



September 05, 2025

The General Manager (Listing Department)
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai – 400 001

SCRIP CODE: 532656

Dear Sir/Madam,

Sub: **Annual Report for Financial Year 2024-25**

Dear Sir,

Pursuant to Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith copy of the following:

1. Annual Report for FY 2024-25 including, inter alia, Notice convening the 22nd Annual General Meeting (AGM) of the Company, which is being sent through electronic mode to the Members of the Company.

The 22nd AGM of the Company will be held on Monday, 29th September, 2025 at 04:00 P.M. through Video Conferencing / Other Audio-Visual Means.

The above is also available on the website of the Company www.facoralloys.in.

You are requested to kindly take the above on record.

Thanking you,

Yours faithfully,
For Facor Alloys Limited

SACHIN
KUMAR GUPTA

Digitally signed by SACHIN KUMAR GUPTA
Date: 2025.09.05 18:18:20 +05'30'

Sachin Kumar Gupta
Company Secretary & Compliance Officer
ACS 22874

FACOR ALLOYS LIMITED

CIN No. L27101AP2004PLC043252

Corporate Office : Polyplex Building, Tower-B, Ground Floor, B-37, Sector-1, Noida - 201301, India • T +91-120-420 6442 • E.: corpoffice@falgroup.in

Regd office & Works : SHREERAMNAGAR-535 101, Dist. Vizianagaram, (A.P.), India • T+91-8952-282029, 38 & 282456 • F+91-8952-282188 • E.: facoralloys@falgroup.in

www.facoralloys.in

TWENTY SECOND ANNUAL REPORT 2024-25



FACOR ALLOYS LIMITED

CORPORATE INFORMATION

CIN: L27101AP2004PLC043252

Board of Directors

Mr. Muralidhar Rambhatla
Chairman (w.e.f. 11.11.2024)
Non-Executive Independent Director

Mr. A. S. Kapre
Chairman (upto 08.09.2024)
Non-Executive Independent Director

Mr. R. K. Saraf
Chairman & Managing Director
(Upto 04.04.2024)

Mr. Ashish Santosh Agrawal
Whole-time Director
(w.e.f. 30.05.2024)

Mr. Ashism Saraf
Non-Executive Director
(Upto 03.04.2024)

Mr. Manoj Saraf
Non-Executive Director

Mr. M D Saraf
Non-Executive Director
(w.e.f. 09.04.2024)

Mr. Gaurav Vinod Saraf
Non-Executive Director
(w.e.f. 09.04.2024)

Mrs. Urmila Gupta
Independent Director
(upto 30.07.2024)

Mr. M. B. Thaker
Independent Director

Ms. Vinita Bahri
Independent Director
(w.e.f. 14th August, 2024)

Executives

Mr. Vinod Saraf
President

Mr. M.S.S. Sarma
Chief Executive

Mr. Vijay Vashishth
Dy. Chief Financial Officer
(upto 31.12.2024)

Mr. Mohammad Asim Quraishi
Chief Financial Officer
(w.e.f. 12.02.2025)

Mr. Piyush Agarwal
Company Secretary and
Compliance Officer
(upto 15th July, 2024)

Mr. Sachin Kumar Gupta
Company Secretary and
Compliance Officer
(w.e.f. 29th July, 2024)

Solicitors

Wadhwa Law Chambers

Statutory Auditors

K K Mankeshwar & Co.
Chartered Accountants

Internal Auditors

Rao & Kumar
Chartered Accountants

Registrars & Share Transfer Agents
(for Both Physical & Electronic)

MAS Services Limited

T-34, 2nd Floor, Okhla Industrial Area,
Phase-II, New Delhi - 110020
Phone No.+91-11-26387281-83
Fax No.+91-11-26387384
E-Mail : investor@masserv.com

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NOTICE

Notice is hereby given that the 22nd Annual General Meeting of Facor Alloys Limited will be held on Monday, the 29th day of September, 2025 at 04:00 P.M. through Video Conferencing (“VC”) / Other Audio Visual Means (“OAVM”), to transact the following business:

ORDINARY BUSINESS

1. Adoption of the Audited Standalone and Consolidated Financial Statements and Report of the Board of Directors and Auditors thereon for the Financial Year 2024-25

To consider and, if thought fit, to pass, the following resolution as an Ordinary Resolution:

“RESOLVED THAT the Annual Audited Standalone Financial Statements of the Company for the financial year ended 31st March, 2025, including the Balance Sheet as at 31st March, 2025, the statement of Profit and Loss and Statement of Cash Flow for the Financial Year ended on that date along with Annexures and the Reports of the Board of Directors and Auditors thereon, as circulated to the Members, be and is hereby approved and adopted.”

“RESOLVED THAT the Annual Audited Consolidated Financial Statements of the Company for the financial year ended 31st March, 2025, including the Balance Sheet as at 31st March, 2025, the statement of Profit and Loss and Statement of Cash Flow for the Financial Year ended on that date along with Annexures and the Report of the Auditors thereon, as circulated to the Members, be and is hereby approved and adopted.”

SPECIAL BUSINESS

2. To appoint a Director in place of Mr. Murlidhar Durgaprasadji Saraf (DIN: 00011966), who retires by rotation and, being eligible, offers himself for re-appointment, and in this regard, pass the following resolution as a Special Resolution:-

“RESOLVED THAT pursuant to the provisions of section 149, 152 and any other applicable provisions, if any, of the Companies Act, 2013 read with the applicable Rules as well as the provisions contained in the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (including any statutory modification or re-enactment thereof), Mr. Murlidhar Durgaprasadji Saraf (DIN: 00011966), a Director of the Company who retires by rotation at this Meeting, being eligible for re-appointment as Director of the Company, be and is hereby re-appointed as a Director of the Company whose period of office shall be liable to determination by retirement of Director by rotation.

3. To Ratify the remuneration to Cost Auditors

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions of the Companies Act, 2013, the Companies (Audit and Auditors) Rules, 2014 and the Companies (Cost Records and Audit) Rules, 2014 (including any statutory amendment(s), modification(s) or re-enactment(s) thereof), the remuneration payable to M/s. Uppalapati & Associates, Cost Accountants (Firm

Registration No.: 100506) appointed as the Cost Auditors of the Company, to conduct an audit of the cost records of the Company for the Financial Year ending on March 31, 2026, at Rs. 50,000/- (Rupees Fifty Thousand Only) plus all applicable taxes and reimbursement of out-of-pocket expenses, be and is hereby ratified.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby severally authorized to take all such steps, as may be necessary, proper or expedient, to give effect to this resolution and to do all such acts, deeds, matters and things as may be incidental thereto.”

4. To appoint Secretarial Auditors of the Company for a term of five (5) consecutive years

To consider and, if thought fit, to pass, the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 204 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”), read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, and based on the recommendation of the Audit Committee and the approval of the Board of Directors of the Company, M/s. MT & Co., a Peer Reviewed Practicing Company Secretary (Certificate of Practice No. 5554) is appointed as Secretarial Auditor of the Company for a term of five (5) consecutive years, commencing from financial year 1st April, 2025 till 31st March, 2030, to conduct Secretarial Audit of the Company and to furnish the Secretarial Audit Report.

RESOLVED FURTHER THAT the Board of Directors of the Company (including its Committee thereof) be and are hereby authorized to fix the annual remuneration plus applicable taxes and out-of-pocket expenses incurred/ payable during the tenure as the Secretarial Auditor of the Company, in consultation with the said Secretarial Auditor.

RESOLVED FURTHER THAT the Board of Directors of the Company (including its Committee thereof), be and are hereby authorized to do all such acts, deeds, matters, and things as may be considered necessary, proper, and expedient to give effect to this Resolution.”

By order of the Board,
For Facor Alloys Limited

Sd/-
Sachin Kumar Gupta
Company Secretary and Compliance Officer
M.No. : A22874

Date: 12th August, 2025
Place: Noida

Registered Office:

Administrative Building, Shreeramnagar-535 101,
Garividi, Dist. Vizianagaram, Andhra Pradesh
CIN: L27101AP2004PLC043252
Tel. No.: 08952-282029
Fax No.: 08952-282188
E-Mail: facoralloys@falgroup.in
Website: www.facoralloys.in

NOTES:

1. The relative Explanatory Statement pursuant to Section 102 of the Act, setting out material facts concerning the special business under Item No. 3 to 4 of the Notice, is annexed hereto. The relevant details, pursuant to Regulations 26(4) and 36(3) of the Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Director seeking appointment/re-appointment at this AGM are also annexed.
2. The Ministry of Corporate Affairs ("MCA") has vide its General Circular No. 14/2020 dated 8th April 2020, No. 17/ 2020 dated 13th April, 2020, No. 20/2020 dated 5th May, 2020, 10/2022 dated 28th December, 2022, 09/2023 dated 25th September, 2023 and 09/2024 dated 19th September, 2024 ("collectively referred to as MCA Circulars") and Securities and Exchange Board of India ("SEBI") vide its circular nos. SEBI/HO/CFD/CMD1/CIR/ P/2020/79 dated 12th May, 2020, SEBI/HO/CFD/CMD2/ CIR/ P/2021/11 dated 15th January, 2021, SEBI/HO/CFD/ CMD2/CIR/P/2022/62 dated 13th May, 2022 and SEBI/ HO/CFD/PoD-2/P/CIR/2023/4 dated 5th January, 2023, SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167, dated 7th October, 2023 and SEBI/HO/CFD/CFD-PoD-2/P/CIR/ 2024/133 dated 3rd October, 2024 (collectively referred to as "SEBI Circulars"), permitted the companies for holding of the Annual General Meeting ("AGM") through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM"), without the physical presence of the Members at a common venue.

In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and above referred MCA Circulars and SEBI Circulars, the AGM of the Company is being held through VC/ OAVM. The deemed venue for the meeting shall be registered office of the Company at Shreeramnagar-535 101, Garividi, Dist. Vizianagaram, Andhra Pradesh

The procedure for participating in the meeting through VC/ OAVM is explained at Note No. 23.

3. As this AGM is being held through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice. The Route Map is also not required to be annexed to the Notice.
4. The facility for joining AGM through VC/OVAM will be available to all the Members, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors, Scrutinizers etc. Members can login and join 30 (thirty) minutes prior to the schedule time of meeting and window for joining shall be kept open till the expiry of 30 (thirty) minutes after the scheduled time.
5. Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

6. Institutional Investors / Corporate Shareholders (i.e. other than Individual / HUF / NRI etc) can appoint their authorised representatives pursuant to Sections 112 and 113 of the Act, as the case may be, to attend the AGM through VC / OAVM or to vote through remote e-Voting. They are requested to send a certified copy of the Board Resolution of authorization to the Scrutinizer by e-mail at tumul11@gmail.com with a copy marked to evoting@nsdl.co.in.
7. In case of Joint Holders attending the AGM, only such Joint Holder whose name appears first in the order of names will be entitled to vote.
8. Only bona fide members of the Company, whose name appear first on the Register of Members, will be permitted to attend the meeting through VC/ OAVM. The Company reserves its right to take all necessary steps as may be deemed necessary to restrict non-members from attending the meeting.
9. The Register of Directors and Key Managerial Personnel and their Shareholding, maintained under Section 170 of the Act and the Register of Contracts or Arrangements in which the Directors are interested maintained under Section 189 of the Act will be available for inspection by the Members in electronic mode during the AGM. Members who wish to inspect, may send their request through an email at sachin@falgroup.in up to the date of AGM.
10. In line with the aforesaid MCA and SEBI circulars, the notice of the AGM along with the Annual Report 2024-25 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2024-25 has been uploaded on the Company's website www.facorallloys.in and may also be accessed from the relevant section of the website of the Stock Exchange i.e. BSE Limited at www.bseindia.com. The AGM Notice is also available on the website of evoting.nsdl.com
11. National Securities Depositories Limited ("NSDL") will be providing the facility of voting through remote e-Voting for participation in the AGM through VC/OAVM facility and e-Voting during the 22nd AGM.
12. M/s Mas Services Ltd, having their office at T-34, 2nd Floor, Okhla Industrial Area, Phase II, New Delhi - 110 020, Tel. 011-26387281, 282, 283, Email: investor@masserv.com are the Company's Registrar and Share Transfer Agent ("RTA") for its Share Registry Work (Physical and Electronic).
13. The Register of Members and Share Transfer Books of the Company will remain closed from 24.09.2025 to 29.08.2025 (both days inclusive).
14. In terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, securities of the listed companies can only be transferred in dematerialized form with effect from 1st April, 2019. In view of this and to eliminate all risks associated with physical shares, Members are advised to dematerialize shares held by them in physical form. Members can contact the

Company's Registrar and Share Transfer Agents M/s Mas Services Ltd for assistance in this matter.

15. Members holding shares in the same name under different Ledger Folios are requested to apply for consolidation of such Folios and send the relevant share certificates to RTA to do the needful.
16. Members holding shares in dematerialized mode who have not registered / updated their email addresses are requested to register / update their email addresses with the relevant Depository Participants.

Members holding shares in physical mode may please note that the Securities and Exchange Board of India (SEBI) has mandated furnishing of PAN, KYC details (i.e. Postal Address with Pin Code, email address, mobile number, bank account details) and nomination details by all the shareholders who are holding their shares in physical form.

In view of the above, shareholders of the Company holding securities in physical form are requested to provide following documents/details to RTA:

- i. PAN;
- ii. Nomination in Form No.SH-13 or submit declaration to 'Opt-out' in Form ISR-3;
- iii. Contact details including Postal address with PIN code, Mobile Number, E-mail address;
- iv. Bank Account details including Bank name and branch, Bank account number, IFS code;
- v. Specimen signature (in Form ISR-2)

Any cancellation or change in nomination shall be provided in Form No.SH-14.

All of above required documents/details shall be provided to RTA at investor@masserv.com and send the documents to RTA. Relevant details and forms prescribed by SEBI in this regard are available on the website of the Company at www.facoralloys.in.

