

ELECTROTHERM[®] (INDIA) LTD.



Ref. No.: EIL/SD/Regl.-30/2020-2021/30VI

Date : 30th June, 2020

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,

Sub: Submission of Standalone and Consolidated Audited Financial Results alongwith Auditors' Report and Statement of Impact of Audit Qualification(s) for the quarter and year ended on 31st March, 2020

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), this is to inform you that the Board of Directors ("Board") of the Company at their meeting held on Tuesday, 30th June, 2020 has considered, approved and adopted Standalone & Consolidated Audited Financial Results for the quarter and year ended on 31st March, 2020.

Pursuant to Regulation 33 of the Listing Regulations, we enclose herewith Standalone and Consolidated Audited Financial Results alongwith Auditors' Report and Statement of Impact of Audit Qualification(s) for quarter and year ended on 31st March, 2020.

The Board Meeting commenced at 9:30 a.m and concluded at 5:50 p.m.

You are requested to take the same on your record.

Thanking you,

Yours faithfully,

For Electrotherm (India) Limited

Shailish Bhandari
Managing Director
(DIN: 00058866)



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•Bangalore• 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 Standalone Audited Financial Results For The Quarter And Year Ended On March 31, 2020

(Rs. in Crores Except for Earning Per Share)

Sr. No.	Particulars	Standalone				
		Quarter Ended		Year Ended		
		31-03-2020 Audited (Refer Note 2)	31-12-2019 Unaudited	31-03-2019 Audited (Refer Note 2)	31-03-2020 Audited	31-03-2019 Audited
I.	Revenue from Operations	687.51	662.15	848.81	2,824.39	3,462.37
II.	Other income	14.33	8.03	13.90	25.73	18.90
III.	Total Income (I+II)	701.84	670.18	862.71	2,850.12	3,481.27
IV.	Expenses :					
	(a) Cost of materials consumed	453.40	506.26	719.46	1,871.20	2,340.63
	(b) Purchases of stock-in-trade	-	5.57	12.60	110.30	159.38
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	44.81	(67.17)	(176.01)	(4.91)	(70.63)
	(d) Employee benefits expenses	42.76	40.43	42.45	164.64	156.84
	(e) Finance Costs	4.66	3.16	26.80	15.41	38.33
	(f) Depreciation and amortisation expenses	31.95	32.71	36.47	129.99	138.46
	(g) Other expenses	163.51	134.49	128.78	554.05	577.47
	Total Expenses (IV)	741.09	655.45	790.55	2,840.68	3,340.48
V.	Profit before exceptional items and tax(III-IV)	(39.25)	14.73	72.16	9.44	140.79
VI.	Exceptional items	(0.00)	0.00	-	35.54	-
VII.	Profit / (Loss) before tax (V+VI)	(39.25)	14.73	72.16	44.98	140.79
VIII.	Tax expense					
	(1) Current tax	-	-	-	-	-
	(2) Deferred Tax	-	-	-	-	-
IX.	Net Profit / (Loss) for the period (VII-VIII)	(39.25)	14.73	72.16	44.98	140.79
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	(1.68)	(0.34)	(1.82)	(2.70)	(1.35)
	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)	(40.93)	14.39	70.34	42.28	139.44
XII.	Paid-up Equity Share Capital (Face value of Rs. 10/- each)	12.74	12.74	12.74	12.74	12.74
XIII.	Other Equity excluding Revaluation Reserve as at March 31st	-	-	-	(1,194.99)	(1,348.54)
XIV.	Earnings per equity share (not annualised for the quarter)					
	Basic	(30.81)	11.56	56.64	35.31	110.50
	Diluted	(30.81)	11.56	56.64	35.31	110.50



SEGMENT WISE REVENUE, RESULTS, ASSETS & LIABILITIES

(Rs. in Crores)

Sr. No.	Particulars	Standalone				
		Quarter Ended			Year Ended	
		31-03-2020	31-12-2019	31-03-2019	31-03-2020	31-03-2019
		Audited (Refer Note 2)	Unaudited	Audited (Refer Note 2)	Audited	Audited
1	Segment Revenue					
	(a) Engineering & Technologies Division	178.32	192.48	265.29	767.16	943.47
	(b) Special Steel Division	513.64	468.63	577.84	2,056.93	2,496.26
	(c) Electric Vehicle Division	3.60	4.00	6.30	16.86	31.67
	Total	695.56	665.11	849.42	2,840.95	3,471.40
	Less: Inter Segment Revenue	8.05	2.96	0.61	16.56	9.03
	Revenue from Operations	687.51	662.15	848.81	2,824.39	3,462.37
2	Segment Results Profit / (Loss) Before Finance Cost and Tax					
	(a) Engineering & Technologies Division	(9.04)	16.96	61.43	29.34	84.90
	(b) Special Steel Division	(11.88)	1.48	40.82	11.63	106.48
	(c) Electric Vehicle Division	(13.67)	(0.55)	(3.30)	(16.12)	(12.26)
	Total	(34.59)	17.89	98.95	24.85	179.12
	Less: (i) Finance Costs	4.66	3.16	26.80	15.41	38.33
	Add : (ii) Exceptional Item	-	-	-	35.54	-
	Total Profit/(Loss) Before Tax	(39.25)	14.73	72.15	44.98	140.79
3	Segment Assets					
	(a) Engineering & Technologies Division	527.42	613.51	658.54	527.42	658.54
	(b) Special Steel Division	1,360.06	1,349.20	1,402.63	1,360.06	1,402.63
	(c) Electric Vehicle Division	30.47	45.67	49.83	30.47	49.83
	Total	1,917.95	2,008.38	2,111.00	1,917.95	2,111.00
4	Segment Liabilities					
	(a) Engineering & Technologies Division	665.73	733.43	780.93	665.73	780.93
	(b) Special Steel Division	2,214.48	2,193.91	2,436.81	2,214.48	2,436.81
	(c) Electric Vehicle Division	9.17	11.52	14.28	9.17	14.28
	Total	2,889.38	2,938.86	3,232.02	2,889.38	3,232.02

Notes:

