Corporation bank merged with Union Bank of India) on August 18, 2023 has approved condonation of delay in payment of OTS amount towards the outstanding due up to March 31, 2023 (both principal and Interest), where in company has agreed to pay Rs 45.00 Crore payable in seven instalment (from June 30, 2023 to December 31, 2023) and Interest is payable @ 1 year MCLR + 2% on reducing balance from April 01, 2023. The difference amount of Rs. 5.16 Crores on account of OTS / condonation with the Bank has been included in finance cost during the quarter and half year ended as on September 30, 2023. The Company is regularly paying the installment as and when due.</p>
4	<p>(a) Hans Ispat Limited, subsidiary, has not paid instalment due from December - 2019 to September - 2023 to Invent Assets Securitization and Reconstruction Private Limited.</p> <p>(b) The holding company has not paid instalments due from June - 2020 to September - 2023 to Invent Assets Securitization and Reconstruction Private Limited and Rare Asset Reconstruction Limited from December-2020 to September-2023. The holding company has not paid interest due thereon for the period from September - 2020 to September - 2023 to the above lenders. The said interest has been included under the head finance cost of the respective quarters. The company has requested respective lenders/ARCs to approve revised repayment schedule in relation to it and which is yet to be confirmed by the respective lenders/ARCs.</p>
5	The loan accounts of group i.e. Indian Overseas Bank (which has been assigned to Assets Reconstruction Company) defaulted from August - 2011, Bank of Baroda defaulted from April - 2014 and State Bank of India defaulted from December - 2011 were classified as non-performing assets, but with whom the settlement terms have not been entered into, accordingly the group has not made provision for interest for the quarter and half year ended September 30, 2023 of Rs 34.04 Crore and Rs 67.01 Crore respectively (on approximate basis), in the books of accounts and accordingly the amount of net profit for the quarter and half year ended September 30, 2023 is over stated by Rs 34.04 Crore and Rs 67.01 Crore respectively. Accordingly, the total amount, of Assets Reconstruction Company liability & Bank and retained earnings/(loss) as on September 30, 2023 is understated by Rs. 871.81 Crore. The statutory auditor has expressed qualification in respect of non-provision of interest by the group on the said loan.
6	The group has defaulted in complying with the terms and conditions of settlement entered with the Banks / ARCs as stated in para 4(b) above 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 and Edelweiss Assets Reconstruction Company the impact of reduction in debt due to Settlement with Banker, will be given on the final compliance of all the terms and conditions of the settlement terms.
7	Few accounts 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.
8	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.
9	<p>(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.</p> <p>(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 Hornnarhall Village, Hatchali Post, Siruguppa Taluk, Bellari District, Karnataka in February 2019, affecting the going concern of the said company.</p> <p>(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.</p> <p>(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.</p> <p>However, Invent Assets Securitizations & 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 Securitizations & 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 finalizing the sale of the mortgaged property where in DRAT has directed Hans Ispat Limited to deposit Rs. 25 crores in 4 equal installments within 7 weeks. The said appeals are pending for further hearing.</p> <p>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.</p>
10	Considering the outlook of the current situation as stated in para 9(d), during the year ended as on March 31, 2023 the group have provided an impairment on goodwill of Rs 36.46 Crore and have been shown as exceptional item.
11	Figure of previous period's have been regrouped, wherever considered necessary to make them comparable to current period figure.