The shareholders can also download the forms mentioned in SEBI circular from the website of RTA i.e. www.masserv.com

17. SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8, dated 25th January, 2022 has mandated the Listed Companies to issue securities in dematerialized form only while processing service requests viz. Issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/exchange of securities certificate; endorsement; sub-division/splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR-4, the format of which is available on the Company's website at www.facoralloys.in. It may be noted that any service request can be processed only after the folio is KYC Compliant.

Further, SEBI, vide its circular dated 3rd November, 2021 (subsequently amended by circulars dated 14th December, 2021, 16th March, 2023 and 17th November,

2023) mandated that the security holders (holding securities in physical form), whose folio(s) do not have PAN or Choice of Nomination or Contact Details or Mobile Number or Bank Account Details or Specimen Signature updated, shall be eligible for any dividend payment in respect of such folios, only through electronic mode with effect from 1st April, 2024, only upon furnishing all the aforesaid details to the Company's Registrar and Share Transfer Agent. The relevant FAQs published by SEBI in this regard on its website can be viewed at https://www.sebi.gov.in/sebi_data/faqfiles/jan-2024/1704433843359.pdf

Pursuant to the provisions of Section 72 of the Companies Act, 2013, Members can avail of the facility of nomination in respect of shares held by them. Members desiring to avail of this facility may send their nomination in the prescribed Form SH-13 duly filled in. If a Member desires to cancel the earlier nomination and record a fresh nomination, he may submit the same in Form SH-14. The said forms can be downloaded from downloads link under Investors page at the Company's website at www.facoralloys.in. Members are requested to submit the said forms to their DP in case the shares are held in electronic form and to the RTA at investor@masserv.com in case the shares are held in physical form by quoting their Folio No.

18. Members holding shares in demat form are requested to:
 - i. Intimate their latest bank account details viz. name and address of the branch of the bank with 9 digit MICR code of the branch & 11 digit IFSC code, type of account and account number, to the respective depository participant.
 - ii. Intimate changes, if any, pertaining to their registered addresses, email address, telephone/mobile numbers, specimen signatures (duly attested by the bank), nomination, etc. to their respective depository participants.

19. Shareholders can claim back the amount of unpaid dividend pertaining to the financial year 2008-09 to 2010-11 along with shares transferred to "Investor Education and Protection Fund" pursuant to the provisions of Section 124 of the Companies Act, 2013, on expiry of seven years from the date of transfer to unpaid dividends A/c after complying with the procedure prescribed under the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016.

Also, pursuant to the provisions of Section 124 of the Companies Act, 2013, the Company has already uploaded details of unpaid and unclaimed dividend amounts and shares transferred to the IEPF Authority on the website of the Company.

The Members, whose unclaimed dividends/shares have been transferred to IEPF, may claim the same by making an online application to the IEPF Authority in web Form No. IEPF-5 available on www.iepf.gov.in / www.mca.gov.in.

20. SEBI vide its Circulars dated November 3, 2021 and December 14, 2021 mandated furnishing of PAN, KYC details (i.e. postal address with pin code, email address, mobile number, bank account details) and Nomination details by holders of physical securities through applicable forms. It may be noted that any service request or complaint can be processed only after the folio is KYC compliant.

Accordingly, the Company has sent individual letters to all the Members holding shares of the Company in physical form for furnishing their PAN, KYC and Nomination details. Members holding shares of the Company in physical form are requested to go through the requirements hosted on the website of the Company and furnish the requisite details.

Members are also requested to intimate changes, if any, pertaining to their name, postal address, email address, mobile number, PAN, registration of nomination, power of attorney registration, bank mandate details, etc. to their DPs in case the shares are held in electronic form and to our Registrar at investor@masserv.com in case the shares are held in physical form, quoting their folio number. Changes intimated to the DP will then be automatically reflected in the Company's records.

21. Members desirous of obtaining any information concerning the accounts and operations of the Company or desirous of availing an opportunity to speak during the AGM, are requested to address their questions in writing to the Company Secretary of the Company by 21st September, 2025.

Relevant documents referred to in the accompanying Notice shall be available for inspection by the Members through electronic mode on the basis of request being sent on sachin@falgroup.in.

22. Appointment /Re-appointment of Director

Mr. Murlidhar Durgaprasadji Saraf (DIN: 00011966) shall retire by rotation at the forthcoming AGM and being eligible, offer himself for re-appointment.

Additional information, pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards on General Meetings issued by The Institute of Company Secretaries of India, in respect of Directors seeking appointment/re-appointment at this AGM, are annexed hereto and marked as Annexure A, forms part of the Notice.

23. Voting through electronic means:

In compliance with the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, and Regulation 44 of the SEBI LODR Regulations, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by NSDL, on all the resolutions set forth in this Notice.

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, individual shareholders holding securities in demat mode are

allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to evoting@nsdl.co.in.

For the sake of convenience, detailed procedure for e-voting is also available in the letter attached with this notice.

INSTRUCTION FOR REMOTE E-VOTING, E-VOTING AT AGM AND JOINING OF AGM THROUGH VIDEO CONFERENCING:-

- (A) **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> 1. If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under “IDeAS” section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on options available against company name or e-Voting service provider - NSDL and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS” Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp

Type of shareholders	Login Method
	<p>3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on options available against company name or e-Voting service provider - NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasitoken/Home/Login or www.cdslindia.com and click on New System Myeasi. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote. If the user is not registered for Easi/ Easiest, option to register is available at https://web.cdslindia.com/myeasitoken/Home/Login Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.

Type of shareholders	Login Method
Individual Shareholders (holding securities in demat mode) login through their depository participants	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/ CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on options available against company name or e-Voting service provider-NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022-23058738 or 022-23058542-43

(B) Login Method for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

- Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
- Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
- A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***.

5. **Password details for shareholders other than Individual shareholders are given below:**

- If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

iii) **Procedure for retrieve 'initial password'**

If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

- Click on "**Forgot User Details/Password?**" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
- "**Physical User Reset Password?**" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.

d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

- After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
- Now, you will have to click on "Login" button.
- After you click on the "Login" button, Home page of e-Voting will open.

(C) **Procedure for voting electronically and join Annual General Meeting**

- After successful login, you will be able to see your company "EVEN".
- Select "EVEN" of your company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".
- Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
- Upon confirmation, the message "Vote cast successfully" will be displayed.
- You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
- Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

(D) **Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:**

- For Physical shareholders- Kindly submit the duly filled & signed Form ISR-1 to our RTA i.e Mas Services Limited, T-34, 2nd Floor, Okhla Industrial Area, Phase-II, New Delhi – 110020, Phone No. +91-11-26387281-83, Fax No. +91-11-26387384, E-Mail: investor@masserv.com.
- For Demat shareholders - Kindly update your email id with your depository participant and send copy of client master to investor@masserv.com.
- If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at above point no. (A) i.e. **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
- Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.

(E) INSTRUCTIONS FOR MEMBERS FOR E-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the EGM/AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the EGM/AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the EGM/AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the EGM/AGM. However, they will not be eligible to vote at the EGM/AGM.

(F) INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the EGM/AGM through VC/OAVM through the NSDL e-Voting system. Members may access it by following the steps mentioned above for attending the AGM through VC/OVAM.
2. After successful login, you can see link of "VC/OAVM link" placed under "**Join General meeting**" menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu.
3. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed.
4. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
5. Members are encouraged to join the Meeting through Laptops for better experience.
6. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

7. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

- (G) The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company.
- (H) Mr. Tumul Maheshwari, a Practicing Company Secretary, has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- (I) The scrutinizer shall, not later than two working days of conclusion of the meeting, submit a consolidated scrutinizer's report of the total votes cast in favour or against the resolutions, to the Chairman.
- (J) The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.facoralloys.in and on the website of NSDL and communicated to the Bombay Stock Exchange, where the shares of the Company are listed.

By order of the Board,
For Facor Alloys Limited

Sd/-
Sachin Kumar Gupta
Company Secretary and Compliance Officer
M.No. : A22874

Date: 12th August, 2025
Place: Noida

Registered Office:

Administrative Building, Shreeramnagar-535 101,
Garividi, Dist. Vizianagaram, Andhra Pradesh
CIN: L27101AP2004PLC043252
Tel. No.: 08952-282029
Fax No.: 08952-282188
E-Mail: facoralloys@falgroup.in
Website: www.facoralloys.in

Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013, Secretarial Standard - 2 on General Meetings and Regulation 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

ITEM NO.2

The Board of Directors, at its meeting held on April 09, 2024, upon the recommendation of the Nomination and Remuneration Committee, approved the appointment of Mr. Murlidhar Durgaprasadji Saraf (DIN: 00011966) as a Non-Executive Additional Director of the Company with effect from April 09, 2024. The shareholders of the Company subsequently approved the said appointment through Postal Ballot on July 5, 2025.

Mr. Murlidhar Durgaprasadji Saraf, aged around 76 years, is a graduate. He has several years' experience in ferro alloys business and administration to his credit.

His association with the Company would be of immense benefit to the Company and it is desirable to avail their services as Director to strengthen the management of the Company.

The terms and conditions of the appointment and remuneration payable to Mr. Murlidhar Durgaprasadji Saraf is provided in the resolution itself referred in Item No. 2.

Accordingly, Company seeks approval of members for the resolution in Item no. 2 of this Notice by passing the special resolution.

Except Mr. Murlidhar Durgaprasadji Saraf and his relatives to the extent of their shareholding interest, if any, in the Company, none of the other Directors, Key Managerial Personnel of the Company and their relatives are in anyway concerned or interested financially or otherwise in the respective Resolution set out at Item No. 2 of this Notice.

ITEM NO. 3

The Board of Directors of the Company, on recommendation of the Audit Committee, approved the appointment of M/s Uppalapati & Associates, Cost Accountants (Firm Registration No. 100506) as the Cost Auditor of the Company to conduct audit of the cost records of the Company for the financial year 2025-26 on a remuneration of Rs. 50,000/- (Rupees Fifty Thousand Only) plus applicable taxes and reimbursement of out of-pocket expenses.

In accordance with the provisions of Section 148 of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors as recommended by the Audit Committee and approved by the Board of Directors, is required to be ratified by the members of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 3 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2026.

None of the Directors / Key Managerial Personnel of the Company or their relatives is, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 3 of the Notice.

The Board recommends the Ordinary Resolution set out at Item No. 3 of the Notice for approval by the Members.

ITEM NO. 4

SEBI vide its notification dated 12th December, 2024 amended Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 (the Listing Regulations). The Amended regulation read with the SEBI circular no. SEBI/HO/CFD/CFDPoD-2/CIR/P/2024/185 dated 31st December, 2024 (the Circular) have inter-alia prescribed the term of appointment/ re-appointment, eligibility, qualifications and disqualifications of Secretarial Auditor of a Listed Company.

As per the amended Regulation 24A of the Listing Regulations, the Company is required to undertake Secretarial Audit by a Secretarial Auditor who shall be a Peer Reviewed Company Secretary and annex a Secretarial Audit Report in such form as specified by SEBI, with the annual report of the Company.

In accordance with the above, upon recommendation of the Audit Committee, the Board of Directors at its meeting held on 20th May, 2025, approved and recommended to the Shareholders of the Company for their approval, the appointment of M/s MT & Co., Practicing Company Secretary (ICSI Membership No. : ACS - 16464 and CP No.: 5554), as Secretarial Auditor of the Company at the ensuing 22nd Annual General Meeting (AGM) for a term of 5 (Five) consecutive years commencing from 1st April, 2025 to 31st March, 2030.

The Board of Directors also approved to avail or obtain from the Secretarial Auditor, such other services or certificates, reports, or opinions which the Secretarial Auditors may be eligible to provide or issue under the Applicable Laws.

M/s. MT & Co., Company Secretaries, has given its consent to act as Secretarial Auditors of the Company and confirmed that its appointment (if made) would be within the prescribed limits under the Companies Act, 2013 ('the Act') & Rules made thereunder and the Listing Regulations. M/s. MT & Co. has also confirmed that the firm is not disqualified to be appointed as Secretarial Auditor in terms of the provisions of the Act & Rules made thereunder and the Listing Regulations.

M/s. MT & Co., Company Secretaries, is a reputed firm of Practicing Company Secretaries, established in the year 2003 and based in Delhi. The firm has been providing professional and comprehensive secretarial and corporate advisory services for over two decades. It is registered with the Institute of Company Secretaries of India (ICSI). M/s. MT & Co. possesses a well-established and enviable client base that spans across various sectors, including listed companies, unlisted companies, and other corporate entities.

Other disclosures:

The Board, after taking into account the experience of M/s. MT & Co., Company Secretaries was of the opinion that the firm is qualified to be appointed as the Secretarial Auditor of the Company in accordance with the Listing Regulations. The Board accordingly recommends the appointment of M/s. MT & Co., Company Secretaries, as the Secretarial Auditor for the term, as set out in the proposed resolution, to the members of the Company.

It is further proposed that the remuneration of Rs. 45,000/- plus applicable taxes and reimbursement of out of pocket expenses incurred during the course of the audit to be paid to the Secretarial Auditor, for the Financial Year ending 31st March, 2026 and for subsequent year(s) of its term, such fee as determined by the Board, on recommendation of the Audit Committee.

None of the Directors, key managerial personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 4 of the Notice.

Basis the rationale provided above, the Board of Directors of the Company recommends the resolution set out at Item No.4 for approval of the Members as an Ordinary Resolution.