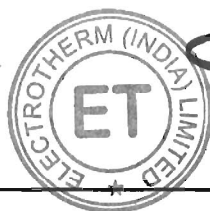
1	The above financial results were reviewed and recommended by the Audit Committee and approved by the Board of Directors at their meetings held on June 29, 2020 and June 30, 2020 respectively.
2	The figures of the last quarter are the balancing figures between audited figures in respect of the Financial year ended March 31, 2020 and March 31, 2019 and the unaudited published year to date figures up to December 31, 2019 and December 31, 2018 respectively, being the date of the end of the third quarter of the respective financial year which were subjected to limited review.
3	(A) Effect of Settlement with ARCs / Bankers, if any is made on the final compliance of Term and Conditions of the agreements and accordingly during the year waiver of principal amount for the full and final payment as per the settlement agreement of the loan taken from Bank and Financial Institution of Rs 107.31 Crore is shown as capital reserve and the waiver of Interest amount of Rs 35.54 Crore is shown as exceptional item. (B) During the quarter ended on March 31,2020, Rs.52.57 Crore was recognised as expenses for Inventories carried at net realisable value/inventory written down.
4	Presently, the company has elected to exercise the option permitted under section 115BAA of the Income Tax Act, 1961, as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Accordingly, the Company has recognized provision for income tax for the year ended on March 31, 2020 and re-measured their deferred tax balances based on the rate prescribed in the said section, for the disclosure purposes in the financial statements.
5	The Reserve Bank of India (RBI) has notified the COVID-19 Regulatory Packages permitting lenders to grant a moratorium period for all instalments falling due between March 1, 2020 to August 31, 2020. However, the Company has not paid instalments due for the quarter ended on December 31, 2019 to some of the lenders, and for the quarter ended on March 31, 2020, the Company has not paid instalments to any of the lenders. The company has requested all lenders to allow this moratorium period for the payments and the revised repayment schedule is yet to be confirmed.
6	The bank accounts of the company were classified as Non-Performing Assets and therefore provision for interest on Term loan and Working Capital loan for the year under consideration of Rs.160.67 Crore (Net of reversal) and upto March 31, 2020 Rs. 1037.01 Crore have not been provided in the books of accounts and accordingly amount of Net Profit for the year is overstated by Rs.160.67 Crore & the amount of Bank / ARC liability and Total retained earnings (Loss) as on March 31, 2020 is under stated by Rs. 1037.01 Crore.
7	On March 24, 2020, the Government of India ordered a nationwide lockdown to prevent community spread of Covid-19 in India resulting in significant reduction in economic activities. The company has carried out its initial assessment of the likely adverse impact on economic environment in general and financial risk because of Covid-19. The company is in the business of manufacturing steel, pipe and steel melting equipment, Transformers, etc. The demand for the Company products is expected to be lower in the short term, though the same is not likely to have a continuing impact on the business of the Company. Further, the Management believes that there may not be significant impact of Covid-19 pandemic on the financial position and performance of the company, in the long-term.
8	The Company has adopted IND AS 116 lease effective from April 1, 2019 using the modified retrospective approach and applied the Standard to its identified lease on a prospective basis. This has resulted in recognition on the Right of Use assets and a corresponding lease liability as at April 01, 2019. The adoption of the standard did not have any material impact to initial recognition on the financial results for the quarter and year ended as at March 31, 2020.
9	The Company has received copy of Petition from Central Bank of India, a financial creditor under Section 7 of the Insolvency and Bankruptcy Code, 2016 before the National Company Law Tribunal (NCLT), Ahmedabad, for initiating Corporate Insolvency Resolution Process (CIRP) against the Company for an amount of Rs 1059.59 Crores. The matter is yet to come up for the hearing before the Hon'ble NCLT.
10	Few accounts of "Trade Receivables", "Trade Payable", "Advance from Customers", Advances Recoverable in Cash or Kind", "Advance to suppliers and other parties" are subject to confirmation / reconciliation. The Balance with revenue authorities are subject to final assessment order and/or submission of returns.
11	There are certain pending matters/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, SEBI, Regional Director of Ministry of Corporate Affairs and various Courts.
12	Figures of previous period's have been regrouped, wherever considered necessary to make the comparable to current period's figure. These Statement of Standalone Audited Financial Results is to be read along with notes of accounts attached with the audited financial statements of the company.

13		Statement of Assets and Liabilities: (Standalone)	
(Rs. in Crores)			
Sr. No.	Particulars	As At	As At
		31-03-2020	31-03-2019
		Audited	Audited
A	ASSETS		
1	Non-current Assets		
	(a) Property, Plant and Equipment	757.10	860.33
	(b) Capital Work-in-Progress	26.82	27.43
	(c) Other Intangible assets	5.18	2.06
	(d) Right of Use Asset	2.19	-
	(e) Financial Assets		
	(i) Investments	45.98	46.06
	(ii) Other Financial Assets	32.88	47.53
	(f) Other non-current assets	15.21	15.20
	Sub Total Non-Current Assets	885.36	998.61
2	Current Assets		
	(a) Inventories	477.47	525.94
	(b) Financial Assets		
	(i) Trade receivables	338.31	357.34
	(ii) Cash and cash equivalents	29.63	43.15
	(iii) Bank balances other than (ii) above	16.63	15.88
	(iv) Other Financial Assets	1.55	1.43
	(c) Current Tax Assets (Net)	1.95	1.36
	(d) Other current assets	167.05	167.29
	Sub Total Current Assets	1,032.59	1,112.39
	TOTAL ASSETS	1,917.95	2,111.00
B	EQUITY AND LIABILITIES		
(I)	Equity		
	(a) Equity Share Capital	12.74	12.74
	(b) Other Equity	(984.17)	(1,133.76)
	Total Equity	(971.43)	(1,121.02)
(II)	LIABILITIES		
1	Non-current liabilities		
	(a) Financial Liabilities		
	(i) Borrowings	1,242.66	1,405.22
	(ii) Other Financial Liability	0.71	-
	(b) Other Non-Current Liability	2.75	-
	(c) Provisions	17.36	12.49
	Sub Total Non-Current Liabilities	1,263.48	1,417.71
2	Current liabilities		
	(a) Financial Liabilities		
	(i) Short term borrowings	14.57	122.00
	(ii) Trade payables		
	(a) Micro Enterprises & Small Enterprises	26.53	25.37
	(b) Other than Micro Enterprises & Small Enterprises	404.04	410.05
	(iii) Other financial liabilities	959.52	998.62
	(b) Other current liabilities	207.23	244.65
	(c) Provisions	14.01	13.62
	Sub Total Current Liabilities	1,625.90	1,814.31
	TOTAL EQUITY AND LIABILITIES	1,917.95	2,111.00