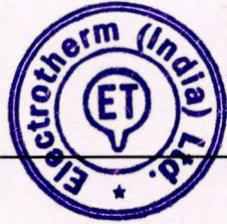


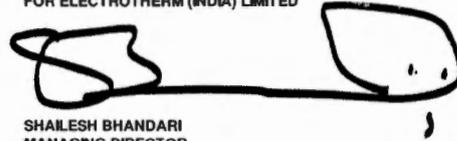
Statement of Assets and Liabilities: (Consolidated)			
(Rs. in Crores)			
Sr. No.	Particulars	Year Ended	Year Ended
		30/09/2023	31/03/2023
		UnAudited	Audited
A	ASSETS		
1	Non-current Assets		
	(a) Property, Plant and Equipment	622.66	632.45
	(b) Capital Work-in-Progress	31.54	26.08
	(c) Intangible assets	3.21	3.71
	(d) Right to use assets	1.32	1.60
	(e) Financial Assets		
	(i) Investments in Joint Venture	6.98	6.98
	(ii) Investments	0.58	0.49
	(iii) Other Financial Assets	- 40.26	39.94
	(f) Other non-current assets	4.54	3.00
	Sub Total Non-Current Assets	711.09	714.25
2	Current Assets		
	(a) Inventories	602.41	570.63
	(b) Financial Assets		
	(i) Investments	0.05	0.04
	(ii) Trade receivables	239.12	208.38
	(iii) Cash and cash equivalents	32.00	66.09
	(iv) Bank balances other than (iii) above	5.76	6.64
	(v) Other Financial Assets	1.61	1.68
	(c) Current Tax Assets (Net)	8.39	6.90
	(d) Other current assets	217.65	177.53
	Sub Total Current Assets	1,106.99	1,037.89
	TOTAL ASSETS	1,818.08	1,752.14
B	EQUITY AND LIABILITIES		
(I)	Equity		
	(a) Equity Share Capital	12.74	12.74
	(b) Other Equity	(1,003.31)	(1,108.95)
	Total Equity	(990.57)	(1,096.21)
(II)	LIABILITIES		
1	Non-current liabilities		
	(a) Financial Liabilities		
	(i) Borrowings	900.97	244.92
	(ii) Other financial liabilities	0.02	0.02
	(iii) Lease Liability	-	0.18
	(b) Provisions	21.35	21.35
	Sub Total Non-Current Liabilities	922.34	266.47
2	Current liabilities		
	(a) Financial Liabilities		
	(i) Short term borrowings	995.75	1,739.97
	(ii) Lease Liability	1.30	1.36
	(iii) Trade payables		
	(a) Micro Enterprises & Small Enterprises	90.51	50.20
	(b) Other than Micro Enterprises & Small Enterprises	362.75	326.29
	(iv) Other financial liabilities	72.57	89.68
	(b) Other current liabilities	342.69	357.22
	(c) Provisions	20.74	17.16
	Sub Total Current Liabilities	1,886.31	2,581.88
	TOTAL EQUITY AND LIABILITIES	1,818.08	1,752.14



Statement of Cash Flow: (Consolidated)		(Rs. in Crores)	
Sr. No.	Particulars	Period Ended	Period Ended
		30/09/2023	30/09/2022
		Unaudited	Audited
A: CASH FLOW FROM OPERATING ACTIVITIES			
	Profit / (Loss) Before Tax	106.21	(60.71)
Adjustments to reconcile profit/(loss) before tax to net cash flows:			
	Depreciation on property, plant, equipment & Amortization of Assets	24.07	24.71
	Finance income (including fair value changes in financial instruments)	(1.37)	(0.87)
	Net Sundry Balances Written Off (Written Back)	0.01	(0.07)
	Profit From Joint Venture	0.01	0.01
	Finance costs (including fair value changes in financial instruments)	34.98	29.40
	Unrealized foreign exchange (gain)/loss	(3.33)	(4.25)
	Operating Profit before working capital changes	160.58	(11.78)
Working capital adjustments:			
	Decrease/(Increase) in trade receivables	(27.14)	(8.90)
	Decrease/(Increase) in inventories	(31.78)	(31.76)
	Decrease/(Increase) in other current financial assets & others	0.04	(0.03)
	Decrease/(Increase) in other current Asset	(40.12)	(27.64)
	(Decrease)/Increase in trade payables	76.49	38.65
	(Decrease)/Increase in other current liabilities	(14.53)	50.56
	(Decrease)/Increase in other current financial liabilities	(1.27)	1.45
	(Decrease)/Increase in provisions	3.00	2.30
	Cash generated from operations	125.27	12.85
	Direct taxes paid (net)	(1.49)	(0.28)
	Net Cash generated from operating activities	123.78	12.57
B: CASH FLOW FROM INVESTING ACTIVITIES			
	Purchase of Property Plant and Equipment & Intangible assets (including CWIP and Capital Advance)	(20.51)	(6.16)
	Increase in Investment in Joint Venture	(0.01)	(0.01)
	Redemption/(Investment) of bank deposits	0.05	2.31
	Interest income	1.82	1.58
	Net Cash (used in) / generated from investing activities	(18.65)	(2.28)
C: CASH FLOW FROM FINANCING ACTIVITIES			
	(Repayment) of borrowings	(88.17)	(43.70)
	Payment of Principal portion of Lease Liabilities	(0.30)	(0.39)
	Finance Cost (Net)	(50.75)	(1.92)
	Net Cash (used in) / generated from financing activities	(139.22)	(46.01)
	Net (Decrease)/ Increase in Cash and Cash Equivalents	(34.09)	(35.72)
	Cash and Cash Equivalents at the beginning of the year	66.09	64.47
	Cash and Cash Equivalents at the end of the year	32.00	28.75