By order of the Board,
For Facor Alloys Limited

Sd/-
Sachin Kumar Gupta
Company Secretary and Compliance Officer
M.No. : A22874

Date: 12th August, 2025

Place: Noida

Registered Office:

Administrative Building, Shreeramnagar-535 101,
Garividi, Dist. Vizianagaram, Andhra Pradesh

CIN: L27101AP2004PLC043252

Tel. No.: 08952-282029

Fax No.: 08952-282188

E-Mail: facoralloys@falgroup.in

Website: www.facoralloys.in

Annexure A

ADDITIONAL INFORMATION OF DIRECTORS SEEKING RE-APPOINTMENT AT THE 22ND ANNUAL GENERAL MEETING [PURSUANT TO REGULATION 36(3) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015] AND SECRETARIAL STANDARD ON GENERAL MEETINGS ISSUED BY THE INSTITUTE OF COMPANY SECRETARIES OF INDIA:

Name of the Director	Mr Murlidhar Durgaprasadji Saraf
Director Identification Number (DIN)	0011966
Date of Birth	04 th January, 1949
Age (in years)	76
Nationality	Indian
Date of appointment	9 th April, 2024
Qualification	Graduate
Experience (including expertise in specific functional area)	Vast experience in the Ferro Alloys industry.
Brief Resume	Mr. Murlidhar Durgaprasadji Saraf, aged around 76 years, is a graduate. He has several years' experience in ferro alloys business and administration to his credit.
List of Directorship	Listed entities: Facor Alloys Limited Others: I. Banzo Papers Private Limited II. Blaze Steels Private Limited III. GDP Holdings Private Limited IV. GDP Infrastructure Private Limited V. Mezeron Enterprises Private Limited VI. Shree Ram Durga Prasad Ores Private Limited
Committee Membership	1. Stakeholder's Relationship Committee 2. Corporate Social Responsibility Committee Others: Nil
Listed entities from which the person has resigned in the past three years	Nil
Number of Board Meetings of Facor Alloys Limited attended during FY 2024-25	8 out of 8
Shareholding in Facor Alloys Limited	2851974 equity shares
Relationship with other Directors, Manager and Key Managerial Personnel	He is one of the Promoters of the Company and a senior member of the Saraf family, being the cousin uncle of Mr. Manoj Umashanker Saraf and cousin grandfather of Mr. Gaurav Vinod Saraf.
Terms and conditions of appointment or re-appointment	Non-Executive Non-Independent Director liable to retire by rotation
Remuneration last drawn (including Sitting fees, if any)	Sitting fee of Rs. 15,000/- for attending Board Meetings and of Rs. 10,000/- for attending Committees' Meetings during FY 2024-25. He has waived his sitting fees in view of financial position of the Company.
Justification for choosing the appointees for appointment as Independent Director	N.A.

DIRECTORS' REPORT TO THE MEMBERS

The Directors submit the **22nd ANNUAL REPORT** on the business and operations of the Company together with the Standalone and Consolidated Audited Financial Statements for the year ended 31st March, 2025.

FINANCIAL RESULTS

₹ in Lakh

Particulars	Standalone		Consolidated	
	2024-25	2023-24	2024-25	2023-24
Gross Revenue from operations	16.97	15379.49	16.97	15379.49
Other Income	1041.33	285.43	1041.33	397.29
Total Revenue	1058.30	15664.92	1058.30	15776.78
Operating expenses	1264.17	17596.22	1264.13	17634.34
Profit before interest, Depreciation, Tax and Amortization (EBIDTA)	(205.87)	(1931.30)	(205.83)	(1857.56)
Finance Costs	256.34	264.29	256.34	266.77
Depreciation and amortization expenses	155.10	194.02	155.10	202.17
Profit/(Loss) before exceptional item and tax	(617.31)	(2389.61)	(617.27)	(2326.50)
Exceptional item	(5503.81)	(1941.77)	(5503.81)	(436.41)
Profit/(Loss) before taxation	(6121.12)	(4331.38)	(6121.08)	(2762.91)
Taxation (including Deferred Tax)	(1099.65)	(839.15)	(1099.65)	(839.15)
Profit/(Loss) after Taxation (PAT)	(5021.47)	(3492.23)	(5021.43)	(1923.76)
Other Comprehensive Income	(82.23)	(58.13)	(82.21)	(849.37)
Total Comprehensive Income for the period Comprising profit/(loss) & Other comprehensive Income for the period	(5103.70)	(3550.36)	(5103.70)	(2773.13)

OVERALL PERFORMANCE

A change in the top management was effected during the year, with the new leadership assuming charge from 9th April 2024. Since then, the management has been actively evaluating all possible avenues for revival, including strategic collaborations, financial restructuring, and alternative business models. These efforts are being undertaken with a long-term perspective and interests of all stakeholders.

During the financial year ended 31st March 2025, the Company's manufacturing operations remained fully suspended, following the shutdown of its plant effective from 31st October 2023. As a result, there was no production activity during the year under review.

While the broader domestic steel sector experienced demand growth, the operating environment remained challenging, particularly for standalone and mid-sized producers, due to elevated input costs, pricing pressure arising from increased imports, and limited access to working capital. These external challenges, coupled with the Company's financial and operational constraints, rendered the resumption of production unviable during the financial year.

Despite the absence of operational activity, the Company recorded a loss Before Tax of ₹ 61.21 Crores for the year under review, as against a Loss Before Tax of ₹ 43.31 Crores in the previous year. The Company continues to maintain a debt-free status, with no borrowings from banks or financial institutions, and has received ongoing financial support from the promoter entity to meet its essential obligations.

In view of the continued suspension of operations and the condition of the Plant and Machinery and/or Undertaking(s) of the Company, the Board of Directors, at its meeting held on 20th May 2025, approved a proposal, subject to the approval of shareholders of the Company with requisite majority under the provisions of the Companies Act, 2013 ("Act") and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for the monetisation of the whole or substantially the whole of the plant and machinery (used for manufacturing high carbon ferro chrome) and/or undertaking(s) of the Company located at Shreeramnagar, District Vizianagaram, Andhra Pradesh. This includes fixed assets, plant and machinery, inventories, and other assets of the Company, with the objective of meeting pressing and unavoidable liabilities, on such terms and conditions as may be determined by the Board in the best interest of the Company. The said proposal was subsequently approved by the shareholders via Postal ballot 10th July 2025 with requisite majority.

You will be pleased to note that:

A. Arbitral Award in the matter of *Rajadhiraj Tirupani Vinayak Natraj Pvt. Ltd.*

The Company has received the Arbitral Award dated 31.07.2025 in the matter of Arbitration between "**Rajadhiraj Tirupani Vinayak Natraj Pvt. Ltd. v. Facor Alloys Limited**" under the aegis of Delhi International Arbitration Centre bearing Case Ref. No. DIAC/5675/11-12 ("**Arbitral Award**"). The Arbitral Award was pronounced on 31.07.2025 at the Delhi International Arbitration Centre located at New Delhi.

By way of the said Arbitral Award, the following has been awarded in favour of M/s. Facor Alloys Limited and against Rajadhiraj Tirupani Vinayak Natraj Pvt. Ltd.:

- Award of Rs. 18,86,70,779/- (Rupees Eighteen Crore Eighty Six Lakh Seventy Thousand Seven Hundred Seventy Nine) towards conversion charges;
- Award of Rs. 37,77,133/- (Rupees Thirty Seven Lakh Seventy Seven Thousand One Hundred Thirty Three) towards invoices;
- Award of the outstanding electricity charges as incurred by Facor Alloys Limited;

- iv. Interest at the rate of 9% per annum on the aforementioned amount(s) from the due date (around October 2022);

Further, the said Arbitral Award has awarded the following in favour of Rajadhiraj Tirupani Vinayak Natraj Pvt. Ltd. and against Facor Alloys Limited:

- i. Award of Rs. 2,16,83,931/- (Rupees Two Crore Sixteen Lakh Eighty Three Thousand Nine Hundred Thirty One), which may be adjusted against the abovementioned due amount;
- ii. Return of the raw materials, finished products and other goods of Rajadhiraj Tirupani Vinayak Natraj Pvt. Ltd., lying at Facor Alloys Limited's premises.

- B.** The Government of Andhra Pradesh had issued **G.O. Ms. No.7 dated 08.04.2022**, enhancing electricity duty from **6 paise to ₹ 1.00 per unit** for certain categories of consumers. Facor Alloys Limited ("the Company") was billed and paid electricity duty at the enhanced rate pursuant to this notification.

However, the **Hon'ble High Court of Andhra Pradesh**, vide its judgment dated **26th June 2025** (in W.P. No. 29672 of 2023 and batch), struck down **G.O. Ms. No.7 dated 08.04.2022** and **G.O. Ms. No.22 dated 23.10.2024**, thereby invalidating the enhancement of electricity duty.

In light of the above judgment, the Company has filed a formal representation with APEPDCL (Andhra Pradesh Eastern Power Distribution Company Limited), seeking refund/adjustment of excess electricity duty paid for the relevant period.

The final outcome of the said refund/adjustments/claims is dependent on the conclusion of further legal and administrative proceedings.

The Company reaffirms its commitment to taking all necessary and constructive steps for securing its future, while maintaining transparency, fairness, and accountability. All decisions shall continue to be taken with due regard to regulatory requirements and key stakeholders.

DIVIDEND

In view of the overall affairs of the Company and its current liquidity position, the Board of Directors has not recommended any dividend on the equity shares for the financial year ended 31st March 2025.

SHARE CAPITAL

The paid up Equity Share Capital as on 31st March, 2025 is Rs. 19.55 crores. During the year under review, the Company has not issued any further shares. The Company has not issued shares with differential voting rights. It has neither issued employee stock options nor sweat equity shares and does not have any scheme to fund its employees to purchase the shares of the Company.

The equity shares of the Company are listed on BSE Limited and the Company has duly paid the annual listing fees for the current financial year i.e. 2025-26.

ANNUAL RETURN

The annual return of the company as on March 31, 2025, in terms of the provisions of Section 134(3)(a) of the Companies Act, 2013 is available on the company's website www.facoralloys.in. The weblink for accessing Form MGT-7 is <https://facoralloys.in/investor.php>.

NUMBER OF MEETINGS OF THE BOARD

The Board met six (8) times in FY 2024-25 viz. on 9th April 2024, 30th May 2024, 12th July 2024, 29th July 2024, 14th August, 2024, 11th November 2024, 14th November, 2024, and 12th February, 2025.

CONSOLIDATED FINANCIAL STATEMENTS

In accordance with the Companies Act, 2013 and implementation requirements of Indian Accounting Standards ('IND-AS') under Companies Act, 2013 on accounting and disclosure requirements, and as prescribed by SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Audited Consolidated Financial Statements are provided in this Annual Report.

SUBSIDIARIES

Pursuant to Section 129 (3) of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014, the statement containing salient features of the financial statements of the Company's Subsidiaries and Associates' (in updated Form AOC-1) is given in the Note No.-39 of the consolidated financial statements. Further, the Consolidated Financial Statements presented by the Company also includes the financial results of the subsidiary companies.

Further, the company has already uploaded the Annual Accounts of the subsidiary company(s) on its website which is accessible to all the member. The annual accounts of the Company as well as its respective subsidiary company(s) shall also be kept open for inspection at the Registered Office of the Company.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to provisions the under Section 134 (5) of the Companies Act, 2013, your Directors hereby confirm:

- (i) that in the preparation of the annual accounts for the financial year ended 31st March, 2025, the applicable accounting standards read with requirements set out under schedule III of the Companies Act, 2013 have been followed and there are no material departures from the same;
- (ii) that they have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss for the year under consideration;
- (iii) that they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities;

- (iv) that they have prepared the annual accounts of the Company for the financial year ended 31st March, 2025 on a going concern basis;
- (v) they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- (vi) that they had devised proper system to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

DECLARATION GIVEN BY INDEPENDENT DIRECTORS

The Independent Directors have given declaration that they meet the criteria specified under Section 149(6) of the Companies Act, 2013 read with the applicable rules framed thereunder as well as regulation 25(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations). The Board is of the opinion that the Independent Directors of the Company possess requisite qualifications, experience and expertise and they hold highest standards of integrity.

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

The Company has a policy for remuneration of Directors, Key Managerial Personnel and Senior Management Personnel as well as well-defined criteria for the selection of candidates for appointment to the said positions which has been approved by the Board. The Policy broadly lays down the guiding principles for determining qualifications, positive attributes, independence of a Director and other matters provided under sub-section (3) of section 178 of Companies Act, 2013.

During the year under review, no changes were made in the above policy. Salient features of this policy are enumerated in the Corporate Governance Report which forms part of the Annual Report. The above policy is available at the website of the Company at www.facoralloys.in.

AUDITORS AND AUDITORS' REPORT

Statutory Auditors

In terms of Section 139 of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, Members of the Company at their 19th Annual General Meeting held on 28th September, 2022 approved the reappointment of M/s K. K. Mankeshwar & Co., Chartered Accountants (Firm Registration no. 106009W) as the Statutory Auditors of the Company for further term of 5 years i.e. from the conclusion of 19th Annual General Meeting till the conclusion of 24th Annual General Meeting of the Company to be held in the year of 2027.

The statutory auditor has confirmed their eligibility and submitted a confirmation in writing that they are not being disqualified to continue to hold the office of the statutory auditor.

The Statutory Auditors have issued their reports on the Standalone and Consolidated Audited Financial Statements for the financial year ended 31st March 2025. The report on the Standalone Financial Statements does not contain any qualifications, observations, or adverse comments that have a material bearing on the functioning of the Company. However, the report on the

Consolidated Financial Statements contains a disclaimer of opinion as follows:

Disclaimer of Opinion: "The Group has excluded the financial results of an overseas subsidiary for the year ended 31st March 2025 due to the non-availability of complete and reliable financial data following a change in management. Based on legal advice, the management has concluded that the financial impact of such non-consolidation is not material. However, in the absence of sufficient appropriate audit evidence regarding the financial performance, position, and cash flows of the said subsidiary, we are unable to determine whether adjustments might have been necessarily had such financial results been consolidated. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Companies Act, 2013. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India, and we have fulfilled our other ethical responsibilities in accordance with the Code."

Reply to the Disclaimer of Opinion: During the financial year 2024-25, there was a change in the management of the Company. Following this transition, the new management was unable to obtain complete and reliable financial information relating to the Company's overseas subsidiary, which is required for the purpose of consolidation. After obtaining a legal opinion, the management has taken a considered decision to present the consolidated financial statements and results for the year ended 31st March 2025, excluding the financial results of the said overseas subsidiary. It is further clarified that the current years transactions of the overseas subsidiary have not been considered for the purpose of consolidation. Based on the management's assessment, the financial impact of non-consolidation of these transactions is not material to the consolidated financial statements. In relation to the above matter, the Company has also filed a formal complaint with the Economic Offences Wing (EOW) for appropriate action and investigation.

