



FACOR ALLOYS LIMITED

CIN- L27101AP2004PLC043252

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

Phone: +91-11-4107 2935

E-Mail: facoralloys@facor.in; Website: www.facoralloys.in

25th June, 2021

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

Ref: Scrip Code- 532656

Dear Sir,

Sub: Submission of Audited Financial Results for the quarter and year ended 31st March, 2021 under Regulation 33 of SEBI (Listing Obligations & Disclosure Requirements), Regulations, 2015.

We would like to inform that the Board of Directors of the Company at their meeting held on today i.e. 25th June, 2021, has approved the Audited Financial Results of the Company for the quarter and year ended on 31st March, 2021.

In terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose herewith the Audited Standalone as well as Consolidated Financial Results of the Company in the prescribed format for the quarter and year ended 31st March, 2021 along with the Auditors' Report.

Further enclosed is the declaration u/r 33(3)(d) of SEBI (Listing Obligations & Disclosure Requirements), Regulations, 2015.

The meeting commenced at 11.30 a.m. and concluded at 01.00 p.m.

Request to take the above information on your record.

Thanking you,

Yours' faithfully
For FACOR ALLOYS LTD.


(Piyush/Agarwal)
Company Secretary

Mishra NB - A-25765



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25th June, 2021

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

Ref: Scrip Code- 532656

Dear Sir,

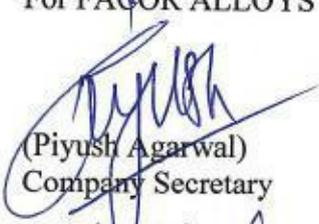
Sub: Declaration u/r 33(3)(d) of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.

Pursuant to the provisions of Regulation 33(3)(d) of the SEBI LODR Regulations read with Circular no. SEBI/LAD-NRD-GN/20/16-17/001 dated 25/05/2016 and Circular no. CIR/CFD/CMD/ 56/2016 dated 27/5/2016, issued by the SEBI, it is hereby declared that the Auditors' Report as submitted by M/s K. K. Mankeshwar & Co., Statutory Auditors, on the Audited Standalone Financial Statement for the year ended 31st March, 2021 and the Audited Consolidated Financial Statement for the year ended 31st March, 2021 are with un-modified opinion.

This is for your information and record.

Thanking you,

Yours' faithfully
For FACOR ALLOYS LTD.


(Piyush Agarwal)
Company Secretary

M'ship no - A25/15

FACOR ALLOYS LIMITED

REGD. OFFICE: SHREERAMNAGAR 535 101, GARIVIDI, DISTRICT: VIZIANAGARAM (A.P.) CIN: L27101AP2004PLC043252
 WEBSITE: www.facoralloys.in, PHONE: +91 8952 282029, FAX: +91 8952 282188, E-MAIL: facoralloys@facorgroup.in
 STATEMENT OF STANDALONE AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH, 2021

(₹ in Lakhs)