		(Rs. in Crores)	
Sr. No.	Particulars	Year Ended	Year Ended
		31-03-2020	31-03-2019
		Audited	Audited
A: CASH FLOW FROM OPERATING ACTIVITIES			
	Profit Before Tax	44.98	140.79
Adjustments to reconcile profit before tax to net cash flows:			
	Depreciation on property, plant, equipment & Amortization of Assets	129.99	138.46
	Finance income (including fair value changes in financial instruments)	(3.02)	(4.84)
	Net Sundry Balances Written Off	0.55	0.06
	Exceptional item	(35.54)	-
	Net Sundry Balances Written Back	-	(7.84)
	Provision For Doubtful Trade Receivables & Advances	-	(12.32)
	Profit on Sale of Units of Mutual Fund	-	(0.01)
	(Profit)/Loss on Sale/Discard of Property, Plant & Equipments & Capital Work In Progress (Net)	1.13	(0.01)
	Provision/(Reversal) For Warranty	(0.90)	1.62
	Finance costs (including fair value changes in financial instruments)	15.49	33.41
	Unrealized foreign exchange (gain)/loss	(14.30)	(6.22)
	Operating Profit before working capital changes	138.38	283.10
Working capital adjustments:			
	Decrease/(Increase) in trade receivables	32.14	34.74
	Decrease/(Increase) in inventories	48.47	(98.46)
	Decrease/(Increase) in other non-current financial assets	-	(5.19)
	(Decrease)/Increase in trade payables	(4.21)	26.50
	(Decrease)/Increase in other current liabilities	(34.67)	97.39
	(Decrease)/Increase in other non current liabilities	2.75	-
	(Decrease)/Increase in other current financial liabilities	(13.17)	(14.58)
	Decrease/(Increase) in other current financial assets & others	(0.21)	1.14
	Decrease/(Increase) in other current Asset	0.24	9.95
	(Decrease)/Increase in provisions	3.46	2.13
	Cash generated from operations	173.18	336.72
	Direct taxes paid (net)	(0.52)	(0.61)
	Net Cash generated from operating activities	172.66	336.11
B: CASH FLOW FROM INVESTING ACTIVITIES			
	Purchase of fixed assets & intangible assets (including CWIP and capital advances)	(22.75)	(72.41)
	Proceeds from sale of Property Plant & Equipment	-	0.25
	Purchase of Units of Mutual fund	-	(13.10)
	Sale of Units of Mutual fund	-	13.11
	Redemption/(Investment) of bank deposits	14.23	-
	Interest income	2.78	5.40
	Net Cash (used in) / generated from investing activities	(5.74)	(66.75)
C: CASH FLOW FROM FINANCING ACTIVITIES			
	Repayment of borrowings (Net)	(160.83)	(225.87)
	Payment of Principal portion of Lease Liabilities	(1.83)	-
	Finance Cost (Net)	(17.78)	(27.16)
	Net Cash (used in) / generated from financing activities	(180.44)	(253.03)
	Net (Decrease)/ Increase in Cash and Cash Equivalents	(13.52)	16.33
	Cash and Cash Equivalents at the beginning of the year	43.15	26.82
	Cash and Cash Equivalents at the end of the year	29.63	43.15

Place: Ahmedabad
Date: 30-06-2020



FOR ELECTROTHERM (INDIA) LIMITED

SHAILESH BHANDARI
MANAGING DIRECTOR
(DIN: 00058866)



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 Consolidated Audited Financial Results For The Quarter And Year Ended On March 31, 2020

(Rs. in Crores Except for Earning Per Share)

Sr. No.	Particulars	Consolidated				
		Quarter Ended			Year Ended	
		31-03-2020 Audited (Refer Note 2)	31-12-2019 Unaudited	31-03-2019 Audited (Refer Note 2)	31-03-2020 Audited	31-03-2019 Audited
PART I						
I.	Revenue from Operations	790.68	719.75	987.96	3,199.92	4,040.18
II.	Other income	16.98	7.31	20.20	26.42	20.05
III.	Total Income (I+II)	807.66	727.06	1,008.16	3,226.34	4,060.23
IV.	Expenses :					
	(a) Cost of materials consumed	545.44	548.66	838.06	2,171.93	2,837.46
	(b) Purchases of stock-in-trade	-	-	12.60	102.37	159.38
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	41.31	(55.65)	(184.63)	9.62	(81.45)
	(d) Employee benefits expenses	44.52	42.09	45.00	171.85	164.46
	(e) Finance Costs	4.77	3.18	28.85	15.55	38.42
	(f) Depreciation and amortisation expenses	32.91	33.76	37.52	134.21	142.82
	(g) Other expenses	187.13	147.62	160.44	632.24	657.23
	Total Expenses (IV)	856.08	719.66	935.84	3,237.77	3,918.32
V.	Profit/ (Loss) before exceptional items and tax(III-IV)	(48.42)	7.40	72.32	(11.43)	141.91
VI.	Exceptional items	-	-	-	35.54	-
VII.	Profit / (Loss) before tax (V+VI)	(48.42)	7.40	72.32	24.11	141.91
VIII.	Tax expense					
	(1) Current tax	-	0.01	-	0.02	0.08
	(2) Deferred Tax	-	-	-	-	-
IX.	Profit /(Loss) for the period before Share of Profit of Joint Venture (VII-VIII)	(48.42)	7.39	72.32	24.09	141.83
X.	Share of Profit of Joint Venture	0.01	-	0.02	0.01	0.02
XI.	Net Profit / (Loss) after share of Profit of Joint Venture (IX+X)	(48.41)	7.39	72.34	24.10	141.85
XII.	Other Comprehensive Income					
	<i>A) Items that will not be reclassified to Profit or Loss</i>					
	i) Remeasurement Gain/(Loss) on Defined Benefit Plans	(1.74)	(0.34)	(1.91)	(2.76)	(1.44)
	ii) Income tax relating to items that will not be reclassified	-	-	-	-	-
	<i>B) Items that will be reclassified to Profit or Loss</i>					
XIII.	Total Comprehensive Income/ (Loss) for the period (XI+XII)	(50.16)	7.05	70.43	21.34	140.41
XIV.	Net Profit after share of Profit / (Loss) of Joint Venture attributable to					
	Equity holder of the parent	(48.41)	7.39	72.34	24.10	141.85
	Non controlling Interest	-	-	-	-	-
XV.	Total Comprehensive Income / (Loss) for the period attributable to					
	Equity holder of the parent	(50.16)	7.05	70.43	21.34	140.41
	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
XVII.	Other Equity excluding Revaluation Reserve as at March 31st	-	-	-	(1,359.14)	(1,491.89)
XVIII.	Earnings per equity share					
	Basic	(38.00)	5.80	56.78	18.92	111.34
	Diluted	(38.00)	5.80	56.78	18.92	111.34