Secretarial Auditors

The Company has appointed Mr. Tumul Maheshwari of M/S. MT & Co., New Delhi, Company Secretaries to conduct secretarial audit and his Report on Company's Secretarial Audit is appended to this Report as **Annexure-1**.

There are following qualifications / reservations / observations / disclaimers made in the Secretarial Audit Report for the financial year ended 31st March, 2025 by the Practicing Company Secretary which are self explanatory.

1. *Company has overseas subsidiary company in Netherlands namely M/s Facor Minerals (Netherlands) ('FMN') which has further step-down subsidiary company namely Facor Turkrom Mining (Netherlands) ('FTMN'). ('FMN and FTMN are collectively referred to as the "Overseas Subsidiaries"). Erstwhile promotor Director of the company, who was director in Overseas Subsidiaries has stepped down with effect from 04/04/2024 since then company was asking all documents and information pertaining to affairs of overseas companies from erstwhile directors, issued notices, emails to him but did not get any information or reply from erstwhile director. Company is taking all legal course of action. In absence of documents pertaining to overseas companies, company is unable to consolidate the same in consolidated financial*

statements /results for the quarter/period ended on 30th September, 2024 and 31st December, 2024. Company obtained legal opinion and put forth before Board for necessary action, Board discussed the legal opinion and observed the situation arose on account of non-availability of financial records as well as information pertaining to affairs of overseas subsidiaries and resolved that company will declare consolidated financial statements/ results without consolidating overseas subsidiaries. However, these overseas subsidiaries are non-operational and no commercial or revenue generating activities were carrying out, no expenses were incurred during the quarter and investments in overseas subsidiaries have already been fully impaired years back, hence as per managements explanation there is no material impact on the results for the quarter/period ended on 30/09/2024 and 31/12/2024.

2. *The company's operations have been temporarily shut down since 31/10/2023 and current management is exploring all options to resume operations and also promoters are infusing funds to meet running fund requirements.*

During the financial year 2024-25, there was a change in the management of the Company. Following this transition, the new management was unable to obtain complete and reliable financial information relating to the Company's overseas subsidiary, which is required for the purpose of consolidation. After obtaining a legal opinion, the management has taken a considered decision to present the consolidated financial results for the year ended 31st March 2025, excluding the financial results of the said overseas subsidiary. It is further clarified that the current year's transactions of the overseas subsidiaries have not been considered for the purpose of consolidation. Based on the management's assessment, the financial impact of non-consolidation of these transactions is not material to the consolidated financial statements.

In relation to the above matter, the Company has also filed a formal complaint with the Economic Offences Wing (EOW) for appropriate action and investigation.

3. *In view of the matters described in Point No. 2 and the ongoing issues concerning the overseas subsidiaries, the Company is in the process of compiling the requisite information and, accordingly, the filing of the Annual Performance Report under the Foreign Exchange Management Act, 1999 (FEMA) is pending.*

Cost Auditor

Maintenance of cost account records and requirement of cost audit as prescribed under the provisions of Section 148(1) of the Companies Act, 2013 are applicable for the business activities carried out by the Company during the period under review.

Mr. Prakash Uppalapati, Cost Accountant has been appointed by the Board as Cost Auditor of the Company to conduct audit of cost account records for the year ended 31st March, 2025 pursuant to the provisions of Section 148 of the Companies Act, 2013 and the rules made there under. Members are

requested to consider the ratification of the remuneration payable to M/s. Uppalapati & Associates being the Cost Auditor.

There are no qualifications, reservations or adverse remarks or disclaimers made in the Cost Audit Report for the financial year 2024-2025.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

The Company has not provided any guarantee, made a Loan and investment pursuant to Section 186 of the Companies Act, 2013 during the Financial Year.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

There are no contracts/arrangements/transactions which are not at arm's length basis and there are no material contracts/arrangements/transactions which are at arm's length basis (Refer Note 35 of standalone financial statement).

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY AFTER CLOSE OF THE FINANCIAL YEAR

There are no material changes and commitments affecting the financial position of the company which have occurred between the end of the financial year to which the financial statements relate and the date of the report.

The Board of Directors, at its meeting held on 20th May 2025, approved a proposal, subject to the approval of shareholders with requisite majority under the provisions of the Companies Act, 2013 ("Act") and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for the monetisation of the whole or substantially the whole of the plant and machinery (used for manufacturing high carbon ferro chrome) and/or undertaking(s) of the Company located at Shreeramnagar, District Vizianagaram, Andhra Pradesh. This includes fixed assets, plant and machinery, inventories, and other assets of the Company, with the objective of meeting pressing and unavoidable liabilities, on such terms and conditions as may be determined by the Board in the best interest of the Company. The said proposal was subsequently approved by the shareholders via Postal Ballot on 10th July 2025 with requisite majority.

CHANGE IN THE NATURE OF BUSINESS, IF ANY

During the year, there was no change in the nature of business of the company. Further, there was no significant change in the nature of business carried on by its subsidiaries.

DISCLOSURE OF INTERNAL FINANCIAL CONTROLS

The Internal Financial Controls with reference to the financial statements as designed and implemented by the Company are adequate and commensurate with the size and scale of its operation. The internal controls are tested for adequacy, efficiency and effectiveness through audits by the internal auditors and the observations, corrective and preventive actions are reviewed by the management and Audit Committee of the Board of Directors.

During the financial year under review, no material or serious observation has been received from the Internal Auditors of the Company for inadequacy or ineffectiveness of such controls.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNAL

There are no significant and/or material orders passed by the Regulator(s) or Court(s) or Tribunal(s) impacting the going concern status of the Company and its business operations in future.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The information required under Section 134 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 are set out in **Annexure-3** hereto forming part of this report.

RISK MANAGEMENT POLICY

The Company's Risk Management framework is designed to identify, assess and monitor various risks related to key business and strategic objectives and lead to the formulation of a mitigation plan. Major risks in particular are monitored regularly at executive meetings and the Board of Directors of the Company is kept abreast of such issues.

DISCLOSURE AS PER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has zero tolerance policy towards sexual harassment at the workplace.

Although the manufacturing operations of the Company remained suspended during the financial year, the Internal Complaints Committee (ICC) constituted under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, continued to be in place in compliance with statutory requirements.

No complaints were received by the Committee during the year under review. Accordingly, the disclosure regarding the number of complaints disposed of during the year and those pending for more than ninety days does not arise.

Compliance with the Maternity Benefit Act, 1961

The Company remains compliant with the provisions of the Maternity Benefit Act, 1961. Although manufacturing operations were suspended during the financial year, the Company continues to adhere to statutory obligations. All benefits prescribed under the Maternity Benefit Act, 1961, have been and shall continue to be provided to eligible women employees, if any, in compliance with applicable law.

CORPORATE SOCIAL RESPONSIBILITY

Pursuant to the provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Company has a duly approved CSR Policy, which is available on its website at www.facorallloys.in.

In view of the continued suspension of operations and the absence of average net profits during the immediately preceding three financial years, the provisions relating to mandatory CSR spending were not applicable to the Company for the financial year ended 31st March 2025. Accordingly, no CSR expenditure was required or incurred during the year under review.

ANNUAL BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and Regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Independent Directors at their meeting without the participation of the Non-independent Directors and Management, considered/evaluated the Boards' performance, performance of the Chairman and other Non-independent Directors.

The Board subsequently evaluated its own performance, the working of its Committees (Audit, Nomination and Remuneration and Stakeholders Relationship Committee) and Independent Directors (without participation of the relevant Director).

In the opinion of the Board, the independent directors possessing the necessary skills like integrity, expertise and experience (including the proficiency) etc. for being appointed on the Board of the Company.

DISCLOSURE WITH RESPECT TO UNCLAIMED SUSPENSE ACCOUNT

Pursuant to IEPF Fund Authority (Accounting, Audit, Transfer & Refund) Rules, 2016, all unclaimed shares have already been transferred to the IEPF Authority.

All the corporate benefits in terms of securities accruing to on these unclaimed shares shall be credited to the aforesaid account. Voting rights on these shares shall remain frozen till the rightful owner of such shares claim the shares.

Any person, whose unclaimed or unpaid amount has been transferred by the Company to IEPF may claim his/her refunds from the IEPF authority. The detailed procedure for claiming shares and/or dividend amount is available on the website of IEPF (www.iepf.gov.in).

The Nodal Officer for the purpose of IEPF is Company Secretary and the website address is www.facorallloys.in.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

Pursuant to Section 177 (9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors had approved the Policy on Vigil Mechanism/Whistle Blower and the same is hosted on the website of the Company. This Policy inter-alia provides a direct access to the Chairman of the Audit Committee.

Your Company hereby affirms that no Director/ employee has been denied access to the Chairman of the Audit Committee and that no complaints were received during the year.

PUBLIC DEPOSITS

During the year under review, the Company has not invited any deposits from the public.

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

In terms of the provisions of Section 197 (12) of the Companies Act, 2013 read with Rules 5 (2) and 5 (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, during the year under review, there were no employees

receiving remuneration in excess of Rs. 1,02,00,000/- per annum or Rs. 8,50,000/- per month requiring disclosure.

Disclosures pertaining to remuneration and other details as required under Section 197 (12) of the Companies Act, 2013 read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided in the Annexure - 2 forming part of the Annual Report.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

As on date, the Company has total no. of 7 Directors out of which 1 is Whole-time Director and 6 are Non-Executive Directors. The 6 Non-Executive Directors consist of 3 Independent Directors including one Woman Independent Director and 3 are Non-Executive Non-Independent Directors. The Composition of the Board is in conformity with the provisions of the Companies Act, 2013 read with the rules framed thereunder and relevant Regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Mr. Murlidhar Durgaprasadji Saraf, Director retires by rotation at the forthcoming Annual General Meeting and being eligible offers himself for re-appointment.

Mr. Ashish Santosh Agrawal was appointed as Whole-time Director of the Company with effect from 30th May 2024 for a period of one year. Based on the recommendation of the Nomination and Remuneration Committee and approval of the Board, he was re-appointed for a further period of three years with effect from 30th May 2025. The said re-appointment was approved by the shareholders through postal ballot on 10th July 2025.

Mr. Asim Saraf, Director and Mr. R. K. Saraf, Chairman and Managing Director have resigned from the directorship of the company w.e.f. 04.04.2024 and 05.04.2024 respectively.

Mr. Murlidhar Durgaprasadji Saraf and Mr. Gaurav Saraf have been appointed as the Non-executive Non-independent Directors w.e.f. 09.04.2024.

Mrs. Urmila Gupta, Independent Director, resigned from the Board with effect from 30th July 2024. Mr. Anand Sadashiv Kapre (DIN: 00019530) ceased to be an Independent Director of the Company upon completion of his second term of five consecutive years on 9th September 2024, in accordance with the provisions of Section 149(10) of the Companies Act, 2013. The Board places on record its sincere appreciation for the valuable guidance and contributions made by both Mrs. Gupta and Mr. Kapre during their respective tenures as Independent Directors of the Company.

Mr. Piyush Agarwal, Company Secretary and Compliance Officer (and Key Managerial Personnel), resigned from the Company with effect from the close of working hours on 15th July 2024. Subsequently, Mr. Sachin Kumar Gupta was appointed as the Company Secretary and Compliance Officer with effect from 29th July 2024.

Ms. Vinita Bahri was appointed as a Non-Executive Independent Director with effect from 14th August 2024. Mr. Muralidhar Rambhatla was appointed as a Non-Executive Independent Director with effect from 30th September 2024. Their appointments were made in compliance with the provisions of

Section 149 of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Mr. Vijay Vashishth, Deputy Chief Financial Officer, resigned from the services of the Company with effect from the close of business hours on 31st December 2024. Mr. Mohammad Asim Quraishi was appointed as Chief Financial Officer with effect from 12th February 2025.

Presently, the following persons are designated as Key Managerial Personnel of the Company pursuant to Section 203 of the Companies Act, 2013:

- Mr. Ashish Santosh Agrawal – Whole-time Director
- Mr. Mohammad Asim Quraishi – Chief Financial Officer
- Mr. Sachin Kumar Gupta – Company Secretary and Compliance Officer

None of the Whole-time Key Managerial Personnel (KMP) of the Company is holding office in any other Company as a Key Managerial Personnel.

Further, none of the Directors / KMP of the Company is disqualified under any of the provisions of the Companies Act, 2013 and relevant Regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Company has formulated a code of conduct for all members of the Board and Senior Management Personnel. All concerned members/executives have affirmed compliance with the said code.

COMMITTEES OF THE BOARD

The Board of Directors have constituted all the requisite committees of Directors as are required by law from time to time.

Details of composition of all the committees of the Board are provided in the corporate governance report and majority of the committees consists entirely of independent directors. During the year, all recommendations made by the committees were approved by the Board.

REPORTING OF FRAUDS BY AUDITORS OF THE COMPANY

During the year under review, none of the Auditors of the company has reported to the audit committee under Section 143 (12) of the Companies Act, 2013 any instances of fraud committed against the Company by its officers or employees, the details of which would need to be mentioned in the Board's report.

CORPORATE GOVERNANCE

Pursuant to SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, a report on the Corporate Governance, Management Discussion and Analysis, Certificate from Practicing Company Secretary regarding compliance of conditions of Corporate Governance have been made a part of the Annual Report.

DISCLOSURE UNDER INSOLVENCY AND BANKRUPTCY CODE

During the year under review, there are no application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016).

DISCLOSURE UNDER ONE TIME SETTLEMENT

During the year under review, your Company has not made any one time settlement with any of its Banks or Financial Institutions.

COMPLIANCE WITH SECRETARIAL STANDARDS

The Board of Directors affirms that the Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India (SS-1 and SS-2) respectively relating to Meetings of the Board and its Committees including general meetings of the company which are mandatory in nature.

INDUSTRIAL RELATIONS

During the year under review, the overall industrial relations in the Company remained cordial.

ACKNOWLEDGEMENT AND APPRECIATION

The Board wishes to place on record its sincere appreciation for the support and co-operation extended by all the customers, vendors, business associates and investors at large.