Sr. No.	Particulars	Quarter Ended			Year Ended	
		31ST MARCH, 2021	31ST DECEMBER, 2020	31ST MARCH, 2020	31ST MARCH, 2021	31ST MARCH, 2020
		(Refer Note 4) (Audited)	(Unaudited)	(Refer Note 4) (Audited)	(Audited)	(Audited)
	INCOME					
1	Revenue from operations	5,637.27	2,978.68	4,463.01	14,366.74	29,139.31
2	Other income	106.10	69.52	(1.02)	403.69	2,842.20
3	Total Income (1+2)	5,743.37	3,048.20	4,461.99	14,770.43	31,981.51
4	Expenses					
	a) Cost of materials consumed	733.96	724.24	2,058.68	4,386.27	11,707.12
	b) Changes in inventories of finished goods, work-in-progress	49.61	(136.32)	(293.65)	259.50	(146.88)
	c) Employee benefits expense	474.64	418.57	410.17	1,724.03	1,804.91
	d) Finance costs	47.23	56.86	76.69	332.67	379.93
	e) Depreciation and amortisation expense	66.50	35.13	65.49	200.33	239.02
	f) Power and Fuel Expenses	3,290.12	1,834.74	2,333.18	7,057.26	13,052.59
	g) Other expenses	701.64	392.33	691.46	1,821.91	3,274.27
	Total expenses	5,363.70	3,325.55	5,342.02	15,781.97	30,310.96
5	Profit / (Loss) Before Exceptional items and tax (3-4)	379.67	(277.35)	(880.03)	(1,011.54)	1,670.55
6	Exceptional Items					
	Profit/ (Loss) on Sale /Discard of Fixed Asset	8.29	35.76	302.41	842.67	559.39
	Profit/ (Loss) on Sale of Investment	-	-	-	-	-
7	Net Profit /(Loss) before Tax (5+6)	387.96	(241.59)	(577.62)	(168.87)	2,229.94
8	Tax Expense					
	(a) Current tax	-	-	-	-	-
	(b) Tax for earlier years	-	-	-	(4.01)	-
	(c) Deferred tax	265.75	(80.95)	(88.32)	(209.03)	1,201.83
9	Net Profit /(Loss) for the period (7-8)	122.21	(160.64)	(489.30)	44.17	1,028.11
10	Other Comprehensive income/(loss)					
	Items that will not be reclassified to Profit and Loss					
	Remeasurement of defined benefit plans	63.35	(34.76)	(41.83)	(40.93)	(139.04)
	Deferred tax relating to remeasurement of defined benefit plans	15.95	(8.75)	(10.63)	(10.30)	(34.99)
	Other Comprehensive income/(loss)-Total	47.40	(26.01)	(31.30)	(30.63)	(104.05)
11	Total Comprehensive income for the period (9+10)	169.61	(186.65)	(520.60)	13.54	924.06
12	Paid-up equity share capital (Face value ₹ 1/- per share)	1,955.48	1,955.48	1,955.48	1,955.48	1,955.48
13	Earnings per share (in ₹) (of ₹ 1/-each) (not annualised):					
	(a) Basic EPS	0.06	(0.08)	(0.25)	0.02	0.53
	(b) Diluted EPS	0.06	(0.08)	(0.25)	0.02	0.53



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STATEMENT OF ASSETS AND LIABILITIES

ASSETS	STANDALONE	
	As at March 31st, 2021 (Audited)	As at March 31st, 2020 (Audited)
Non-Current Assets		
Property, plant and equipment	13,181.14	13,927.03
Right of Use Assets (ROU)	41.36	316.33
Financial assets		
(i) Investments	0.57	1.07
(ii) Other non-current financial assets	2,178.34	2,877.80
Deferred tax Asset (net)	646.72	427.39
Total Non-Current Assets	16,048.13	17,549.62
Current Assets		
Inventories	211.34	596.58
Financial assets		
(i) Trade receivables	2,206.84	1,031.52
(ii) Cash and cash equivalents	20.11	66.70
(iv) Other current financial assets	1,207.02	1,095.88
Current tax assets (net)	447.09	1,072.27
Other current assets	301.53	630.62
Assets Classified as Held for Sale	802.55	1,053.67
Total Current Assets	5,196.48	5,547.24
Total Assets	21,244.61	23,096.86
EQUITY AND LIABILITIES		
Equity		
Equity share capital	1,955.48	1,955.48
Other equity	12,748.77	12,735.23
Total Equity	14,704.25	14,690.71
Liabilities		
Non-Current Liabilities		
Provisions	132.90	130.60
Other Non-current financial liabilities	22.76	311.55
Total Non-Current Liabilities	155.66	442.15
Current Liabilities		
Financial Liabilities		
(i) Borrowings	642.00	985.00
(ii) Trade payables		
Micro Small and Medium Enterprises	163.05	235.44
Others	1,910.79	2,643.37
(iii) Other financial liabilities	304.05	251.16
Other current liabilities	2,099.06	2,587.12
Provisions	1,265.75	1,261.91
Total Current Liabilities	6,384.70	7,964.00
Total Liabilities	6,540.36	8,406.15
Total Equity and Liabilities	21,244.61	23,096.86



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Statement of Cash Flow for the year ended 31st March 2021