SEGMENT WISE REVENUE, RESULTS, ASSETS & LIABILITIES

(Rs. in Crores)

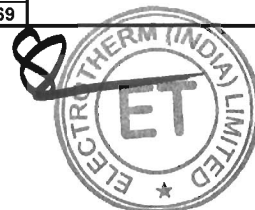
Sr. No.	Particulars	Consolidated				
		Quarter Ended			Year Ended	
		31-03-2020 Audited (Refer Note 2)	31-12-2019 Unaudited	31-03-2019 Audited (Refer Note 2)	31-03-2020 Audited	31-03-2019 Audited
1	Segment Revenue					
	(a) Engineering & Technologies Division	178.32	192.48	265.29	767.16	943.47
	(b) Special Steel Division	513.62	468.63	577.84	2,056.93	2,496.26
	(c) Electric Vehicle Division	3.61	4.00	6.30	16.86	31.68
	(d) Others	104.55	73.51	139.14	412.65	577.80
	Total	800.10	738.62	988.57	3,253.60	4,049.21
	Less: Inter Segment Revenue	9.42	18.87	0.61	53.68	9.03
	Revenue from Operations	790.68	719.75	987.96	3,199.92	4,040.18
2	Segment Results Profit Before Finance Cost and Tax					
	(a) Engineering & Technologies Division	(9.04)	16.96	61.43	29.34	84.90
	(b) Special Steel Division	(11.88)	1.48	40.82	11.63	106.46
	(c) Electric Vehicle Division	(13.67)	(0.55)	(3.30)	(16.12)	(12.26)
	(d) Others	(9.06)	(7.31)	0.22	(20.73)	1.23
	Total	(43.65)	10.58	99.17	4.12	180.33
	Less: (i) Finance Costs	4.77	3.18	26.85	15.55	38.42
	Add: (ii) Exceptional Item	-	-	-	35.54	-
	Total Profit Before Tax	(48.42)	7.40	72.32	24.11	141.91
3	Segment Assets					
	(a) Engineering & Technologies Division	527.42	613.51	658.54	527.42	658.54
	(b) Special Steel Division	1,360.06	1,349.20	1,402.63	1,360.06	1,402.63
	(c) Electric Vehicle Division	30.47	45.67	49.83	30.47	49.83
	(d) Others	2.13	19.93	57.69	2.13	57.69
	Total	1,920.08	2,028.30	2,168.69	1,920.08	2,168.69
4	Segment Liabilities					
	(a) Engineering & Technologies Division	665.73	733.43	780.93	665.73	780.93
	(b) Special Steel Division	2,214.48	2,193.91	2,436.81	2,214.48	2,436.81
	(c) Electric Vehicle Division	9.17	11.52	14.28	9.17	14.28
	(d) Others	124.02	132.61	158.64	124.02	158.64
	Total	3,013.40	3,071.47	3,390.66	3,013.40	3,390.66

Notes:

1	The above financial results were reviewed and recommended by the Audit Committee and approved by the Board of Directors at their meetings held on June 29, 2020 and June 30, 2020 respectively.
2	The figures of the last quarter are the balancing figures between audited figures in respect of the Financial year ended March 31, 2020 and March 31, 2019 and the unaudited published year to date figures up to December 31, 2019 and December 31, 2018 respectively, being the date of the end of the third quarter of the respective financial year which were subjected to limited review.
3	(A) Effect of Settlement with ARCs / Bankers, if any is made on the final compliance of Term and Conditions of the agreements and accordingly during the year waiver of principal amount for the full and final payment as per the settlement agreement of the loan taken from Bank and Financial Institution of Rs.107.31 Crore is shown as capital reserve and the waiver of Interest amount of Rs 35.54 Crore is shown as exceptional item. (B) During the quarter ended on March 31,2020, Rs.52.57 Crore was recognised as expenses for inventories carried at net realisable value/inventory written down.
4	Presently, the group has elected to exercise the option permitted under section 115BAA of the Income Tax Act, 1961, as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Accordingly, the group has recognized provision for income tax for the year ended on March 31, 2020 and re-measured their deferred tax balances based on the rate prescribed in the said section, for the disclosure purposes in the financial statements.
5	The Reserve Bank of India (RBI) has notified the COVID-19 Regulatory Packages permitting lenders to grant a moratorium period for all instalments falling due between March 1, 2020 to August 31, 2020. However, the Company has not paid instalments due for the quarter ended on December 31, 2019 to some of the lenders, and for the quarter ended on March 31, 2020, the Company has not paid instalments to any of the lenders. The company has requested all lenders to allow this moratorium period for the payments and the revised repayment schedule is yet to be confirmed.
6	The bank accounts of the group were classified as Non-Performing Assets and therefore, provision for interest on Term loan and Working Capital loan for the year under consideration of Rs.132.07 Crore (Net of reversal) and upto March 31, 2020 Rs. 1109.94 Crore have not been provided in the books of accounts and accordingly amount of Net Profit for the year is overstated by Rs.132.07 Crore & the amount of Bank / ARC liability and Total retained earnings (Loss) as on March 31, 2020; is under stated by Rs.1109.94 Crore.
7	(A) On March 24, 2020, the Government of India ordered a nationwide lockdown to prevent community spread of Covid-19 in India resulting in significant reduction in economic activities. The company has carried out its initial assessment of the likely adverse impact on economic environment in general and financial risk because of Covid-19. The company is in the business of manufacturing steel, pipe and steel melting equipment, Transformers, etc. The demand for the Company products is expected to be lower in the short term, though the same is not likely to have a continuing impact on the business of the Company. Further, the Management believes that there may not be significant impact of Covid-19 pandemic on the financial position and performance of the group, in the long-term. (B) However, with regard to one of the subsidiary i.e. Hans Ispat Limited due to Covid 19, the company has stalled all the plant operations from March 23, 2020. After Indian Railway started running the Shramik trains many skilled and unskilled labours have left the units and therefore the production activity have not yet started. The company have paid regular salary to the employee and the contractors. The company have dispatched the Finished Goods to various customer till the date of signing the financial results. Once the company employees and contractors workers resume the work, the plant production activity will be in operation and therefore in view of the management, the going concern of the company is not affected.
8	The Group has adopted IND AS 116 lease effective from April 1, 2019 using the modified retrospective approach and applied the Standard to its identified lease on a prospective basis. This has resulted in recognition on the Right of Use assets and a corresponding lease liability as at April 01, 2019. The adoption of the standard did not have any material impact to initial recognition on the financial results for the quarter and year ended as at March 31, 2020.
9	The Holding Company has received copy of Petition from Central Bank of India, a financial creditor under Section 7 of the Insolvency and Bankruptcy Code, 2016 before the National Company Law Tribunal (NCLT), Ahmedabad, for initiating Corporate Insolvency Resolution Process (CIRP) against the Company for an amount of Rs 1059.59 Crores. The matter is yet to come up for the hearing before the Hon'ble NCLT.