Further, the Board places on record their sincere appreciation for the significant contribution made by its employees through their dedication, hard work and commitment and also for the trust reposed in the company by all other stakeholders.

The Company sincerely thanks the Central and State Governments for their continued support and warm co-operation extended towards the business as well as the Company's social functions. It looks forward to your continued support in the company's endeavour to accelerate access to innovative and affordable business.

On behalf of Board of Directors
for Facor Alloys Ltd

(Ashish Santosh Agarwal)
Whole-time Director
DIN: 02148665

(Murlidhar Durgaprasadji Saraf)
Director
DIN: 00011966

Place : Nagpur
Dated : 12th August, 2025

Form No. MR-3

SECRETARIAL AUDIT REPORT**FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2025**

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
Facor Alloys Limited,
Sreeramnagar, P.O. Garividi
Vizianagaram-535101 (Andhra Pradesh)

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Facor Alloys Limited, (CIN No. L27101AP2004PLC043252) (hereinafter called the Company). I have not done audit of financial statements of the Company. Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, during the audit period covering the financial year ended on 31st March 2025, the Company has complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2025 according to the provisions of:

- (i) *The Companies Act, 2013 (the Act) and the rules made thereunder;*
- (ii) *The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;*
- (iii) *The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;*
- (iv) *Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;*
- (v) *The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') :-*
 - (a) *The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;*
 - (b) *The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;*
 - (c) *The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; NA*

- (d) *Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; NA*
- (e) *The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; NA*
- (f) *The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;*
- (g) *The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; NA and*
- (h) *The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; NA*

I have also examined compliance with the applicable clauses of the following:

- (i) *Secretarial Standards issued by The Institute of Company Secretaries of India*
- (ii) *SEBI Listing Regulations (LODR), 2015;*

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, mentioned above subject to below stated exceptions and observations:

1. ***Company has overseas subsidiary company in Netherlands namely M/s Facor Minerals (Netherlands) ('FMN') which has further step-down subsidiary company namely Facor Turkrom Mining (Netherlands) ('FTMN'). ('FMN and FTMN are collectively referred to as the "Overseas Subsidiaries"). Erstwhile promotor Director of the company, who was director in Overseas Subsidiaries has stepped down with effect from 04/04/2024 since then company was asking all documents and information pertaining to affairs of overseas companies from erstwhile directors, issued notices, emails to him but did not get any information or reply from erstwhile director. Company is taking all legal course of action. In absence of documents pertaining to overseas companies, company is unable to consolidate the same in consolidated financial statements /results for the quarter/period ended on 30th September, 2024 and 31st December, 2024. Company obtained legal opinion and put forth before Board for necessary action, Board discussed the legal opinion and observed the situation arose on account of non-availability of financial records as well as information pertaining to affairs of overseas subsidiaries and resolved that company will declare consolidated financial statements/ results without consolidating overseas subsidiaries. However, these overseas***

subsidiaries are non-operational and no commercial or revenue generating activities were carrying out, no expenses were incurred during the quarter and investments in overseas subsidiaries have already been fully impaired years back, hence as per managements explanation there is no material impact on the results for the quarter/period ended on 30/09/2024 and 31/12/2024.

2. *The company's operations have been temporarily shut down since 31/10/2023 and current management is exploring all options to resume operations and also promoters are infusing funds to meet running fund requirements.*

During the financial year 2024-25, there was a change in the management of the Company. Following this transition, the new management was unable to obtain complete and reliable financial information relating to the Company's overseas subsidiary, which is required for the purpose of 'consolidation. After obtaining a legal opinion, the management has taken a considered decision to present the consolidated financial results for the year ended 31st March 2025, excluding the financial results of the said overseas subsidiary. It is further clarified that the current year's transactions of the overseas subsidiaries have not been considered for the purpose of consolidation. Based on the management's assessment, the financial impact of non-consolidation of these transactions is not material to the consolidated financial statements.

In relation to the above matter, the Company has also filed a formal complaint with the Economic Offences Wing (EOW) for appropriate action and investigation.

3. *In view of the matters described in Point No. 2 and the ongoing issues concerning the overseas subsidiaries, the Company is in the process of compiling the requisite information and, accordingly, the filing of the Annual Performance Report under the Foreign Exchange Management Act, 1999 (FEMA) is pending.*

I further report that

The Board of Directors of the Company is constituted with proper balance of Executive Directors, Non-Executive Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Companies Act as required under the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed note on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the year under report, the Company has not undertaken any corporate event/action having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. **except observations as mentioned above.**

For MT & Co.
Company Secretaries

(Tumul Maheshwari)

Proprietor

ACS No. 16464

C.P. No. 5554

UDIN No. A016464G000571513

PR-1749/2022

PR Code-512

Place: Delhi

Date: 10/06/2025

This report is to be read with Annexure-A which forms an integral part of this report.

ANNEXURE-A

To,
The Members,
Facor Alloys Limited,
Sreeramnagar, P.O. Garividi
Vizianagaram-535101 (Andhra Pradesh)

My report of even date is to be read along with this letter.

1. *Maintenance of Secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.*
2. *I have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.*
3. *I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.*
4. *Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.*
5. *The compliance of the provisions of Corporate and other applicable laws, Rules, Regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.*
6. *The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.*

For MT & Co.
Company Secretaries

(Tumul Maheshwari)

Proprietor

ACS No. 16464

C.P. No. 5554

PR-1749/2022

PR Code-512

Place: Delhi

Date: 10/06/2025

PARTICULARS OF REMUNERATION

Pursuant to Section 197 (12) of the Companies Act, 2013 read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

The information required under Section 197 of the Act and the Rules made there under, in respect of employees of the Company is as under:-

- i) The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year :-

Name of the Director	Ratio
Mr. Muralidhar Rambhatla	0.67:1
Mr. A. S. Kapre upto 9 th September, 2024	0.91:1
Mr. M. D. Saraf	Sitting fees waived
Mr. Manoj Saraf	1.07:1
Mr. Gaurav Saraf	0.87:1
Ms. Vinita Bahri	0.77:1
Mrs. Urmila Gupta upto 30 th July, 2024	0.67:1
Mr. M. B. Thaker	1.44:1

- ii) The percentage increase in remuneration of each Director, Chief Financial Officer & Company Secretary in the financial year:

Name of the Director	% increase/(Decrease)
Mr. Muralidhar Rambhatla	-
Mr. A. S. Kapre upto 9 th September, 2024	(22.86%)
Mr. M. D. Saraf	Sitting fees waived
Mr. Manoj Saraf	255.56%
Mr. Gaurav Saraf	-
Ms. Vinita Bahri	-
Mr. Ashish Santosh Agrawal	-
Mrs. Urmila Gupta upto 30 th July, 2024	(31.03%)
Mr. M. B. Thaker	207.14%
Other KMP	
Chief Financial Officer	(26.73%)
Company Secretary	(29.42%)

- iii) The percentage increase in the median remuneration of the employees in the financial year 2024-25 (53%)
- iv) The number of permanent employees on the rolls of the Company 270
- v) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration :
The average increase in the salaries of employees other than managerial personnel in the last financial year i.e. 2024-25 was 6.48% and percentage increase in the managerial remuneration for the same financial year was (23.84%)
- vi) The Nomination and Remuneration Committee of the Company has affirmed that the remuneration is as per the Nomination and Remuneration Policy of the Company.

Annexure-3

Particulars required under Section 134 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014:

ANNEXURE 'A' TO THE DIRECTORS' REPORT

Additional information as required in the Report of Board of Directors

A. CONSERVATION OF ENERGY

- | | | |
|---|---|---|
| a) Measures taken | : | All Yard/Tower lightings were continuing to be replaced with the LED lightings to save energy as conservation of energy being an ongoing process. Other necessary steps are also being taken for the efficient use of energy. |
| b) Additional investment and proposals, if any, being implemented for reduction of consumption of energy | : | Not identified. |
| c) Impact of measures at (a) and (b) for reduction of energy consumption and consequent impact on the cost of production of goods | : | Not measurable |
| d) Total energy consumption and energy consumption per unit of production in prescribed form 'A' | : | Form "A" is inapplicable to Ferro Alloys Industry |

B. TECHNOLOGY ABSORPTION**Research and development**

- | | | |
|---|---|---|
| a. Specific areas in which R & D carried out | : | NIL |
| b. Benefits derived as a result of above R & D | : | NIL |
| c. Future plan of action | : | Optimization of input cost of production. |
| d. Expenditure on Research & Development | : | NIL |
| e. Technology absorption, adaptation and innovation:- | | |
| i) Efforts, in brief, made towards Technology absorption, adaptation and innovation | : | NIL |
| ii) Benefits derived as a result of above efforts | : | NIL |
| iii) Information regarding technology imported during the last five years | : | NIL |

C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

- | | | |
|--|---|---|
| 1) Activities relating to exports, initiatives taken to increase exports, development of new export markets for products and services and export plans | : | The Company is continuing to explore new avenues of exports and to understand latest developments in the international markets. |
| 2) Total Foreign Exchange used and earned (2024-2025) | : | (Rs. in Lacs) |
| i) CIF value of imports | : | NIL |
| ii) Expenditure in Foreign Currency | : | Nil |
| iii) Foreign Exchange earned | : | NIL |

On behalf of Board of Directors
for Facor Alloys Ltd

Place : Nagpur
Dated : 12th August, 2025

(Ashish Santosh Agarwal)
Whole-time Director
DIN: 02148665

(Murlidhar Durgaprasadji Saraf)
Director
DIN: 00011966

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

This Management Discussion and Analysis Report ("MD&A") is prepared pursuant to Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

This report is aimed to highlight management's broad perspective on the external factors that may have bearing on performance of company, as well as strategy, counter measures, operating and financial performance, material developments, risk and opportunities and internal control systems and their adequacy. These discussions and analysis shall be read in the light of company's standalone and consolidated financial statements, the directors' report and other information included elsewhere in the Annual Report.

INDUSTRY STRUCTURE, DEVELOPMENT AND OTHER RELATED MATTERS

Ferro chrome is an alloy of chrome and iron with 50% to 68% chrome content primarily used in manufacturing stainless steel. Ferro chrome strengthens and offers corrosion resistance to stainless steel, thereby making it a unique product with multiple applications. The ferro alloy industry is a critical link in the steel manufacturing value chain. Ferro chrome and silico manganese, the primary products in this space, are essential alloying elements in the production of stainless and special steels.

India remains among the leading global producers of ferro alloys, supported by access to key minerals such as chrome and manganese ores and an expanding domestic steel demand. However, the sector is characterised by high power intensity, dependence on raw material linkages, and sensitivity to international pricing.

Globally, ferro alloy production is concentrated in China, South Africa, and Kazakhstan, which also influence global pricing dynamics. India's position has strengthened due to domestic policy support, infrastructure-led growth, and lower-cost production bases. Nonetheless, factors such as elevated power tariffs, regulatory constraints, and environmental compliance continue to challenge standalone producers.

On the basis of application, ferro alloy market is segmented into carbon steel, alloys steel, stainless steel and others. Alloy steels have applications in various end use industries such as general engineering, aerospace & defence, railways etc. with increasing investment in manufacturing sector of various emerging nations, the demand for alloy steels is also expected to increase in near future.

The ferroalloys include ferrochrome, ferrosilicon, ferromanganese and ferromolybdenum, among others. Various types of ferroalloys have different purposes in the production of steel. For instance, ferrovanadium in steelmaking is used to provide strength against alkalis and acids such as sulphuric and hydrochloric acid. It provides corrosion resistance and enhances tensile strength of casting & welding electrodes.

Nearly 85 to 90% of all the ferroalloys are used in the production of steel. Therefore, production and consumption of steel and related products have a huge impact on the pricing

of ferroalloys and vice versa. Cost of ferroalloy is one of the key criteria for deciding suitable ferroalloy for the production of a particular grade of steel. Specification of steel is also an important factor while calculating the costs of steelmaking. For instance, specific grade of steel with low phosphorous can be manufactured using two methods viz. either through the conventional steelmaking process, which involves the use of expensive ferroalloys with low phosphorus content, or by extending the refining time and increasing the slag basicity to reduce phosphorus to low levels..

The Indian Ferro Alloy industry plays a crucial role in the steel-making process, providing essential inputs for steel production. The industry is composed of a mix of large-scale players, medium-scale units, and several small-scale players. India is among the leading producers of ferro alloys, including ferrochrome, ferromanganese, and ferrosilicon. The sector is driven by the growing demand from the domestic steel industry.

GLOBAL OUTLOOK:

The global ferro alloys market, valued at approximately USD 147.5 billion in 2023, continues to demonstrate steady growth, with projections indicating a CAGR of 5–7% over the coming years. The first half of 2024 has seen sustained demand, particularly from the stainless steel segment, which is supported by robust activity in the construction, automotive, and renewable energy sectors.

However, global trade dynamics remain sensitive to ongoing geopolitical developments, including US-China trade tensions, evolving EU industrial policies, and regional protectionist measures. These factors have influenced trade flows, input costs, and pricing volatility across key ferro alloy markets. Moreover stringent environmental norms, especially in Europe and China are placing pressure on high-emission producers, leading to rising compliance costs and shifting competitive advantages globally.

INDIAN OUTLOOK:

The outlook for the Indian ferro alloy industry in 2025 is positive, with expected growth driven by the increasing domestic steel production and export opportunities. The industry is likely to see further consolidation, technological upgrades, and enhanced focus on sustainability. The growth in infrastructure projects, automobile production, and the manufacturing sector will be key demand drivers.

Recent developments in the industry include technological advancements, energy-efficient production processes, and increased investments in backward integration for raw material security. The government's focus on infrastructure development and the "Make in India" initiative will provide a significant boost to the steel and ferro alloy sectors.

SEGMENT-WISE OR PRODUCT-WISE PERFORMANCE

The Company primarily operates in the production and sale of high carbon ferro chrome and silico manganese. However, during the year under review, the manufacturing operations remained suspended following the closure of the plant with effect from 31st October 2023. As a result, there was no production during FY 2024-25.

