

Independent Auditor's Review Report on The Quarterly and Year to date Unaudited Standalone Financial Results of Facor Alloys Limited ("the company") pursuant to the Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

**Review report
To the Board of Directors
Facor Alloys Limited**

1. We have reviewed the accompanying Statement of Unaudited Standalone Financial Results of Facor Alloys Limited ("the Company"), for the quarter and half year ended September 30, 2024 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued there under and other accounting principles generally accepted in India and in compliance with Regulation 33 and 52 of the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India (ICAI). This standard requires that we plan and perform the review to obtain moderate assurance as to whether the statement is free from material misstatement. A review of interim financial information consists of making inquiries, primarily of the Company's personnel 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 specified under section 143(10) of the Companies Act, 2013 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. Based on our review conducted as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard 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 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.



5. Emphasis of Matter:

We draw attention to Note 5 of the unaudited standalone financial results, which states that company has booked the loss of INR 2,327 Lakhs on account of shortage of material as reported by Tata Steel Limited (TSL) on verification of book balance with physical quantity of raw materials supplied under the conversion agreement.

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



Ashwin Mankeshwar
Partner

Membership No.046219

For and on behalf of

K.K. MANKESHWAR & Co.

Chartered Accountants

FRN: - 106009W

UDIN:24046219BKHJWP7943

Place: Nagpur

Date: 14th November 2024



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@falgroup.in							
STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER, 2024							
Sr. No.	Particulars	Quarter Ended			Half Year Ended		(₹ in Lakhs)
		30TH SEPTEMBER, 2024	30TH JUNE, 2024	30TH SEPTEMBER, 2023	30TH SEPTEMBER, 2024	30TH SEPTEMBER, 2023	31ST MARCH, 2024
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
	INCOME						
1	Revenue from operations	0.20	-	4,810.89	0.20	14,627.39	15,379.49
2	Other income	16.34	982.52	49.49	998.86	102.52	285.43
3	Total Income (1+2)	16.54	982.52	4,860.38	999.06	14,729.91	15,664.92
4	Expenses						
	a) Cost of materials consumed	-	-	1,263.83	-	4,798.65	5,151.23
	b) Changes in inventories of finished goods, work-in-progress	-	-	855.06	-	450.44	462.41
	c) Employee benefits expense	193.25	255.96	289.62	449.21	728.96	1,225.22
	d) Finance costs	52.37	67.15	35.67	119.52	57.02	264.29
	e) Depreciation and amortisation expense	39.01	39.65	49.74	78.66	97.15	194.02
	f) Power and Fuel Expenses	9.39	14.80	2,525.50	24.19	8,215.22	8,598.93
	g) Other expenses	86.27	105.30	711.52	191.57	1,688.98	2,158.43
	Total expenses	380.29	482.86	5,730.94	863.15	16,036.42	18,054.53
5	Profit / (Loss) Before Exceptional items and tax (3-4)	(363.75)	499.66	(870.56)	135.91	(1,306.51)	(2,389.61)
6	Exceptional Items						
	Profit/ (Loss) on Sale /Discard of Fixed Asset	-	(0.99)	(6.74)	(0.99)	32.45	(291.77)
	Profit/ (Loss) on Sale of Investment	-	-	-	-	-	-
	Arrear Electricity Charges (FPPCA Charges)	-	-	-	-	(798.21)	(797.68)
	Life Time Expected Credit Loss	-	-	-	-	-	(852.32)
	Provision for Recovery on Conversion Material	(2,327.00)	-	-	(2,327.00)	-	-
7	Net Profit /(Loss) before Tax (5+6)	(2,690.75)	498.67	(877.30)	(2,192.08)	(2,072.27)	(4,331.38)
8	Tax Expense						
	(a) Current tax	-	-	-	-	-	-
	(b) Tax for earlier years	-	-	-	-	-	-
	(c) Deferred tax	(78.12)	(131.73)	(210.99)	(209.85)	(510.66)	(839.15)
9	Net Profit /(Loss) for the period (7-8)	(2,612.63)	630.40	(666.31)	(1,982.23)	(1,561.61)	(3,492.23)
10	Other Comprehensive income/(loss)						
	Items that will not be reclassified to Profit and Loss						
	Remeasurement of defined benefit plans	(19.42)	(19.42)	4.92	(38.84)	9.84	(77.68)
	Deferred tax relating to remeasurement of defined benefit plans	4.89	4.89	(1.24)	9.78	(2.48)	19.55
	Other Comprehensive income/(loss)-Total	(14.53)	(14.53)	3.68	(29.06)	7.36	(58.13)
11	Total Comprehensive income for the period (9+10)	(2,627.16)	615.87	(662.63)	(2,011.29)	(1,554.25)	(3,550.36)
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	1,955.48
13	Earnings per share (in ₹) (of ₹ 1/-each) (not annualised):						
	(a) Basic EPS	(1.34)	0.32	(0.34)	(1.01)	(0.80)	(1.79)
	(b) Diluted EPS	(1.34)	0.32	(0.34)	(1.01)	(0.80)	(1.79)