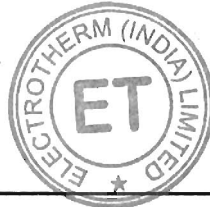
10	Few accounts of "Trade Receivables", "Trade Payable", "Advance from Customers", "Advances Recoverable in Cash or Kind", "Advance to suppliers and other parties" are subject to confirmation / reconciliation. The Balance with revenue authorities are subject to final assessment order and/or submission of returns
11	(A) In respect of Joint Venture Bhaskarpara Coal Company Limited, the Ministry of Coal, Government of India has taken action for de-allocation of Coal Block, affecting the going concern of the said company. (B) In respect of Shree Ram Electro Cast Limited, one of the subsidiary, the State Bank of India has taken action under SARFAESI Act, 2002 and subsequent action of the sale through auction of the hypothecated / mortgaged assets of the Company situated at Honnarhalli Village, Hatchali Post, Siruguppa Taluk, Bellari District, Karnataka in February 2019 for Rs. 11.97 Crores, affecting the going concern of the said company. The sale consideration received by the State Bank of India, have been adjusted against the outstanding loan amount of the State Bank of India. The sale consideration have been allocated amongst the various assets sold by the bank, on estimated basis, resulting into loss of Rs. 12.30 Crores and the same has been shown under the head other expenses.
12	There are certain pending matters/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, SEBI, Regional Director of Ministry of Corporate Affairs and various Courts.
13	Figures of previous period's have been regrouped, wherever considered necessary to make the comparable to current period's figure. These Statement of Consolidated Audited Financial Results is to be read along with notes of accounts attached with the Consolidated Audited Financial statements of the Group.
14	Statement of Assets and Liabilities: (Consolidated)

(Rs. in Crores)			
Sr. No.	Particulars	As At	As At
		31-03-2020	31-03-2019
		Audited	Audited
A	ASSETS		
1	Non-current Assets		
	(a) Property, Plant and Equipment	781.40	910.19
	(b) Capital Work-in-Progress	27.59	28.89
	(c) Goodwill	36.46	36.46
	(d) Other Intangible assets	5.18	2.06
	(f) Right to use assets	2.19	-
	(e) Financial Assets		
	(i) Investments in Joint Venture	6.94	6.93
	(ii) Investments	0.21	0.43
	(iii) Other Financial Assets	40.70	55.48
	(g) Other non-current assets	15.77	15.76
	Sub Total Non-Current Assets	916.44	1,056.20
2	Current Assets		
	(a) Inventories	490.49	563.12
	(b) Financial Assets		
	(i) Trade receivables	316.30	333.72
	(ii) Cash and cash equivalents	30.41	47.38
	(iii) Bank balances other than (ii) above	16.63	15.88
	(iv) Other Financial Assets	2.00	1.82
	(c) Current Tax Assets (Net)	2.92	2.39
	(d) Other current assets	144.89	148.18
	Sub Total Current Assets	1,003.64	1,112.49
	TOTAL ASSETS	1,920.08	2,168.69
B	EQUITY AND LIABILITIES		
(I)	Equity		
	(a) Equity Share Capital	12.74	12.74
	(b) Other Equity	(1,106.06)	(1,234.71)
	Total Equity	(1,093.32)	(1,221.97)
(II)	LIABILITIES		
1	Non-current liabilities		
	(a) Financial Liabilities		
	(i) Borrowings	1,272.65	1,443.21
	(ii) Other financial liabilities	0.74	0.03
	(b) Other Non-Current Liability	2.75	-
	(c) Provisions	18.01	13.06
	Sub Total Non-Current Liabilities	1,294.15	1,456.30
2	Current liabilities		
	(a) Financial Liabilities		
	(i) Short term borrowings	29.42	152.27
	(ii) Trade payables		
	(a) Micro Enterprises & Small Enterprises	26.90	25.74
	(b) Other than Micro Enterprises & Small Enterprises	422.14	450.56
	(iii) Other financial liabilities	1,017.41	1,041.53
	(b) Other current liabilities	209.05	250.26
	(c) Provisions	14.33	14.00
	Sub Total Current Liabilities	1,719.25	1,934.36
	TOTAL EQUITY AND LIABILITIES	1,920.08	2,168.69



(Rs. in Crores)