(₹ in Lakhs)

STANDALONE

	For the Year Ended 31 March 2021	For the Year Ended 31 March 2020
A. Cash flows from Operating Activities		
Net Profit/ (Loss) after Prior Period Items and Before Tax	(168.87)	2,229.94
Adjustments For:		
a) Interest Income	(230.01)	(218.42)
b) Depreciation	200.33	239.02
c) Provision for Doubtful Advances	0.60	0.65
d) Gain on Sale of Fixed Assets	(842.67)	(559.39)
e) Interest Expense	332.67	379.93
Operating Cash Profit before Working Capital Changes	(707.95)	2,071.73
Movement in Working Capital:-		
a) Increase/(Decrease) in Trade Payables	(804.97)	762.23
b) Increase/(Decrease) in Other Current Liabilities	(488.06)	461.63
c) Increase/(Decrease) in Other Current Financial Liabilities	53.30	30.63
d) (Increase)/Decrease in Other Non Current Financial Assets	927.97	(300.53)
e) (Increase)/Decrease in Provisions	(34.79)	(147.49)
f) (Increase)/Decrease in Other Current Financial Assets	(111.71)	473.39
g) (Increase)/Decrease in Inventories	385.24	842.42
h) (Increase)/Decrease in Trade Receivables	(1,175.32)	162.73
i) (Increase)/Decrease in Other Current Assets	329.09	(73.99)
j) (Increase)/Decrease in Other Non Current Financial Liabilities	(288.79)	311.55
k) (Increase)/Decrease in long term loans & Advances	-	12.50
Cash Generated from/ (used in) Operations	(1,915.99)	4,606.80
Less: Income Tax Paid (Net of Refunds)	629.19	(300.23)
Net Cash Generated from/ (used in) Operating Activities(A)	(1,286.80)	4,306.57
B. Cash Flow from Investing Activities:		
(Purchase) of Property, Plant and Equipment and Capital Work in Progress	(30.99)	(5.84)
Net Proceeds of Property, Plant and Equipment and Capital Work in Progress	1,716.80	2,118.87
Payment including advances for acquiring Right-of-Use Asset	-	(362.79)
Interest Received	229.98	219.57
Net movement in Investments	0.50	0.50
Net Cash Generated from/ (Used in) Investing Activities (B)	1,916.29	1,970.31
C. Cash Flow from Financing Activities:		
Net proceeds/(Repayment) of Borrowings	(343.00)	(3,702.17)
Interest Expense Paid	(333.08)	(3,344.32)
Net Cash generated from/ (used in) Financing Activities (C)	(676.08)	(7,046.49)
Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)	(46.59)	(769.61)
Cash and Cash Equivalents at the Beginning of the year	66.70	836.31
Cash and Cash Equivalents at the End of the year	20.11	66.70



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Notes:

- 1 The aforesaid financial results have been reviewed by the Audit Committee and approved by the Board of Directors, at their Meeting held on 25.06.2021. The Statutory Auditor have expressed an unmodified audit opinion on these standalone financial results.
- 2 The financial results are prepared in accordance with Indian Accounting Standards ('Ind AS') notified under section 133 of the Companies Act, 2013, read together with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other recognised accounting practices and policies to the extent applicable.
- 3 The Company has taken into account potential impact of COVID-19 in the preparation of above results. Based on information currently available, there is no material impact on the carrying amount of its financial and non-financial assets. However, the impact assessment of COVID-19 is continuing process given the uncertainties associated with its nature and duration. the company will continue to monitor any material changes to future economic conditions.
- 4 The figures for last quarter are the balancing figures between the audited figures in respect of the full financial year and the published year to date figures upto the third quarter of the financial year.
- 5 The Company does not have more than one reportable segment. Accordingly, segment information is not required to be provided.
- 6 Previous period figures are regrouped/rearranged wherever necessary to facilitate comparison.
- 7 The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received approval from the Indian Parliament and Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record related impact, if any, in the period the Code becomes effective.



For FACOR ALLOYS LIMITED

A handwritten signature in blue ink, appearing to read "R.K. SARAF".