OUTLOOK

The Company's near-term outlook remains cautious, primarily due to the continued suspension of manufacturing operations and ongoing working capital constraints. However, following the induction of new management in April 2024, various revival and strategic alternatives are actively being explored. These include potential collaborations, asset restructuring initiatives, and the development of new revenue streams.

In their audit report dated 20th May 2025, the Statutory Auditors have highlighted that the Company's manufacturing operations have remained suspended since October 31, 2023. As a result, the Company has reported only minimal revenue from operations for the year ended March 31, 2025. The Company has also incurred significant losses during the year.

These conditions indicate the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. Nevertheless, their audit opinion remains unmodified in respect of this matter.

To address immediate financial obligations, the Company has also initiated the monetisation of its assets, pursuant to the approval obtained from shareholders on 10th July 2025.

While long-term revival efforts may be subject to market volatility and external challenges, the management remains committed to ensuring long-term sustainability, safeguarding stakeholder interests, and maintaining full regulatory compliance.

OPPORTUNITIES AND THREATS

Opportunities:

- **Strong Growth in Steel Production:** India's expanding steel capacity and production outlook supports sustained demand for ferro alloys and related inputs.
- **Export Competitiveness:** Cost advantages driven by affordable labour, efficient energy use, and lower conversion costs enhance India's position as a global ferro alloy supplier.
- **Rising Demand from Core Sectors:** Increasing consumption from infrastructure, construction, automotive, and engineering industries continues to drive domestic demand.
- **Favourable Government Policies:** Initiatives such as the Production Linked Incentive (PLI) scheme and policy reforms in mining and manufacturing are creating a conducive environment for sectoral growth.
- **Strategic Asset Monetisation & Repurposing:** Unlocking value from legacy industrial assets through monetisation and alternate use—such as repurposing for new-age manufacturing or logistics—presents significant growth and investment potential.

Threats:

- **Complete Shutdown of Manufacturing facilities:** The manufacturing facilities at the Plant of the Company situated at SHREERAMNAGAR-535 101, Dist. Vizianagaram, (A.P.) has been under complete shutdown w.e.f. 31.10.2023.

- **Raw Material Supply Constraints:** The industry is highly dependent on the availability of key raw materials like manganese ore, chrome ore, and electricity. Any disruption in the supply of these inputs can affect production.
- **Volatility in Prices:** The ferro alloy industry is exposed to fluctuations in global commodity prices, which can impact margins.
- **Environmental Regulations:** Stricter environmental regulations may increase operational costs and necessitate further investments in cleaner technologies.

Risks and Concerns

- **Economic Slowdown:** A global or domestic economic slowdown could reduce demand for steel, impacting ferro alloy production and sales.
- **Currency Fluctuations:** Volatility in foreign exchange rates can affect the profitability of exports and imports of raw materials.
- **Compliance with Environmental Norms:** Increasingly stringent environmental regulations pose a risk to smaller players who may not have the resources to invest in necessary upgrades.
- **Domestic Competition:** The Indian ferroalloy industry is highly competitive, with a large number of small and medium enterprises operating alongside major players. The competition is driven by factors such as pricing, product quality, and supply reliability.
- **Global Competition:** Indian ferroalloy producers face competition from countries like China, South Africa, and Brazil. China's dominance in the global ferroalloy market, particularly in terms of production and exports, poses a significant challenge for Indian exporters. However, India's lower production costs and strategic geographic location provide a competitive edge.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Even during operational suspension, Company is continuously endeavoring to maintain highest standards of internal control designed to provide adequate assurance on the efficiency of operations and security of its assets. The adequacy and effectiveness of the internal control across various activities, as well as compliance with laid-down systems and policies are comprehensively and frequently monitored by management at all levels of the organization, internal and statutory auditors and based on the experience gained and suggestions received, if any, these are updated, modified and accordingly implemented. These systems are adequate to address the current needs and are regularly updated to align with industry best practices.

The Audit Committee of the Board of Directors also reviews these matters from time to time during their meetings.

FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

DETAILS OF SIGNIFICANT CHANGES (I.E. CHANGE OF 25% OR MORE AS COMPARED TO THE IMMEDIATELY PREVIOUS FINANCIAL YEAR) IN KEY FINANCIAL RATIOS, ALONG WITH DETAILED EXPLANATIONS THEREFORE

a) Key ratios and margins

Particulars	FY 2024-25%	FY 2023-24%
Debtors' turnover ratio	0.00	3.19
Inventory turnover ratio	0.06	18.76
Interest coverage ratio	(22.27)	(14.65)
Current ratio	0.55	1.38
Debt equity ratio	0.10	0.04
Operating profit margin (%) (before exceptional items)	(2127.11)	(13.82)
Net profit ratio (%) (after tax)	(29590)	(22.79)

b) Significant change in Financial Ratios

Particulars	FY 2024-25	FY 2023-24	Changes in %	Reasons for Changes
Debtors' turnover ratio	0.00	3.19	(62%)	Debts from TSL and RTVNPL could not be realised as Ref. in Note No 33(d) and Note no.48, respectively, consequently debtors increased causing reduction in ratio.
Inventory turnover ratio	0.06	18.76	(32%)	Manufacturing operation was shut down, consequently, turnover has reduced causing reduction in ratio.
Interest coverage ratio	(22.27)	(14.65)	(169%)	The reduction in ratio is due to reduction in EBITDA after exceptional items.
Operating profit margin (%) (before exceptional items)	(2127.11)	(13.82%)	15292%	Company incurred operating losses due to temporary shutdown of operation which caused reduction of ratio. (Refer note no.43)
Net profit ratio (%) (after tax)	(29590.28%)	(22.79%)	129718%	

DETAILS OF CHANGE IN RETURN ON NET WORTH AS COMPARED TO THE IMMEDIATELY PREVIOUS FINANCIAL YEAR ALONG WITH DETAILED EXPLANATIONS THEREFORE

Particulars	FY 2024-25	FY 2023-24	Changes in %	Reasons for Changes
Return on net worth (%) (after Exceptional items)	(39.40%)	(20.53%)	(258%)	Company has incurred losses during the year, which has caused negative return on net worth.

MATERIAL DEVELOPMENT IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT INCLUDING PEOPLE EMPLOYED

In view of the continued suspension of operations and the decision to monetise the plant and machinery/undertaking(s) at Shreeramnagar, the Company implemented a Voluntary Retirement Scheme (VRS) for eligible employees. The Scheme was introduced to align manpower with the operational status. Separations under the Scheme are being completed in a cordial manner, and industrial relations remained harmonious throughout the year. There were no reportable incidents of unrest or disruption.

CAUTIONARY STATEMENT

Statements in this Management Discussion and Analysis Report may be "forward-looking statements and are based upon data available with the Company and on certain assumptions having regard to the economic conditions, government policies, political developments within and outside the country. The management is not in a position to guarantee the accuracy of the assumptions and the projected performance of the Company in future. Actual results could differ materially from those expressed or implied due to various risks and uncertainties.

CORPORATE GOVERNANCE REPORT

1. BRIEF STATEMENT ON COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Corporate Governance is the combination of voluntary practice and compliance with laws and regulations leading to effective control and management of the Company. The Company believes that good corporate governance contemplates that corporate actions balance the interest of all stakeholders and satisfy the tests of accountability, transparency and fair play. The Company believes that all its operations and actions must be directed towards overall shareholders' value.

The best Corporate Governance practices has been adopted by Facor Alloys Limited to protect the interest of its stakeholders, customers and employees and the same is being continuously reviewed to ensure that they adhere to the latest corporate developments and conform to the best Corporate Governance ethics.

2. BOARD OF DIRECTORS

The Company has total no. of 7 Directors out of which 1 is Whole-time Director and 6 are Non-Executive Directors. The 6 Non-Executive Directors consist of 3 Independent Directors including one Woman Independent Director and 3 are Non-Executive Non-Independent Directors. The Composition of the Board is in conformity with the provisions of the Companies Act, 2013 read with the rules framed thereunder and relevant Regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Board of Directors of the Company, being the highest governance authority within the Management structure of the Company, is at the core of our Corporate Governance practices. The Board exercises its fiduciary responsibilities to foster sound standards of Corporate Governance within the Company thus providing direction and independence to the Management to achieve its objectives for value creation as well as protecting long-term interests of all stakeholders.

The Board of Directors, along with its Committees, provides leadership and guidance to the management and directs and supervises the performance of the Company, thereby enhancing stakeholders' value. The Board has a fiduciary duty in ensuring that the rights of all stakeholders are protected.

The Board composition is in conformity with Regulations 17 of the SEBI Listing Regulations read with Sections 149 and 152 of the Companies Act, 2013 ('the Act').

None of the Directors on the Board is a Member of more than 10 Committees and Chairperson of more than 5 Committees (Committees being Audit Committee and Stakeholders Relationship Committee as per Regulation 26(1) of the SEBI Listing Regulations) across all public companies in which he/she is a Director. The necessary disclosures regarding committee positions have been made by all the Directors.

None of the Directors hold office in more than 10 public companies as prescribed under Section 165(1) of the Act. No Director holds Directorships in more than 7 listed companies. Further, none of the Non-Executive Directors serve as Independent Director in more than 7 listed companies as required under Regulation 17A of the SEBI Listing Regulations.

The composition of the Board as on during the year 2024-25 was as under:

Name of the Directors	Category	No. of Directorship held in other Public Limited Companies	Names of the other Listed Entities where the Director holds Directorship and the Category of Directorship	No. of Membership/ Chairmanship of Board Committee of other Public Limited Companies	No. of Board Meetings attended	Whether Last AGM attended	Shareholding
Mr. Muralidhar Rambhatla (000982212)	Independent Non-Executive	Nil	Nil	Nil	3	Yes	Nil
Mr. A.S. Kapre ¹ (DIN : 00019530)	Independent Non-Executive	1	1. Sunflag Iron and Steel Co Ltd.— Independent Non-Executive Director	Nil	5	N.A.	Nil
Mr. R.K. Saraf ² Chairman & Managing Director (DIN : 00006102)	Executive*	Nil	Nil	Nil	Nil	N.A.	2256
Mr. Ashim Saraf ³ (DIN : 00009581)	Non-Executive*	1**	Nil	Nil	Nil	N.A.	17,008

Name of the Directors	Category	No. of Directorship held in other Public Limited Companies	Names of the other Listed Entities where the Director holds Directorship and the Category of Directorship	No. of Membership/ Chairmanship of Board Committee of other Public Limited Companies	No. of Board Meetings attended	Whether Last AGM attended	Share-holding
Mr. Manojkumar Umashankar Saraf (DIN : 00234570)	Non-Executive*	Nil	Nil	Nil	8	Yes	5,92,871
Mrs. Urmila Gupta ¹ (DIN : 00637110)	Independent Non-Executive	4	1. B.A.G. Films and Media Limited – Independent Non-Executive Director	7	5	N.A.	0
Mr. M.B Thaker (DIN: 00004263)	Independent Non-Executive	Nil	Nil	Nil	8	No	5294
Ms. Vinita Bahri (DIN:03109454)	Independent Non-Executive	Nil	Sunflag Iron and Steel Co Ltd.— Independent Non-Executive Director	I. Audit Committee II. Nomination and Remuneration Committee Risk Management Committee III. CSR Committee	4	Yes	Nil
Mr. M. D. Saraf (DIN: 00011966)	Non-Executive*	Nil	Nil	Nil	8	Yes	2851974
Mr. Gaurav Saraf (DIN:00197231)	Non-Executive*	Nil	Nil	Nil	7	Yes	5156
Mr. Ashish Santosh Agrawal (02148665)	Executive	Nil	Nil	Nil	7	Yes	Nil

* Belongs to Promoter Group; ** excluding directorship in foreign companies

- Mrs. Urmila Gupta, Independent Director, resigned from the Board with effect from 30th July 2024. Mr. Anand Sadashiv Kapre (DIN: 00019530) ceased to be an Independent Director of the Company upon completion of his second term of five consecutive years on 9th September 2024, in accordance with the provisions of Section 149(10) of the Companies Act, 2013. The Board places on record its sincere appreciation for the valuable guidance and contributions made by both Mrs. Gupta and Mr. Kapre during their respective tenures as Independent Directors of the Company.
- Mr. R.K. Saraf (DIN: 00006102), Chairman & Managing Director has resigned from the directorship of the company w.e.f. 5th April, 2024.
- Mr. Ashim Saraf (DIN: 00009581), Non-executive director has resigned from the directorship of the company w.e.f. 4th April, 2024.
- The details of familiarization program imparted to Independent Directors are disclosed in the Website of the company www.facoralloys.in.
- During the period under review i.e. as on 31st March, 2025, Mrs. Urmila Gupta has resigned due to personal and health reasons before the expiry of her term of appointment. Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under Section 149 of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations and that they are independent of the Management.

During the Financial Year ended 31st March 2025, the Board met six (8) times in FY 2024-25 viz. on 9th April 2024, 30th May 2024, 12th July 2024, 29th July 2024, 14th August, 2024, 11th November 2024, 14th November, 2024, and 12th February, 2025. The necessary quorum was present for all the Board Meetings.