FOR ELECTROTHERM (INDIA) LIMITED





SHAILESH BHANDARI
MANAGING DIRECTOR
(DIN: 00058866)

Place: Ahmedabad
Date: 04/11/2023



INDEPENDENT AUDITOR'S REVIEW REPORT ON THE QUARTERLY AND YEAR TO DATE 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 (the Holding Company and its subsidiaries together referred to as the "Group"), and its share of the net profit after tax and total comprehensive income of its joint venture for the quarter ended September 30, 2023 and year to date from April 01, 2023 to September 30, 2023 (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. The Holding Company's Management is responsible for the preparation of the Statement 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. The Statement has been approved by the Holding Company's Board of Directors. 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/CMD1/44/2019 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, Subsidiary)
 - b) Jinhua Jahari Enterprise Limited (Republic of China, fellow Subsidiary)
 - c) ET Elec-Trans Limited (Subsidiary)
 - d) Hans Ispat Limited (Subsidiary)
 - e) Shree Ram Electro Cast Limited (Subsidiary)
 - f) Electrotherm Services Limited (Subsidiary)
 - g) Bhaskarpara Coal Company Limited (Joint Venture)
5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review of reports of other auditors referred to in paragraph 9 below, 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.



6. Basis for Qualified Opinion

We draw attention to Note No. 5 to the consolidated financial results for non-provision of interest on NPA accounts of banks on approximate basis of Rs. 34.04 Crore, for the quarter under consideration and the total amount of such unprovided interest till date is Rs 871.81 Crore. The exact amounts of the said non provision of interest are not determined and accordingly the amount of Net profit for the quarter is overstated by Rs. 34.04 crore and the amount of Bank/ARC liability and Total retained earnings/(loss) as on September 30,2023 is under stated by Rs.871.81 Crore.

Our review report for the quarter ended June 30, 2023, for the quarter and year-to-date period ended September, 2022 and audit report for the year ended March 31, 2023 were also qualified with respect to this matter.

7. Material Uncertainty Related to Going Concern of its Subsidiaries and Joint Venture

a. Bhaskarpara Coal Company Limited

We draw attention on Note No 9 (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 9 (b) of the consolidated financial result, relating to the actions taken by State Bank of India under SARF AESI Act, 2002 and subsequent action of the sale through auction of the assets of the Company by Bank and non-repayment of loans taken from Bank and non-provision of Interest on the said loans in subsidiary Shree Ram Electrocast Limited, affecting the going concern of the said company.

c. ET Elec-Trans Limited

We draw attention on Note No 9 (c) of the consolidated financial result, 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 9 (d) of the consolidated financial result, 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.