R.K.SARAF
CHAIRMAN & MANAGING DIRECTOR
(DIN: 00006102)

Place : Vizianagaram, A.P.
Date : 25th June,2021

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

FACOR ALLOYS LIMITED
 REGD. OFFICE: SHREERAMNAGAR 535 101, GARIVIDI, DISTRICT: VIZIANAGARAM (A.P.) CIN: L27101AP2004PLC043252
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 STATEMENT OF CONSOLIDATED AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH, 2021

(₹ in Lakhs)

Sr. No.	Particulars	Quarter Ended			Year Ended	
		31ST MARCH, 2021 (Refer Note 4)	31ST DECEMBER, 2020	31ST MARCH, 2020 (Refer Note 4)	31ST MARCH, 2021	31ST MARCH, 2020
		(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
	INCOME					
1	Revenue from operations	5,637.27	2,978.68	4,463.01	14,366.74	29,139.31
2	Other income	106.11	69.57	211.05	403.91	3,095.11
3	Total Income (1+2)	5,743.38	3,048.25	4,674.06	14,770.65	32,234.42
4	Expenses					
	a) Cost of materials consumed	733.96	724.24	2,058.68	4,386.27	11,707.12
	b) Changes in inventories of finished goods, work-in-progress	49.61	(136.32)	(293.65)	259.50	(146.88)
	c) Employee benefits expense	472.17	419.38	410.93	1,724.03	1,808.04
	d) Finance costs	53.70	72.23	80.63	394.18	403.66
	e) Depreciation and amortisation expense	52.26	35.13	50.92	200.33	256.57
	f) Power and Fuel Expenses	3,290.12	1,834.74	2,333.18	7,057.26	13,052.59
	g) Other expenses	735.51	391.96	726.30	1,858.60	3,346.58
	Total expenses	5,387.33	3,341.36	5,366.99	15,880.17	30,427.48
5	Profit / (Loss) Before Exceptional items and tax (3-4)	356.05	(293.11)	(692.93)	(1,109.52)	1,806.94
6	Exceptional Items					
	Profit/(Loss) on Sale /Discard of Fixed Asset	8.29	35.76	302.41	842.67	559.39
	Profit/(Loss) on Sale of Investment	-	-	-	-	-
7	Net Profit /(Loss) before Tax (5+6)	364.34	(257.35)	(390.52)	(266.85)	2,366.33
8	Tax Expense					
	(a) Current tax	-	-	-	-	-
	(b) Tax for earlier years	-	-	-	(4.01)	-
	(c) Deferred tax	265.75	(80.95)	(88.32)	(209.03)	1,201.83
9	Net Profit /(Loss) for the period (7-8)	98.59	(176.40)	(302.20)	(53.81)	1,164.50
10	Other Comprehensive income/(loss)					
	Items that will not be reclassified to Profit and Loss					
	Remeasurement of defined benefit plans	63.35	(34.76)	(41.83)	(40.93)	(139.04)
	Deferred tax relating to remeasurement of defined benefit plans	15.95	(8.75)	(10.53)	(10.30)	(34.99)
	Foreign currency translation reserve	(44.81)	0.79	1,761.49	(178.07)	1,127.07
	Income tax on foreign currency translation reserve	-	-	-	-	-
	Other Comprehensive income/(loss)-Total	2.59	(25.22)	1,730.19	(208.70)	1,023.02
11	Total Comprehensive income for the period (9+10)	101.18	(201.62)	1,427.99	(262.51)	2,187.52
	Profit attributable to :					
	- Shareholders of the company	99.77	(174.10)	(319.61)	(44.77)	1,150.27
	- Non-controlling interests	(1.18)	(2.30)	17.41	(9.04)	14.23
	Other Comprehensive Income attributable to :					
	- Shareholders of the company	2.59	(25.22)	1,730.19	(208.70)	1,023.02
	- Non-controlling interests	-	-	-	-	-
	Total Comprehensive Income attributable to :					
	- Shareholders of the company	102.36	(199.32)	1,410.58	(253.47)	2,173.29
	- Non-controlling interests	(1.18)	(2.30)	17.41	(9.04)	14.23
12	Paid-up equity share capital (Face value ₹ 1/- per share)	1,955.48	1,955.48	1,955.48	1,955.48	1,955.48
13	Earnings per share (in ₹) (of ₹ 1/-each) (not annualised):					
	(a) Basic EPS	0.05	(0.09)	(0.16)	(0.02)	0.54
	(b) Diluted EPS	0.05	(0.09)	(0.16)	(0.02)	0.59