STATEMENT OF ASSETS AND LIABILITIES

ASSETS	STANDALONE	
	As at September 30th, 2024 (Unaudited)	As at March 31st, 2024 (Audited)
Non-Current Assets		
Property, plant and equipment	10,691.24	10,772.80
Financial assets		
(i) Other non-current financial assets	1,170.49	1,170.49
Deferred tax Asset (net)	1,895.70	1,676.07
Total Non-Current Assets	13,757.43	13,619.36
Current Assets		
Inventories	298.23	299.52
Financial assets		
(i) Trade receivables	4,913.58	4,413.34
(ii) Cash and cash equivalents	7.89	129.31
(iii) Other bank balances	0.17	301.58
(iv) Other current financial assets	47.76	59.47
Current tax assets (net)	277.34	276.30
Other current assets	592.46	286.29
Assets Classified as Held for Sale	543.25	543.25
Total Current Assets	6,680.68	6,309.06
Total Assets	20,438.11	19,928.42
EQUITY AND LIABILITIES		
Equity		
Equity share capital	1,955.48	1,955.48
Other equity	11,331.42	13,342.71
Total Equity	13,286.90	15,298.19
Liabilities		
Non-Current Liabilities		
Provisions	21.79	56.80
Total Non-Current Liabilities	21.79	56.80
Current Liabilities		
Financial Liabilities		
(i) Borrowings	887.00	632.00
(ii) Trade payables		
Micro Small and Medium Enterprises	-	60.37
Others	2,209.91	2,316.08
(iii) Other financial liabilities	436.79	332.63
Other current liabilities	2,463.35	164.24
Provisions	1,132.37	1,068.11
Total Current Liabilities	7,129.42	4,573.43
Total Liabilities	7,151.21	4,630.23
Total Equity and Liabilities	20,438.11	19,928.42



Statement of Cash Flow for the period ended 30 September 2024

(₹ in Lakhs)

	STANDALONE	
	For the period ended 30th September 2024	For the period ended 30th September 2023
A. Cash flows from Operating Activities		
Net Profit/ (Loss) after Prior Period Items and Before Tax	(2,192.08)	(2,072.27)
Adjustments For:		
a) Interest Income	(47.75)	(101.13)
b) Depreciation	78.66	97.15
c) Provision for Doubtful Advances	0.10	0.09
d) (Gain) / Loss on Sale of Fixed Assets	0.99	(32.45)
e) Interest Expense	119.52	57.02
Operating Cash Profit before Working Capital Changes	(2,040.56)	(2,051.59)
Movement in Working Capital:-		
a) Increase/(Decrease) in Trade Payables	(166.54)	240.55
b) Increase/(Decrease) in Other Current Liabilities	2,299.11	(147.35)
c) Increase/(Decrease) in Other Current Financial Liabilities	102.92	(152.52)
d) Increase/(Decrease) in Provisions	(9.59)	(7.92)
e) (Increase)/Decrease in Other Current Financial Assets	306.28	12.05
f) (Increase)/Decrease in Inventories	1.29	998.46
g) (Increase)/Decrease in Trade Receivables	(500.24)	699.57
h) (Increase)/Decrease in Other Current Assets	(306.17)	(68.17)
Cash Generated from/ (used in) Operations	(313.50)	(476.92)
Less: Income Tax Paid (Net of Refunds)	(1.04)	(214.75)
Net Cash Generated from/ (used in) Operating Activities(A)	(314.54)	(691.67)
B. Cash Flow from Investing Activities:		
(Purchase) of Property, Plant and Equipment and Capital Work in Progress	-	(45.48)
Net Proceeds of Property, Plant and Equipment and Capital Work in Progress	1.91	96.86
Interest Received	54.49	91.26
Net Cash Generated from/ (Used in) Investing Activities (B)	56.40	142.64
C. Cash Flow from Financing Activities:		
Net proceeds/(Repayment) of Borrowings	255.00	-
Interest Expense Paid	(118.28)	(54.38)
Net Cash generated from/ (used in) Financing Activities (C)	136.72	(54.38)
Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)	(121.42)	(603.41)
Cash and Cash Equivalents at the Beginning of the year	129.31	612.22
Cash and Cash Equivalents at the End of the year	7.89	8.81

Notes:

- The above standalone financial results have been reviewed by the Audit Committee and approved by the Board of Directors, at their Meeting held on 14th November, 2024. The statutory auditors have conducted a Limited Review under Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and have expressed an unmodified audit opinion on these standalone financial results.
- 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.
- The Company does not have more than one reportable segment. Accordingly, segment information is not required to be provided.
- Other Income includes recovery of loans provided to one of its subsidiary company years back, which was impaired in earlier years amounting to Rs. 950 Lakhs.
- Company has provided loss on account of shortage of material as reported by TSL on verification of book balance with physical quantity of raw material supplied under conversion agreement. However, matter is under discussion for final figures. Company observed that discrepancy was on account of standard norms vs actual feed, hence, provided for loss on prudential basis. TSL has invoked BG of Rs.300 lakhs and recovered Rs.200 from the company, balance Rs.1,827 lakhs may be adjusted against receivables from TSL as appearing in company books, if liability ascertained.
- 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.
- Plant operation is temporarily shut down w.e.f. 31-10-2023, which has caused NIL revenue during the quarter/year. Top management had recently undergone reshuffle and new management has taken charge w.e.f. 9th April, 2024. New management is rigorously exploring all options including dialogues with corporate houses and lenders to get assistance to resume operations and moreover, promotor entity is also infusing funds to meet running fund requirement.
- Previous period figures are regrouped/rearranged wherever necessary to facilitate comparison.

Place : Nagpur
Date : 14th November, 2024



For FACOR ALLOYS LIMITED

ASHISH SANTOSH AGRAWAL
WHOLE-TIME DIRECTOR
DIN: 02148665