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

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

a) **Note No 3(a)(i)** 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.

b) **Note No 3(a)(ii) & 3(b)(i)** 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 and Union Bank of India.

c) **Note No. 3(a)(iii) and 3(b)(ii)** to the consolidated financial results related to approval of restructuring of outstanding dues as per the proposal by the company with Edelweiss Assets Reconstruction Company Limited and Union Bank of India.

d) **Note No 4** to the consolidated financial result in respect of non-payment of Instalments and Interest due to lender of the loans and the lenders are yet to confirm the revised repayment schedule.

e) **Note No 6** to the consolidated financial result related to default in complying with the terms and conditions of settlement entered with the ARCs as specified in note no. 4(b) to the consolidated financial results and the uncertainty about the amount of final liability and the impact of the settlement with Central Bank of India and Edelweiss Asset Reconstruction Company Limited



- f) **Note No 7** to the consolidated financial result in respect of confirmation / reconciliation of few accounts of "Trade Receivables", "Trade Payables", "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 8** to the consolidated financial result in respect of pending enquiries/notices/summons/ litigation /recovery proceedings against the group and the Directors of the Group.
- h) **Note No 9(d)** to the consolidated financial result related in respect of pending appeal file against the order of DRT Ahmedabad filed for sale of property of the wholly owned subsidiary M/s Hans Ispat Limited.

Our conclusion is not modified in respect of these matters.

9. We did not review the interim financial information/financial results of 4 subsidiaries included in Statement, whose interim financial information/financial results reflects total assets of Rs.43.80 crores (before consolidation adjustments) as at September 30, 2023, total revenue of Rs. 0.32 crores and Rs. 0.33 crores (before consolidation adjustments), total net loss after tax of Rs 0.18 crores and Rs. 0.67 crores (before consolidation adjustments), total comprehensive loss of Rs. 0.18 crores and Rs. 0.67 crores (before consolidation adjustments), for the quarter ended September 30, 2023 and the six-month period ended on that date respectively, and net cash Inflow of Rs. 0.31 crores for the period ended from April 1, 2023 to September 30, 2023, as considered in the unaudited consolidated financial results. The unaudited consolidated financial results also include the Group's share of net profit after tax of Rs. 0.01 crores and net profit after tax of Rs 0.01 crores (before consolidation adjustments) and total comprehensive income of Rs. 0.01 crores and total comprehensive income of Rs. 0.01 crores (before consolidation adjustments), for the quarter ended 30 September 2023 and for the period from 01 April 2023 to 30 September 2023, respectively as considered in the Statement, in respect of one joint venture, whose interim financial information/ interim financial results have not been reviewed by us. These interim financial information/ interim financial results have been reviewed by other auditors whose reports 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 included in respect of these subsidiaries/joint ventures, is based solely on the reports of the other auditors and the procedures performed by us as stated in paragraph 3 above.

Our conclusion is not modified in respect of this matter.

10. The Statement includes the interim financial information/financial results of 2 foreign subsidiaries which have not been reviewed, whose interim financial information/ financial results reflect total assets of Rs.3.97 crores (before consolidation adjustments) as at September 30, 2023 and total revenues of Rs 0.00 crores and Rs. 0.00 crores (before consolidation adjustments), total net loss after tax of Rs. 0.00 crores and Rs. 0.03 crores (before consolidation adjustments), total comprehensive loss of Rs. 0.00 crores and Rs. 0.03 crores (before consolidation adjustments), for the quarter ended September 30, 2023 and the six month period ended on that date respectively and net cash outflows of Rs. 0.03 crores for the period from April 1, 2023 to September 30, 2023 as considered in the Statement. These unaudited interim financial results and other unaudited financial information of these subsidiaries have not been reviewed by their auditors and 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, is 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 is not modified in respect of this matter.

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



PLACE: AHMEDABAD
DATE: 04th November, 2023
UDIN: 23124095BGXFTL7856