The meetings of the Board have been held on regular intervals and the gap between two meetings did not exceed one hundred and twenty days. Different corporate operations were elaborately reviewed in the Board Meetings in context of business plans of the Company

6. The agenda was circulated well in advance to the Board/Committee Members along with comprehensive background information forming part of the agenda to enable the Board and Committees to arrive at appropriate decisions.
7. As on March 31, 2025, all the Board Members and Senior Management of the Company have affirmed compliance with their respective Codes of Conduct. A declaration to this effect duly signed by the Whole-time Director & CEO forms part of this Report. The Company has also received a confirmation from the Non-Executive Directors and Independent Directors regarding compliance of the Code for the year under review.
8. Criteria for evaluation of individual Directors include aspects such as attendance and contribution at the Board/Committee Meetings. Criteria for evaluation of the Committees of the Board are broadly based on the Guidance Note on Board Evaluation issued by SEBI which inter alia, included a questionnaire on the structure of Board, Meetings of the Board and the functions of Board and Management after considering aspects of the Board's composition, functioning, obligations and governance. In terms of the requirement of the Act and the SEBI Listing Regulations, during the year under review, the Board has carried out an annual performance evaluation of its own performance, performance of the Directors as well as the evaluation of the working of its Committees.
9. The Company is engaged in Iron and Steel Industry. It is having a manufacturing unit with facilities to manufacturing of ferro alloys.
10. The list of core skills/ expertise/ competencies identified by the Board of Directors as required in the context of its aforesaid business for it to function effectively and those actually available with the Board are as follows:

Name of the Director & Category of Directorship	Specific skills/expertise/competence acquired
Mr. Muralidhar Rambhatla, Non-Executive, Independent*	Vast experience in the field of Finance, Taxation, Project Management etc.
Ms. Vinita Bahri, Non-Executive, Independent**	Rich experience in the field of Finance, wealth management etc.
Mr. Manojkumar Umashankar Saraf, Promoter, Non-Executive & Non-independent Director	Vast experience of setting-up and overseeing the operations of ferro chrome plant and power plants including their financing, engineering, procurement, on-site execution and corporate affairs.
Mr. A.S. Kapre, Non-Executive, Independent***	Rich and versatile experience in the field of Project and Corporate Lending, Rehabilitation, Finance and risk management.
Mrs. Urmila Gupta, Non-Executive, Independent****	Rich and versatile experience in the field of administration, policy formation and corporate management.
Mr. Mahendra Bhawanji Thaker, Non-Executive, Independent	Rich and versatile experience in the field of ferro alloys, steel as well as manganese mining.
Mr. Murlidhar Durgaprasadji Saraf, Promoter, Non-Executive & Non-independent Director*****	Vast experience in the Ferro Alloys industry.
Mr. Gaurav Saraf, Promoter, Non-Executive & Non-independent Director*****	Rich experience in Business Administration.
Mr. Ashish Santosh Agrawal, Whole-time Director*****	Vast experience in the field of manganese alloys.

* Appointed w.e.f. 30th September, 2024.

** Appointed w.e.f. 14th August, 2024.

***Ceased to be an Independent Director of the Company upon completion of his second term of five consecutive years on 9th September 2024,

**** Ceased to be an Independent Director with effect from 30th July 2024

*****Appointed w.e.f. 9th April, 2024.

*****Appointed w.e.f. 30th May, 2024.

3. Independent Directors, separate meeting thereof and familiarization program

Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the Listing Regulations read with Section 149(6) of the Companies Act, 2013 ("the Act"). The maximum tenure of Independent Directors is in compliance with the Act. All Independent Directors have confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act.

The details of familiarization program imparted to Independent Directors are disclosed in the Website of the company www.facoralloys.in.

During the FY 2024-25, a separate meeting of the Independent directors of the Company was held on 26th March, 2025 in accordance with the Companies Act, 2013 and Listing Regulations, to review the performance of non-independent Directors, the Chairman and the Board as a whole and assess the quality, quantity and timeliness of flow of information between the Management and the Board. All independent Directors as on that date have attended the meeting.

During the period under review i.e. as on 31st March, 2025, Mrs. Urmila Gupta has resigned due to personal and health reasons before the expiry of her term of appointment.

4. COMMITTEES OF THE BOARD

A. AUDIT COMMITTEE

a) Composition, name of members and Chairman:

The Committee presently consists of 3 Members viz. Mr. Muralidhar Rambhatla (w.e.f. 11th November, 2024), Ms. Vinita Bahri (w.e.f. 19th September, 2024), who are Non-Executive Independent Directors of the Company and Mr. Gaurav Saraf (9th April, 2024), Non-Executive Non-independent Director of the Company. The Chairman of the Committee is Mr. Muralidhar Rambhatla.

Mr. A. S. Kapre, an erstwhile Chairman of the Committee, Mrs. Urmila Gupta, Mr. M. B. Thaker and Mr. R. K. Saraf, members of the Committee, have ceased to be member w.e.f. 9th September, 2024, 30th July, 2024, 11th November, 2024 and 5th April, 2024.

Mr. Muralidhar Rambhatla, aged about 69, is a qualified Chartered Accountant. he is having experience of over 44 years in the field of Finance, Taxation, Project Management etc. He also served as Chief Financial Officer and Director (Finance) on the Board of Directors of Listed Company.

Ms. Vinita Bahri (DIN: 03109454), aged about 54, is a qualified Chartered Accountant. She is having experience of over 30 years in wealth advisory practice. She also serves on the Board of Directors of M/s. Sunflag Iron and Steel Co Ltd. (Listed Company). Apart from her wealth advisory, she also mentors young professionals and is invited as a speaker in the institutions for the same.

Mr. M.B. Thaker is a commerce graduate having a rich experience of more than 50 years in the industry of ferro alloys, steel as well as manganese mining.

Mr. Gaurav Saraf is having rich experience in business administration.

b) No. of meetings and attendance:

There were four meetings held during the year 2024-25 on 30/05/2024, 14/08/2024, 14/11/2024 and 12/02/2025. Mr. Muralidhar Rambhatla, Mr. A. S. Kapre, Mrs. Urmila Gupta, Mr. M. B. Thaker, attended two meetings. Ms. Vinita Bahri attended 3 meetings. Mr. R K Saraf did not attended any meeting. Mr. Gaurav Saraf attended all meeting i.e. 4 meetings during 2024-25).

c) Brief description of terms of reference:

The Committee's terms of reference, authority and powers are in conformity with the requirement of the Section 177 of the Companies Act, 2013, the rules made there under and Regulation 18 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

B. NOMINATION AND REMUNERATION COMMITTEE:

In terms of Section 178 of the Companies Act, 2013 and the Listing Regulations, the composition, name of members and Chairman of "Nomination and Remuneration Committee" is as follows:

a) The Committee presently consists of 4 Members viz. Mr. Manoj Saraf, Non-executive Director and Mr. Muralidhar Rambhatla both with effect from 11th November, 2024, Ms. Vinita Bahri (w.e.f. 19th September, 2024), and Mr. M. B. Thaker (w.e.f. 12th October, 2023) who are Non-executive Independent Directors of the Company. The Chairman of the Committee is Mr. M. B. Thaker, Independent Director.

Mrs. Urmila Gupta, an erstwhile Chairman of the Committee, ceased to be member w.e.f. 30th July, 2024. Mr. A. S. Kapre, an erstwhile member of the Committee ceased to be member w.e.f. 9th September, 2024.

Mr. R.K. Saraf, an erstwhile Chairman & Managing Director of the Company as well as member of the Committee resigned w.e.f. 5th April, 2024.

b) The Committee oversees the Company's nomination process for the Directors, Senior Management and specifically to identify, screen and review individuals qualified to serve as Directors and at Senior Management consistent with criteria approved as per the Nomination & Remuneration Policy approved by the Board and to recommend, for approval of the Board, nominees for election at the AGM of the shareholders.

The Committee also reviews the compensation of the Company's whole-time Directors and senior management. The Committee further coordinates and oversees the annual self-evaluation of the performance of the Board, Committees' and of individual Directors.

c) No. of meetings and attendance:

During the financial year 2024-25, a total of five meetings of the Committee were held on 9th April 2024, 30th May 2024, 29th July 2024, 14th August 2024, and 12th February 2025. All then-members of the Committee attended these meetings, except Mr. R. K. Saraf, who ceased to be a member with effect from 5th April 2024 and did not attend any meeting.

The attendance of the members during the year was as follows:

- a) Mr. M. B. Thaker – attended all five meetings
- b) Mrs. Urmila Gupta – attended three meetings
- c) Mr. A. S. Kapre – attended three meetings
- d) Mr. Muralidhar Rambhatla – attended one meeting
- e) Ms. Vinita Bahri – attended one meeting
- f) Mr. R. K. Saraf – did not attend any meeting

Brief description of terms of reference:

The Committee's terms of reference, authority and powers are in conformity with the requirement of the Section 178 of the Companies Act, 2013, the rules made there under and Regulation 19 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

e) Details of remuneration payable to Managerial Personnel for the year 2024-25:

Name of Directors		Total Remuneration including perquisites in cash	Estimated value of other perquisites in kind	Period of Agreement
1.	Mr. R.K. Saraf, CMD*	Nil	Nil	5 years from 01/04/2022
2.	Mr. Ashish Santosh Agrawal	Nil	Nil	1 year from 30/05/2024

*Mr. R.K. Saraf resigned w.e.f. 5th April, 2024

f) The Non-Executive Directors are paid remuneration by way of sitting fees only for each meeting attended by them. During the year 2024-25, they were paid sitting fees/remuneration as under:

Name of Director		Sitting fees paid for Board/ Committee Meeting (Amount in INR)	No. of equity shares of Re.1/- each held as on 31.03.2025
1.	Mr. A. S. Kapre	1,35,000/-	—
2.	Mrs. Urmila Gupta	1,00,000/-	—
3.	Mr. Muralidhar Rambhatla	1,00,000/-	—
4.	Mr. M.B. Thaker	2,15,000/-	5,294
5.	Mr. Manojkumar Umashankar Saraf	1,60,000/-	5,92,871
6.	Ms. Vinita Bahri	1,15,000/-	17,008
7.	Mr. Gaurav Vinod Saraf	1,30,000/-	5,156
TOTAL		Rs.9,55,000/-	

*Mr. M D Saraf has waived his sitting fees.

Notes: (i) There are no stock options and severance fees.

(ii) No notice period is specified for Directors resignation/termination.

(iii) The Company's Remuneration Policy is aligned with its philosophy for payment of remuneration to Executive Directors, KMPs and all other employees based on the commitment of fostering a culture of leadership with trust.

- (g) The Company believes that sound succession planning for the senior leadership is critical for developing bench strength to ensure growth, stability and a robust future for the Company. The NRC works for a structured leadership succession plan.

C. STAKEHOLDERS RELATIONSHIP COMMITTEE

In terms of Section 178 of the Companies Act, 2013 and the Listing Regulations, the Committee reviews and resolves the grievances of the security holders of the Company, including complaints relating to transfer and transmission of securities, non-receipt of dividends, and such other grievances as may be raised by the security holders from time to time.

The Committee presently consists of four Members viz., Mr. Muralidhar Rambhatla (w.e.f. 11th November, 2024), Ms. Vinita Bahri (w.e.f. 19th September, 2024), Mr. M.D. Saraf (w.e.f. 9th April 2024 and Mr. M.B. Thaker (w.e.f. 9th April 2024). The Chairman of the Committee is Mr. Muralidhar Rambhatla, Independent Director. One meeting of the Committee was held during the year on 12.02.2025 and the meeting was attended by all the members.

Mr. Ashim Saraf, Mr. R. K. Saraf, Mrs. Urmila Gupta, and Mr. A. S. Kapre (erstwhile Chairman of the Committee) ceased to be members of the Committee with effect from April 4, 2024, April 5, 2024, July 30, 2024, and September 9, 2024, respectively.

Mr. Sachin Kumar Gupta, Company Secretary of the Company is the Compliance Officer.

- | | |
|--|-----|
| a) No. of Shareholders' complaints received during the period 01-04-2024 to 31-03-2025 | Nil |
| c) No. of complaints not solved to the satisfaction of the Shareholders | Nil |
| d) Number of pending complaints as on 31-03-2025 | Nil |

The Committee's terms of reference, authority and powers are in conformity with the requirement of the Section 178 of the Companies Act, 2013, the rules made there under and Regulation 20 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

D. CONSTITUTION OF CORPORATE SOCIAL RESPONSIBILITY COMMITTEE (CSR)

In terms of Section 135 of the Companies Act, 2013, the Board has constituted a Corporate Social Responsibility (CSR) Committee to monitor the Corporate Social Responsibility Policy of the Company and the activities included in the policy. The CSR policy of the Company can be accessed at www.facoralloys.in.

The Committee presently consists of four Members viz., Mr. Muralidhar Rambhatla (w.e.f. 11th November, 2024), Ms. Vinita Bahri (w.e.f. 19th September, 2024), Mr. M.D. Saraf (w.e.f. 9th April 2024) and Mr. Gaurav Saraf (w.e.f. 9th April 2024). The Chairman of the Committee is Mr. Muralidhar Rambhatla, Independent Director.

Mr. A. S. Kapre, an erstwhile Chairman of the Committee, ceased to be member w.e.f. 9th September, 2024.

Mr. R.K. Saraf, an erstwhile Chairman & Managing Director of the Company as well as member of the Committee has resigned w.e.f. 5th April, 2024.

Mr. Ashim Saraf, Non-executive Director as well as member of the Committee has resigned w.e.f. 4th April, 2024.

In view of the continued suspension of operations and the absence of average net profits during the immediately preceding three financial years, the provisions relating to mandatory CSR spending were not applicable to the Company for the financial year ended 31st March 2025. Accordingly, no CSR expenditure was required or incurred during the year under review and no meeting of CSR was convened.

The Committee's terms of reference, authority and powers are in conformity with the requirement of the Section 135 of the Companies Act, 2013 and rules made thereunder.

Policy for Determining Material Subsidiaries

Regulation 16 of the SEBI Listing Regulations defines a 'material subsidiary' to mean a subsidiary, whose income or net worth exceeds 10% of the consolidated income or net worth respectively, of the listed entity and its subsidiaries in the immediately preceding accounting year.

In addition to the above, Regulation 24 of the SEBI Listing Regulations requires that at least one Independent Director on the Board of Directors of the listed entity shall be a Director on the Board of Directors of an unlisted material subsidiary, whether incorporated in India or not. The Company did not have any material subsidiary during the year as defined in the SEBI Listing Regulations.

In terms of Regulation 24 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company has formulated a Policy for Determining Material Subsidiaries and the same is available on the Company's website www.facoralloys.in.

Vigil Mechanism

The Board has approved the Vigil Mechanism that provides a formal mechanism for all Directors, employees and vendors of the Company to approach the Chairman of the Audit Committee of the Company and make protective disclosures about the unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct.

Under the Policy, every Director, employee or vendor of the Company has an assured access to the Chairman of the Audit Committee. Details of the Vigil Mechanism are given in the Directors' Report. Further, the details of vigil mechanism can be accessed at www.facoralloys.in. No instances of fraud or other irregularities have been observed which need to be reported to the Board/Audit Committee.