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STATEMENT OF ASSETS AND LIABILITIES

ASSETS	CONSOLIDATED	
	As at March 31st, 2021 (Audited)	As at March 31st, 2020 (Audited)
Non-Current Assets		
Property, plant and equipment	13,705.37	14,643.16
Right of Use Assets (ROU)	1,619.77	316.33
Intangible	41.36	1,686.82
Financial assets		
(i) Investments	0.58	1.08
(ii) Other non-current financial assets	2,181.03	2,881.34
Deferred tax Asset (net)	656.93	441.63
Total Non-Current Assets	18,205.04	19,970.36
Current Assets		
Inventories	217.10	604.18
Financial assets		
(i) Trade receivables	2,207.59	1,059.42
(ii) Cash and cash equivalents	25.91	86.16
(iii) Other current financial assets	307.87	195.05
Current tax assets (net)	447.09	1,072.27
Other current assets	388.50	741.05
Assets Classified as Held for Sale	802.55	1,053.67
Total Current Assets	4,396.61	4,811.80
Total Assets	22,601.65	24,782.16
EQUITY AND LIABILITIES		
Equity		
Equity share capital	1,955.48	1,955.48
Other equity	13,519.35	13,772.31
Non-Controlling Interest	(704.64)	(705.72)
Total Equity	14,770.19	15,022.07
Liabilities		
Non-Current Liabilities		
Financial liabilities		
(i) Borrowings	439.49	453.84
Provisions	135.09	132.38
Other Non-current financial liabilities	22.76	311.55
Total Non-Current Liabilities	597.34	897.77
Current Liabilities		
Financial liabilities		
(i) Borrowings	1,008.25	1,363.20
(ii) Trade payables		
Micro Small and Medium Enterprises	163.05	235.44
Others	1,911.00	2,643.58
(iii) Other financial liabilities	304.17	251.28
Other current liabilities	2,581.85	3,106.86
Provisions	1,265.80	1,261.96
Total Current Liabilities	7,234.12	8,862.32
Total Liabilities	7,831.46	9,760.09
Total Equity and Liabilities	22,601.65	24,782.16



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Statement of Cash Flow for the year ended 31st March 2021

(₹ in Lakhs)

CONSOLIDATED

Particulars	For the Year Ended 31st March, 2021	For the Year Ended 31st March, 2020
A. Cash flows from operating activities		
Net Profit/ (Loss) after Prior Period Items and before Tax	(266.85)	2,366.33
Adjustments For:		
a) Interest Income	(230.23)	(471.33)
b) Depreciation	200.33	256.57
c) Gain on sale of fixed assets	(842.67)	(559.39)
d) Effect of change in foreign currency translation reserve	(178.07)	1,127.07
e) Interest Expense	394.18	403.66
Operating Cash Profit before Working Capital Changes	(923.31)	3,122.91
Movement in Working Capital:-		
a) Increase/(Decrease) in Trade Payables	(804.97)	762.23
b) Increase/(Decrease) in Other Current Liabilities	(525.01)	299.98
c) Increase/(Decrease) in Other Current Financial Liabilities	53.30	30.63
d) (Increase)/Decrease in Other Non Current Financial Assets	932.85	(300.33)
e) (Increase)/Decrease in Provisions	(34.38)	(147.15)
f) (Increase)/Decrease in Other Current Financial Assets	(112.79)	505.91
g) (Increase)/Decrease in Inventories	387.08	842.85
h) (Increase)/Decrease in Long Term Loans & Advances	-	12.50
i) (Increase)/Decrease in Trade Receivables	(1,148.17)	135.52
j) (Increase)/Decrease in Other Current Assets	352.55	(57.40)
k) Increase/(Decrease) in Other Non Current Financial Liabilities	(288.79)	311.55
Cash Generated From/ (used in) operations	(2,111.64)	5,519.20
Less: Income Tax Paid (net of refunds)	629.19	(300.23)
Net Cash Generated From/ (used in) Operating Activities(A)	(1,482.45)	5,218.97
B. Cash Flow from Investing Activities:		
(Purchase) of property, plant and equipment and capital work in progress	(30.99)	(1,636.19)
Net proceeds of property, plant and equipment and capital work in progress	1,975.75	2,180.86
Payment including advances for acquiring Right-of-Use Asset	-	(362.79)
Interest received	230.20	472.48
Net movement in Investments	0.50	0.50
Change in Minority interest of Subsidiary company	10.12	417.92
Net Cash Generated from/ (Used in) Investing Activities (B)	2,185.58	1,072.78
C. Cash Flow from Financing Activities:		
Net proceeds/(Repayment) of Borrowings	(368.79)	(3,682.70)
Interest Expense Paid	(394.59)	(3,368.05)
Net Cash generated from/ (used in) Financing Activities (C)	(763.38)	(7,050.75)
Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)	(60.25)	(759.00)
Cash and cash equivalents at the beginning of the year	86.16	845.16
Balance at the end of year	25.91	86.16