Sr. No.	Particulars	Year Ended	
		31-03-2020	31-03-2019
		Audited	Audited
A: CASH FLOW FROM OPERATING ACTIVITIES			
	Profit Before Tax	24.11	141.91
Adjustments to reconcile profit before tax to net cash flows:			
	Depreciation on property, plant, equipment & Amortization of Assets	134.21	142.82
	Finance income (including fair value changes in financial instruments)	(3.59)	(5.41)
	Net Sundry Balances Written Off	0.63	(6.61)
	Provision For Doubtful Trade Receivables & Advances	-	(15.51)
	Exceptional item	(35.54)	-
	Profit on Sale of Units of Mutual Fund	-	(0.01)
	(Profit)/Loss on Sale/Discard of Property, Plant & Equipments & Capital Work In Progress (Net)	13.23	-
	Provision/(Reversal) For Warranty	(0.90)	-
	Profit From Joint Venture	0.01	0.02
	Finance costs (including fair value changes in financial instruments)	15.64	38.42
	Unrealized foreign exchange (gain)/loss	(13.96)	(6.32)
	Operating Profit before working capital changes	133.84	289.31
Working capital adjustments:			
	Decrease/(Increase) in trade receivables	30.44	45.27
	Decrease/(Increase) in inventories	72.63	(115.02)
	Decrease/(Increase) in other non-current financial assets	-	(15.38)
	(Decrease)/Increase in trade payables	(26.95)	13.00
	(Decrease)/Increase in other current liabilities	(38.46)	104.81
	(Decrease)/Increase in other non current liabilities	2.75	-
	(Decrease)/Increase in other current financial liabilities	(3.14)	(16.49)
	(Decrease)/Increase in other current financial assets	(0.21)	(0.12)
	Decrease/(Increase) in other current Asset	3.29	35.26
	(Decrease)/Increase in provisions	3.42	3.83
	Cash generated from operations	177.61	344.47
	Direct taxes paid (net)	(0.53)	(0.88)
	Net Cash generated from operating activities	177.08	343.59
B: CASH FLOW FROM INVESTING ACTIVITIES			
	Purchase of fixed assets & intangible assets (including CWIP and capital advances)	(23.73)	(77.99)
	Proceeds from sale of Property Plant & Equipment	10.91	0.25
	Purchase of Units of Mutual fund	-	(13.10)
	Sale of Units of Mutual fund	0.13	13.11
	Increase in Investment in Joint Venture	(0.01)	(0.02)
	Redemption/(Investment) of bank deposits	14.36	5.14
	Interest income	3.29	5.80
	Net Cash (used in) / generated from investing activities	4.95	(66.81)
C: CASH FLOW FROM FINANCING ACTIVITIES			
	Repayment of borrowings (Net)	(179.25)	(229.92)
	Payment of Principal portion of Lease Liabilities	(1.83)	-
	Finance Cost (Net)	(17.92)	(32.17)
	Net Cash (used in) / generated from financing activities	(199.00)	(262.09)
	Net (Decrease)/ Increase in Cash and Cash Equivalents	(16.97)	14.69
	Cash and Cash Equivalents at the beginning of the year	47.38	32.69
	Cash and Cash Equivalents at the end of the year	30.41	47.38



Place: Ahmedabad
Date: 30-06-2020

FOR ELECTROTHERM (INDIA) LIMITED

SHAILESH BHANDARI
MANAGING DIRECTOR
(DIN: 00058866)



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

TO
THE BOARD OF DIRECTORS OF
ELECTROTHERM (INDIA) LIMITED

REPORT ON THE AUDIT OF THE STANDALONE FINANCIAL RESULTS

Opinion

We have audited the accompanying statement of quarterly and year to date standalone financial results of ELECTROTHERM (INDIA) LIMITED ("the Company"), for the quarter ended March 31, 2020 and for the year ended March 31, 2020 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations")

In our opinion and to the best of our information and according to the explanations given to us, the statement

- i. Is presented in accordance with the requirements of the Listing Regulations in this regard and
- ii. give a true and fair view in conformity with the applicable accounting standards and other accounting principles generally accepted in India, of the Net Loss and other comprehensive income and other financial information of the Company for the quarter ended March 31, 2020 and Net Profit and other comprehensive income and other financial information of the Company for the year ended March 31, 2020.

Basis for Qualified Opinion on the Audited Standalone Financial Results for the year ended 31st March, 2020

We draw attention to Note No. 6 of non-provision of interest on NPA accounts of banks of Rs.160.67Crore (Net of Reversal), for the year under consideration and the total amount of such unprovided interest till date is Rs 1037.01Crore. The exact amounts of the said non-provisions of interest are not determined and accounted for by the Company and to that extent Bankers/ARCs loan liabilities is understated, and to that extent profit is overstated.

We conducted our audit in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Companies Act 2013 ("the Act"). Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Results 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules there under, 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 audit opinion.

Emphasis of Matter

We draw attention to following Notes of Statement of Standalone Audited Financial Results of the Company: -

- (a) Note No 3(A) in respect of treatment in the books of accounts of the assignment / settlements of debts of various bank and the financial institution and its waiver of principal and interest amount.



- (b) Note No 5 in respect of non-payment of Instalments due to lender of the loan for the period from 31st December 2019 to 31st March 2020 and requested all lenders to allow this moratorium period for the payments and the lenders are yet to confirm the revised repayment schedule.
- (c) Note No 9 in respect of Petition filed by Central Bank of India, a financial creditor under Section 7 of the Insolvency and Bankruptcy Code, 2016 before the National Company Law Tribunal (NCLT), Ahmedabad.
- (d) Note No10 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".
- (e) Note No 11 in respect of pending litigations and recovery proceedings against the company and the Directors of the Company.

In our opinion, in respect of the above Emphasis of Matter, we do not provide any modified opinion as these are not material.

Management Responsibilities for the Standalone Financial Results

The statement has been prepared on the basis of the standalone annual financial statements. The Board of Directors of the Company are responsible for the preparation and presentation of the Statement that gives a true and fair view of the Net Loss for the Quarter and Net Profit for the year; ended on March 31, 2020 and other comprehensive income of the Company and other financial information in accordance with the applicable accounting standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the statement, management and Board of Directors are 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.

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

Auditor's Responsibilities for the Audit of the Standalone Financial Results

Our objectives are to obtain reasonable assurance about whether the 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 statements.

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

- Identify and assess the risks of material misstatement of the Statement, 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(i) of the Act, we are also responsible for expressing



our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- o Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- o Conclude on the appropriateness of management's 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 Financial Results 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.
- o Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represent the underlying transactions and events in a manner that achieves fair presentation.

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.

Other Matters

- The Statement includes the results for the Quarter ended March 31, 2020 being the balancing figure between audited figures in respect of the full financial year ended March 31, 2020 and the published unaudited year-to-date figures up to the third quarter of the current financial year which, were subject to limited review by us. Our report on the Statement is not modified in respect of this matter.

PLACE: AHMEDABAD
DATE: 30th June 2020.
UDIN: 20124095AAAABJ4532

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


HITESH SHAH
PARTNER
MEMBERSHIP NO. 124095





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

TO
THE BOARD OF DIRECTORS OF
ELECTROTHERM (INDIA) LIMITED

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL RESULTS

Opinion

We have audited the accompanying statement of quarterly and year to date 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 joint venture for the quarter ended March 31, 2020 and year ended March 31, 2020 (the "Statement"), attached herewith, being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 as amended ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate audited financial statements of the subsidiaries, the aforesaid consolidated annual financial results:

- a. include the annual financial results of the following entities:

List of Subsidiaries

1. Hans Ispat Limited
2. Electrotherm Services Limited
3. Shree Ram Electro Cast Limited
4. ET Elec-Trans Limited
5. Jinhua Indus Enterprise Limited - China
6. Jinhua Jahari Enterprise Limited -China (Step-down Subsidiary Company)

List of Joint Venture Company

1. Bhaskarpara Coal Company Limited



- b. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- c. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards, and other accounting principles generally accepted in India, of consolidated net loss and other comprehensive income and other financial information of the Company for the quarter ended March 31, 2020 and Net Profit and other comprehensive income and other financial information of the Company for the year ended March 31, 2020.

Basis for Qualified Opinion on the Audited Consolidated Financial Results for the year ended 31st March, 2020

1. We draw attention to Note No. 6 of non-provision of interest on NPA accounts of banks of Rs 132.07 Crore (Net of Reversal), for the year under consideration and the total amount of such unprovided interest till March 31, 2020 is Rs.1109.94 Crore. The exact amounts of the said non provisions of interest are not determined and accounted for by the group and to that extent Bankers loan liabilities is understated, and profit for the year is overstated.
2. We conducted our audit in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Companies Act 2013 ("the Act"). Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Results section of our report. We are independent of the group and its joint venture in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules there under, 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 qualified opinion.

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

A. Bhaskarpara Coal Company Limited

We draw attention on Note No 11(A) of the consolidated annual financial results, relating to the actions taken by Ministry of Coal, Government of India for de-allocation of the Coal block in Joint venture Bhaskarpara Coal Company Limited, affecting the going concern of the said company.

B. Shree Ram Electrocast Limited

We draw attention on Note No 11(B) of the consolidated annual financial results, relating to the actions taken by State Bank of India under SARFAESI Act, 2002 and subsequent action of the sale through auction of the assets of the 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.

Emphasis of Matter

We draw attention of following Notes of Statement of Consolidated Audited Financial Results of the Group: -

1. Note No 3(A) of the consolidated annual financial results in respect of treatment in the books of accounts of the assignment / settlements of debts of various bank and the financial institution and its waiver of principal and interest amount.



2. Note No 5 of the consolidated annual financial results in respect of non-payment of Instalments due to lenders of the loan for the period from 31st December 2019 to 31st March 2020 and requested all lenders to allow this moratorium period for the payments and the lenders are yet to confirm the revised repayment schedule.
3. Note No 9 of the consolidated annual financial results in respect of Petition filed by Central Bank of India, a financial creditor under Section 7 of the Insolvency and Bankruptcy Code, 2016 before the National Company Law Tribunal (NCLT), Ahmedabad.
4. Note No 10 of the consolidated annual financial results 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".
5. Note No 12 of the consolidated annual financial results in respect of pending litigations and recovery proceedings against the company and the Directors of the Company.

In our opinion, in respect of the above Emphasis of Matter, we do not provide any modified opinion as these are not material.

Management Responsibilities for the Consolidated Financial Results

The statement has been prepared on the basis of the consolidated annual financial statements. The Holding Company's Board of Directors are responsible for the preparation and presentation of the Statement that gives a true and fair view of the net loss / net profit and other comprehensive income and other financial information of the Group in accordance with the applicable accounting standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This respective Board of Directors of the Companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and applicable of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Statement by the Directors of the Holding Company, as aforesaid.

In preparing the Statement, the respective Board of Directors of the Companies included in the Group and of its joint ventures are responsible for assessing the ability of respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate their respective entities 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 and of its jointly controlled entity are also responsible for overseeing the Group and its joint ventures financial reporting process.



Auditor's Responsibilities for the Audit of the Consolidated Financial Results

Our objectives are to obtain reasonable assurance about whether the Statement 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 the Statement.

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

- o Identify and assess the risks of material misstatement of the Statement, 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.
- o 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 with reference to financial statements in place and the operating effectiveness of such controls.
- o Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- o Conclude on the appropriateness of management's 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 Statement 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 Group to cease to continue as a going concern.
- o Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represent the underlying transactions and events in a manner that achieves fair presentation.
- o Obtain sufficient appropriate audit evidence regarding the financial results of the entities within the Group and joint venture to express an opinion on the consolidated annual financial results. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the Statement of which we are the independent auditors. For the other



entities included in the Statement, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them.

We communicate with those charged with governance of the Holding Company and such other entity included in the Statement of which we are the independent auditors 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 charges 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.

Other Matters

The Statement includes the results for the Quarter ended 31st March, 2020 being the balancing figure between audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the current financial year which were subject to limited review by us. Our report is not modified in respect of this matter.

We did not audit the financial statements/ financial information of 2 subsidiaries included in the Statement, whose financial statements / financial information reflect total assets (before consolidation adjustments) of Rs. 61.93 crore, total revenues (before consolidation adjustments) of Rs 396.25 crore, total net loss after tax (before consolidation adjustments) of Rs 8.83 crore, total comprehensive Loss (before consolidation adjustments) of Rs 8.88 crore and net cash outflows (before consolidation adjustments) of Rs. 4.60 crore for the year ended 31st March, 2020, as considered in the Statement. These financial statements have been audited/reviewed, by other auditors whose reports have been furnished to us by the Management and our opinion and conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on the reports of the other auditors and the procedures performed by us as stated under Auditor's Responsibilities section above.

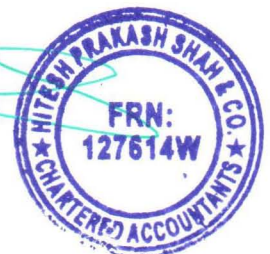
There are 2 subsidiaries which are located outside India whose financial statements / financial and other information have been prepared in accordance with accounting principles generally accepted in their respective countries and are unaudited whose financial statements / financial information reflect total assets (before consolidation adjustments) Rs 5.41 Crores, total revenues (before consolidation adjustments) of Rs 17.07 crore, total net Profit after tax (before consolidation adjustments) of Rs 0.35 crore, total comprehensive Income (before consolidation adjustments) of Rs 0.35 crore and net cash Inflow (before consolidation adjustments) of Rs. 0.37 crore for the year ended 31st March, 2020, as considered in the Statement. These unaudited financial statements have been furnished to us by the Board of Directors and our opinion on the consolidated annual financial results, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on such annual financial statements. In our opinion and according to the information and explanations given to us by the Board of Directors, these financial statements are not material to the Group.

Our report on the Statement is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditors.