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Notes:

- 1 The aforesaid financial results have been reviewed by the Audit Committee and approved by the Board of Directors, at their Meeting held on 25.06.2021. The Statutory Auditor have expressed an unmodified audit opinion on these standalone financial results.
- 2 The financial results are prepared in accordance with Indian Accounting Standards ('Ind AS') notified under section 133 of the Companies Act, 2013, read together with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other recognised accounting practices and policies to the extent applicable.
- 3 The Company has taken into account potential impact of COVID-19 in the preparation of above results. Based on information currently available, there is no material impact on the carrying amount of its financial and non-financial assets. However, the impact assessment of COVID-19 is continuing process given the uncertainties associated with its nature and duration. the company will continue to monitor any material changes to future economic conditions.
- 4 The figures for last quarter are the balancing figures between the audited figures in respect of the full financial year and the published year to date figures upto the third quarter of the financial year.
- 5 The group does not have more than one reportable segment. Accordingly, segment information is not required to be provided.
- 6 Previous period figures are regrouped/rearranged wherever necessary to facilitate comparison.
- 7 The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received approval from the Indian Parliament and Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The group will assess the impact of the Code for Parent & Indian subsidiary Companies when it comes into effect and will record related impact, if any, in the period the Code becomes effective.



For FACOR ALLOYS LIMITED

A handwritten signature in blue ink, appearing to read "R.K. SARAF".

R.K.SARAF
CHAIRMAN & MANAGING DIRECTOR
(DIN: 00006102)

Place : Vizianagaram, A.P.

Date : 25th June,2021

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

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF FACOR ALLOYS LIMITED

Report on the audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone financial statements of FACOR ALLOYS LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2021, and the Statement of Profit and Loss (including other comprehensive income), Statement of changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and total comprehensive income (comprising loss and other comprehensive income), the profit, changes in equity and its cash flows and for the year then ended on that date.

Basis for opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the Standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the Standalone financial statements and our auditor's report thereon.

Our opinion on the Standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.



In connection with our audit of the Standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under Section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the company's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the Standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone financial statements.



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

- Identify and assess the risks of material misstatement of the Standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone financial statements, including the disclosures, and whether the Standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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



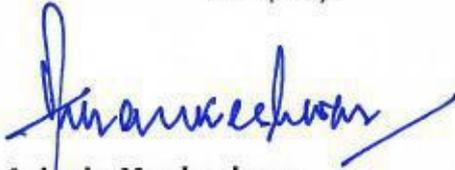
From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we report, to the extent applicable, that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c. The Balance Sheet, Statement of Profit and Loss including Other Comprehensive Income, the Statement of changes in equity and the statement of Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d. In our opinion, the aforesaid Standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
 - e. On the basis of the written representations received from the directors as on 31st March, 2021, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164 (2) of the Act;
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B"; and



- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i) The Company has disclosed the impact of pending litigations on its financial position in note no. 34 in its standalone financial statements.
 - ii) The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses;
 - iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.



Ashwin Mankeshwar

Partner

Membership No. 046219

For and on behalf of

K.K. Mankeshwar & Co.

Chartered Accountants

Firm's Registration No. 106009W

UDIN:

Place: New Delhi

Date: 25th June 2021



ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

The Annexure referred to in paragraph 1 under "Report on Other Legal and Regulatory Requirement" section of our Independent Auditors' Report to the members of the Company on the Standalone financial statements for the year ended March 31, 2021, we report that:

1. In respect of Company's Fixed Asset
 - a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed Assets.
 - b. The company has a regular programme of physical verification of fixed assets. In our opinion, the periodicity of physical verification is reasonable having regard to the size of the company and the nature of its asset.
 - c. The title deeds of immovable property are in name of erstwhile pre-demerged company. The immovable properties are transferred by virtue of BIFR Order No.314/98 dated 13th April 2004. The immovable properties acquired subsequent to demerger are held in the name of the company.
2. Physical verification of the inventory has been conducted at reasonable intervals by the management. No material discrepancies were noticed.
3. According to the information and explanation given to us, the Company has granted unsecured loans to bodies corporate, covered in the register maintained under Section 189 of Companies Act, 2013, in respect of which:
 - a. The terms and conditions of the grant of such loans are, in our opinion, prima facie, not prejudicial to the company's interest.
 - b. The schedule of repayment of principle and payment of interest has been stipulated and found that repayments or receipts of principle amounts and interest have been regular as per stipulations.
4. In our opinion and according to the information and explanation given to us the company has complied with the provision of section 185 and 186 of the Act in respect of loans, making investments and providing guarantees and securities, as applicable.
5. According to the information and explanation given to us, the Company has not accepted any deposits during the year.
6. The maintenance of cost records has been prescribed by the Central Government under sub-section (1) of section 148 of the Companies Act 2013 for the business activities carried out by the company and we are of opinion that prima facie such accounts and records have been made and maintained
7. According to the information and explanation given to us, in respect of statutory dues:
 - a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues applicable to it with the appropriate authorities.



- b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues in arrears as at March 31, 2021 for a period of more than six months from the date they became payable.
- c) Details of dues of Income Tax, Sales Tax, Service Tax, Excise Duty and Value Added Tax which have not been deposited as at March 31, 2021 on account of dispute are given below:

Nature of dues	Forum where dispute is pending	Period to which the amount relates	Amount in lakhs*
Custom Duty	A.P.High Court, Hyderabad	1988 - 1989	158.34
Sales Tax	A.P.High Court, Hyderabad, APSTAT- Visakhapatnam,	2009 - 2010	21.27
		2010-2011, 2011 - 2012, 2012 - 2013	8.51
Income Tax	Addnl. Comm. IT (Appeals), Visakhapatnam	2010 - 2011	27.75

* Amount is net of payment under protest

8. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to banks. The company did not have any outstanding loans or borrowings from financial institutions or government and there are no dues to debenture holders during the year.
9. The Company has not raised money by way of initial public offer or further public offer (including debt instruments) and term loan during the year. Accordingly, clause (ix) of the paragraph 3 of the Order is not applicable.
10. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
11. In our opinion and according to the information and explanation given to us, the company has paid/ provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V of the Act.
12. As the Company is not a Nidhi Company, accordingly clause (xii) of paragraph 3 of the order is not applicable to the Company
13. According to the information and explanation given to us, all transaction with related parties are in compliance with section 177 and 188 of Companies Act, 2013 wherever applicable and the details have been disclosed in the Standalone Financial Statement etc., as required by the applicable accounting standards.



14. According to the information and explanation given to us, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debenture during the year and hence reporting under clause 3(xiv) of the order is not applicable to the company.
15. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, clause (xv) of the paragraph 3 of the Order is not applicable.
16. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.