PLACE: AHMEDABAD
DATE: 30th June 2020
UDIN:20124095AAAAABK5830

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


HITESH SHAH
PARTNER
MEMBERSHIP NO. 124095





**Statement on Impact of Audit Qualifications (for audit report with modified opinion)
submitted along-with Annual Audited Financial Results**

Statement on Impact of Standalone Audit Qualifications for the Financial Year ended 31 st March, 2020 (See Regulation 33 of the SEBI (LODR) (Amendment) Regulations, 2016)				
I.	Sr. No.	Particulars	Audited Figures (as reported before adjusting for qualifications) (Rs. In Crores)	Audited Figures (as reported after adjusting for qualifications) (Rs. In Crores)
	1.	Turnover / Total Income	2,850.12	2,850.12
	2.	Total Expenditure	2,840.68	3,001.35
	3.	Net Profit / (Loss)	44.98*	(115.69)
	4.	Earnings Per Share	35.31	(90.81)
	5.	Total Assets	1,917.95	1,917.95
	6.	Total Liabilities	2,889.38	3,926.39
	7.	Net Worth	(971.43)	(2,008.44)
	8.	Any other financial item(s) (as felt appropriate by the management)	Not Applicable	
II.	Audit Qualification (each audit qualification separately)			
	a.	Details of Audit Qualification	Non-provision of interest on Non-Performing Assets (NPA) accounts of banks of Rs. 160.67 Crore (Net of Reversal) for the year under consideration and the total amount of such unprovided interest till date is Rs. 1037.01 Crore.	
	b.	Type of Audit Qualification : Qualified Opinion / Disclaimer of Opinion / Adverse Opinion	Qualified Opinion	
	c.	Frequency of qualification : Whether appeared first time / repetitive / since how long continuing	Repetitive (Since Financial Year 2011-12)	
* Net Profit / (Loss) is after exception gain of Rs. 35.54 Crores				

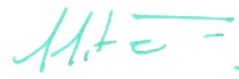



ELECTROTHERM (India) Limited

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 • Bangalore • Bangladesh • Bellary • Chennai • Coimbatore • Delhi • Ghaziabad • Goa • Hyderabad • Jaipur • Jalna • Jalandhar • Jamnagar • Jamshedpur • Kanpur • Kodema • Kolhapur • Kolkata • Ludhiana • Mandi Gobindgarh • Mumbai • Nagpur • Nasik • Panaji • Pune • Raipur • Raigarh • Rajkot • Rourkela • Sambalpur



d.	For Audit Qualification(s) where the impact is quantified by the auditor, Management's views	The loan accounts of the Company has been classified as Non-Performing Assets (NPA) by the Bankers and some of the bankers has not charged interest on the said accounts and therefore provision for interest has not been made in the books of account. The quantification has been done only for the loans which has not been settled.
e.	For Audit Qualification(s) where the impact is not quantified by the auditor	Not Applicable
	(i) Management's estimation on the impact of audit qualification (ii) If management is unable to estimate the impact, reasons for the same (iii) Auditor's Comments on (i) or (ii) above	Not Applicable
III.	Signatories	
<p>For Hitesh Prakash Shah & Co. Chartered Accountants ICAI Firm Registration No. 127614W</p>   <p>CA Hitesh P. Shah Partner Membership No. 124095</p>		<p>For Electrotherm (India) Limited</p>  <p>Mr. Shailesh Bhandari Managing Director</p>  <p>Mr. Pratap Mohan Chairman – Audit Committee</p>

Place : Ahmedabad
Date: 30th June, 2020

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**Statement on Impact of Audit Qualifications (for audit report with modified opinion)
submitted along-with Annual Audited Financial Results**

Statement on Impact of Consolidated Audit Qualifications for the Financial Year ended 31 st March, 2020 (See Regulation 33 of the SEBI (LODR) (Amendment) Regulations, 2016)				
I.	Sr. No.	Particulars	Audited Figures (as reported before adjusting for qualifications) (Rs. In Crores)	Audited Figures (as reported after adjusting for qualifications) (Rs. In Crores)
	1.	Turnover / Total Income	3,226.34	3,226.34
	2.	Total Expenditure	3,237.77	3,369.84
	3.	Net Profit / (Loss)	24.10	(107.97)
	4.	Earnings Per Share	18.92	(84.75)
	5.	Total Assets	1,920.08	1,920.08
	6.	Total Liabilities	3,013.40	4,123.34
	7.	Net Worth	(1,093.32)	(2,203.26)
	8.	Any other financial item(s) (as felt appropriate by the management)	Not Applicable	
II.	Audit Qualification (each audit qualification separately)			
	a.	Details of Audit Qualification	Non-provision of interest on Non-Performing Assets (NPA) accounts of banks of Rs. 132.07 Crore (Net of Reversal) for the year under consideration and the total amount of such unprovided interest till date is Rs. 1109.94 Crore.	
	b.	Type of Audit Qualification : Qualified Opinion / Disclaimer of Opinion / Adverse Opinion	Qualified Opinion	
	c.	Frequency of qualification : Whether appeared first time / repetitive / since how long continuing	Repetitive (Since Financial Year 2011-12)	
* Net Profit / (Loss) is after exception gain of Rs. 35.54 Crores				

ELECTROTHERM (India) Limited




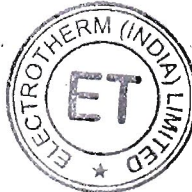

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• Nagpur • Nasik • Panaji • Pune • Raipur • Raigarh • Rajkot • Rourkela • Sambalpur



d.	For Audit Qualification(s) where the impact is quantified by the auditor, Management's views	The loan accounts of the Company and its two subsidiaries i.e. Hans Ispat Limited and Shree Ram Electro Cast Limited has been classified as Non-Performing Assets (NPA) by the Bankers and some of the Bankers has not charged interest on the said accounts and therefore provision for interest has not been made in the books of account. The quantification has been done only for the loans which has not been settled.
e.	For Audit Qualification(s) where the impact is not quantified by the auditor	Not Applicable
	(i) Management's estimation on the impact of audit qualification (ii) If management is unable to estimate the impact, reasons for the same (iii) Auditor's Comments on (i) or (ii) above	Not Applicable
III.	Signatories	
<p>For Hitesh Prakash Shah & Co. Chartered Accountants ICAI Firm Registration No. 127614W</p>   <p>CA Hitesh P. Shah Partner Membership No. 124095</p>		<p>For Electrotherm (India) Limited</p>  <p>Mr. Shailesh Bhandari Managing Director</p>   <p>Mr. Pratap Mohan Chairman – Audit Committee</p>

Place : Ahmedabad
Date: 30th June, 2020

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