Ashwin Mankeshwar

Partner

Membership No. 046219

For and on behalf of

K.K. Mankeshwar & Co.

Chartered Accountants

Firm's Registration No. 106009W

UDIN:

Place: New Delhi

Date: 25th June 2021



"ANNEXURE B" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF FACOR ALLOYS LIMITED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Facor Alloys Limited as of March 31, 2021 in conjunction with our audit of the Standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.



Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the Standalone financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.



Ashwin Mankeshwar
Partner

Membership No. 046219

For and on behalf of

K.K. Mankeshwar & Co.

Chartered Accountants

Firm's Registration No. 106009W

UDIN:

Place: New Delhi

Date: 25th June 2021



INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF FACOR ALLOYS LIMITED

Report on the audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Facor Alloys Limited (hereinafter referred to as "the Holding Company"), and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group" which comprise the Balance Sheet as at March 31, 2021, and the Statement of Profit and Loss (including other comprehensive income), Statement of changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2021, the consolidated profit, consolidated total comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for opinion

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

Other information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.



In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of the adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so. The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



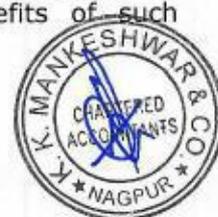
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

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



Other Matters

The consolidated Ind AS financial statements include the financial statements of three subsidiaries which have been audited by the other Auditor. In respect of these subsidiaries, financial statements have been furnished to us by the management and our opinion on the statement in so far as it relates to these subsidiaries, whose financial statement reflect total assets of Rs. 47.55 lakhs as on 31st March 2021, total loss of Rs. 0.60 lakhs and net cash outflow of Rs. 1.68 lakhs for the year ended as considered in the consolidated Ind AS financial statement.

Also, One Foreign subsidiary company, whose financial statements reflect total assets of Rs. 2,208.64 lakhs as at 31st March, 2021, total revenue is NIL and net cash outflow of Rs. 3.35 lakhs for the year ended on that date, as considered in the consolidated financial statements. This financial statement is unaudited and has been furnished to us by the management and our opinion on this consolidated financial statement, in as far as it related to the amounts and disclosures included in respect of this subsidiary, our report in terms of sub sections (3) and (11) of section 143 of the act in so far as it relates to the aforesaid subsidiaries, is based solely on such unaudited financial statement.

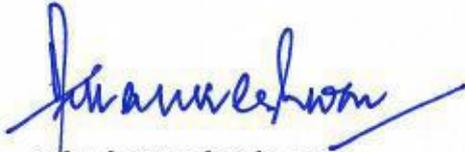
Our opinion on the consolidated financial statements, and our report on Other Legal and regulatory requirements below, is not modified in respect of the above and the financial statements certified by the management.

Report on Other Legal and Regulatory Requirements

1. As required by section 143(3) of the Act, we report, to the extent applicable, that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c. The Balance Sheet, Statement of Profit and Loss including Other Comprehensive Income, the Statement of changes in equity and the statement of Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d. In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
 - e. On the basis of the written representations received from the directors as on 31st March, 2021, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164 (2) of the Act;
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A"; and



- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i) The consolidated financial statements disclose impact of pending litigations in Note No. 33 in the consolidated financial position of the Group.
 - ii) Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts.
 - iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company and its subsidiary companies incorporated in India



Ashwin Mankeshwar
Partner
Membership No. 046219
For and on Behalf of
K. K. Mankeshwar & Co.
Chartered Accountants
FRN - 106009W
UDIN:
Place: New Delhi
Date: 25th June 2021



**"ANNEXURE A" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON
THE CONSOLIDATED FINANCIAL STATEMENTS OF FACOR ALLOYS LIMITED**

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of
Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of Facor Alloys Limited as of March 31, 2021 in conjunction with our audit of the Consolidated financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.



Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the Consolidated financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.



Ashwin Mankeshwar
Partner

Membership No. 046219

For and on Behalf of

K. K. Mankeshwar & Co.

Chartered Accountants

FRN – 106009W

UDIN:

Place: New Delhi

Date: 25th June 2021