5. GENERAL BODY MEETINGS

- a) Location and time where last three Annual General Meetings (AGMs) were held :

AGM held	Day, date & time	Venue
19 th AGM	Wednesday, 28 th September, 2022 at 12.00 p.m.	Through VC / OAVM in view of the MCA Circular dated May 5, 2022.
20 th AGM	Thursday, 28 th December, 2023 at 12.00 p.m.	Through VC / OAVM in view of the MCA Circular dated September 25, 2023.
21 st AGM	Monday, 30 th September, 2024 at 12.00 P.M.	Through VC / OAVM in view of the MCA Circular dated September 19, 2024.

- b) The following special resolutions were passed in the previous three Annual General Meetings :

28 th September, 2022	No Special resolution was passed at the 19 th Annual General Meeting of the Company.
28 th December, 2023	1. Approval for continuation of directorship of Mr. A. S. Kapre (DIN: 00019530) as an Independent Director after attaining the age of 75 (seventy five) years.
30 th September, 2024	1. Appointment of Ms. Vinita Bahri (03109454) as an Independent Director 2. Appointment of Mr. Muralidhar Rambhatla (DIN: 00982212) as an Independent Director

- c) Whether any special Resolutions passed last year through postal ballot : Yes
(Ratification of Appointment of Mr. Murlidhar Durgaprasadji Saraf (DIN: 00011966) as a Director of the Company)
- d) Person who conducted the postal ballot exercise : Mr. Ashish Santosh Agrawal
- e) Whether any special Resolution is proposed to be conducted through postal ballot this year : Yes
(The shareholders have approved for sale/disposal of Plant and Machinery at Shreeramnagar, District Vizianagaram, Andhra Pradesh (Undertaking) on 9th July, 2025)
- f) Procedure for postal ballot followed : Yes

6. DISCLOSURES

- a) All transactions entered into with related parties as defined under the Companies Act, 2013 and as per Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the year, if any, were on an arm's length price basis and in the ordinary course of business and with requisite approvals as required. The Board of Directors have approved and adopted a Policy on Related Party Transactions and the same has been uploaded on the website of the Company and can be accessed at: www.facoralloys.in. There were no materially significant related-party transactions i.e. transactions of the Company of material nature, with its promoters, Directors or the management, their Subsidiaries or relatives etc. that may have potential conflict with the interest of the Company at large.
- b) There were following non-compliance reported as well as penalties imposed:
- A. "During the financial year 2024-25, there was a change in the management of the Company. Following this transition, the new management was unable to obtain complete and reliable financial information relating to the Company's overseas subsidiary, which is required for the purpose of 'consolidation. After obtaining a legal opinion, the management has taken a considered decision to present the consolidated financial results for the year ended 31st March 2025, excluding the financial results of the said overseas subsidiary. It is further clarified that the current year's transactions of the overseas subsidiaries have not been considered for the purpose of consolidation.

Based on the management's assessment, the financial impact of non-consolidation of these transactions is not material to the consolidated financial statements. In relation to the above matter, the Company has also filed a formal complaint with the Economic Offences Wing (EOW) for appropriate action and investigation."

B.	Sr. No.	Regulation / Provision	Nature of Non-Compliance	Regulatory Action Taken	Company's Response / Status
	1	Regulation 23(9) of SEBI (LODR)	Delay in disclosure of related party transactions on a consolidated basis	Monetary fine of ₹ 5,900 (incl. GST) imposed by BSE	Disclosure was submitted late. Company advised to take precautions to avoid recurrence.
	2	Regulation 19 & 20 of SEBI (LODR)	Non-constitution of NRC (Nomination & Remuneration Committee) and SRC (Stakeholders Relationship Committee) during Q1 & Q2	Monetary fine imposed by BSE	Company has applied for waiver of penalty. Proper constitution of committees has since been ensured.

- c) Pursuant to the requirements of SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended, the Company has adopted a 'Code of Conduct' for 'Prevention of Insider Trading' (The code). The code is applicable to all Directors and such designated persons who are expected to have access to unpublished price sensitive information relating to the Company.

Mr. Sachin Kumar Gupta, Company Secretary is the Compliance Officer for monitoring adherence to the Regulations.

- d) During the period under review, the Company has not raised funds through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) of SEBI (LODR) Regulations, 2015.
- e) There was no case of not accepting any recommendations of any Committee of the Board which was mandatorily required during the year 2024-25.
- f) The Company has neither issued any debt instruments nor accepted any fixed deposit program or any scheme or proposal involving mobilization of funds in India or abroad during the year 2024-25.
- g) The Company has received a certificate from M/s. MT & Co., Company Secretaries, certifying that none of the Directors of the Company are debarred or disqualified from being appointed for continuing as Directors of the Companies by the Board/Ministry of Corporate Affairs or any such statutory authority. The said certificate is annexed herewith as a part of the report.
- h) The details of the total fees of all services paid by the Company and its Subsidiaries for the financial year-2024-2025, on a consolidated basis, to M/s K. K. Mankeshwar & Co, Statutory Auditors and all the entities in the network firm/network entity of which the statutory auditor is a part, are as under:-

₹ in Lacs

Payment to Statutory Auditors	3.50
Other Services	0.75
Reimbursement of expenses	0.76
Total	5.01

- i) The Company has in place a policy for prevention, prohibition and redressal of sexual harassment at workplace in line with the requirements of the Sexual Harassment of Women at the Work Place (Prevention, Prohibition and Redressal) Act, 2013. Prevention of Sexual Harassment at workplace Committee has been set up to redress complaints received regarding sexual harassment. All employees are covered under this Policy. There were no complaints pending at the beginning of the year i.e. as on 1st April, 2024. During the year, the Company has not received any complaint and no complaints were pending as on 31st March, 2025.
- j) The Company has not given any loans or advances to any firm / company in which its Directors are interested.
- k) The Company has complied with the requirements, as specified in Para 2 to 10 of Part C of Schedule V of the SEBI (LODR) Regulations, 2015.

7. MEANS OF COMMUNICATION

- a) Quarterly results are communicated through newspaper advertisement.
- b) The quarterly results are published in the "Financial Express" and "Prajasakti" newspapers.
- c) The Company has a functional website for displaying results.
- d) No presentation is made to institutional investors or to the analyst.
- e) No official news releases are displayed in the website of the company.

8. GENERAL SHAREHOLDER INFORMATION

i) AGM-Date, Time and Venue:

Date	Time	Venue
29 th September, 2025	4:00 P.M.	The Company is conducting meeting through VC / OAVM in view of MCA General Circular(s) dated 19 th September, 2024. For more details, please refer to the Notice of this AGM.

ii) The particulars of Directors seeking appointment/re-appointment/retiring by rotation at the ensuing Annual General Meeting as required under Regulation 36 (3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SS-2 are as under:-

A	NAME	MR. MURLIDHAR DURGAPRASADJI SARAF
B	Brief resume	
i)	DIN	0011966
ii)	Date of Birth	04 th January, 1949
iii)	Date of first appointment on the Board of the Company	9 th April, 2024
iv)	Qualification	Graduate
v)	Experience in specific functional area	Vast experience in the Ferro Alloys industry.
C	Terms and conditions of appointment or re-appointment	As per Item No.2 of the Notice convening Annual General Meeting dated
D	Remuneration last drawn (including sitting fees for FY 2023-24, if any) (per annum)	He has waived his sitting fees in view of financial position of the Company.
E	Remuneration/ Sitting fees proposed to be paid	Payment of sitting fee as payable to all Non-executive Directors
F	Nature of expertise in specific functional areas	Vast experience in the Ferro Alloys industry.
G	Name(s) of other Listed entities in which the person holds the Directorship	NIL
H	Chairman/Member of the Committee of the Board of Directors of the Company	1. Stakeholder's Relationship Committee 2. Corporate Social Responsibility Committee
I	Chairman/ Member of the Committee of the Board of Directors of other Companies in which he is a Director.	NIL
J	No. of Shares of Re.1/- each held by the Director	2851974 equity shares
K	Name(s) of other Listed entities in which the person resigned from Directorship during past 3 years	NIL
L	Relationship with Directors inter-se (As per Section 2 (77) of the Companies Act, 2013 read with The Companies (Specification of definitions details) Rules, 2014)	He is one of the Promoters of the Company and a senior member of the Saraf family, being the cousin uncle of Mr. Manoj Umashanker Saraf and cousin grandfather of Mr. Gaurav Vinod Saraf.
M	No. of Board Meetings held/ attended during the last financial year	Board Meeting held during FY 2024-25 : 8 Board Meeting attended during FY 2024-25 : 8

- iii) Financial Year : 1st April to 31st March
- iv) Date of Book closure from : Thursday, 24th September, 2025 to Monday, 29th September, 2025 (both days inclusive)
- v) Dividend payment date : Not Applicable
- vi) Listing on Stock Exchange and (Stock Code) : The Bombay Stock Exchange Ltd., (532656)
The Company has paid the listing fees for the F.Y. 2025-26 to BSE

- vii) Market price data-High/Low (based on the closing prices) and volume during each month in the financial year 2023-24 as downloaded from BSE website are as under:

Month	Bombay Stock Exchange		
	High (INR)	Low (INR)	Volume (No. of shares)
April 2024	8.59	7.10	3,93,63,319
May 2024	8.08	7.23	3,09,49,479
June 2024	7.78	6.65	3,67,74,953
July 2024	7.90	6.71	5,15,20,237
August 2024	7.30	6.06	3,95,20,071
September 2024	7.40	6.00	3,29,21,578
October 2024	6.52	5.40	2,16,53,280
November 2024	6.85	5.53	2,60,95,443
December 2024	6.15	4.87	1,93,20,938
January 2025	5.48	4.10	1,47,64,020
February 2025	5.01	3.51	1,12,31,382
March 2025	4.89	3.18	1,96,35,576

- viii) Registrar & Share Transfer Agent (RTA):

Currently, the Company is availing the services M/s MAS Services Limited, T-34, 2nd Floor, Okhla Industrial Area, Phase II, New Delhi-110020 for its share registry work for both the form i.e. physical as well as electronic.

Accordingly, the shareholders are requested to approach M/s MAS Services Limited, T-34, 2nd Floor, Okhla Industrial Area, Phase II, New Delhi-110020, for all work relating to the Company's shares including transfer and transmission of shares, issue of duplicate share certificates, splitting, consolidation and replacement of share certificates as well as for dematerialisation of shares held in the company.

- ix) Share Transfer System and other necessary information for the shareholders of the Company:

SEBI has notified vide Circular No. SEBI/HO/MIRSD/DOP1/CIR/ P/2018/73 dated 20th April, 2018 and No. SEBI/HO/MIRSD/DOS3/CIR/P/2018/115 dated 16th July, 2018 that except in case of transmission or transposition of securities, requests for effecting the transfer of securities shall not be processed unless the securities are held in the dematerialized form with a depository. Accordingly, the shares in physical mode cannot be transferred after 31st March, 2019. Further, SEBI has fixed March 31, 2021 as the cut-off date for re-lodgment of transfer deeds and the shares that are re-lodged for transfer shall be issued only in demat mode. However, the shareholders shall be able to continue to hold shares in physical form.

The Company's shares can be dematerialized with the Depositories namely CDSL or NSDL through the Depository Participants.

SEBI vide its Circulars issued from time to time, mandated furnishing of PAN, KYC details (i.e. postal address with pin code, email address, mobile number, bank account details) and Nomination details by holders of physical securities through applicable forms. It may be noted that any service request or complaint can be processed only after the folio is KYC compliant.

Accordingly, the Company has sent individual letters to all the Members holding shares of the Company in physical form for furnishing their PAN, KYC and Nomination details. Members holding shares of the Company in physical form are requested to go through the requirements hosted on the website of the Company and furnish the requisite details.

Members are also requested to intimate changes, if any, pertaining to their name, postal address, email address, mobile number, PAN, registration of nomination, power of attorney registration, bank mandate details, etc. to their DPs in case the shares are held in electronic form and to submit the necessary papers/details to our Registrar in case the shares are held in physical form, quoting their folio number. Changes intimated to the DP will then be automatically reflected in the Company's records.

Further, Members may please note that SEBI vide its Circular dated January 25, 2022 mandated listed companies to issue securities in demat form only while processing any service requests viz. issue of duplicate securities certificate, claim from Unclaimed Suspense Account, renewal/exchange of securities certificate, endorsement, sub-division/splitting of securities certificate, consolidation of securities certificates/folios, transmission and transposition.

Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR – 4, the format of which is available on the website of the Company.

- x) a) Distribution of shareholding as on 31.03.2025:

No. of equity shares held	No. of shareholders	No. of shares held	% of issued share Capital
1 to 5000	68624	33600708	17.18
5001 to 10000	1820	13976361	7.15
10001 to 20000	783	11323057	5.79
20001 to 30000	277	6921748	3.54
30001 to 40000	118	4226505	2.16
40001 to 50000	87	4030674	2.06
50001 to 100000	148	10882214	5.57
100001 and above	103	110586088	56.55
Total	71960	195547355	100.00
Physical Mode	313699	0.16%	
Electronic Mode	195233656	99.84%	

- b) Categories of shareholders as on 31.03.2025:

S. No.	Categories	No. of shares held	Percentage
a.	Promoters, their relatives, associates etc.	86608728	44.29
b.	Financial Institutions/ Banks	5934	0.00
c.	Mutual Funds	1780	0.00
d.	Bodies Corporate	1900378	0.97
e.	Others	107030535	54.74
	Total:	195547355	100.00

- xi) Dematerialization of shares and liquidity:

99.84% of the share capital has been dematerialized as on 31st March, 2025.

- xii) The Company has not issued any GDRs / ADRs / Warrants. None of the instruments issued by the Company is pending for conversion into equity shares.
- xiii) Plant location: Shreeramnagar-535 101, Garividi, Dist: Vizianagaram, Andhra Pradesh
- xiv) Address for correspondence:
- a) For matters relating to Company's shares:
M/s. MAS Services Limited, T-34, 2nd Floor, Okhla Industrial Area, Phase II, New Delhi-110020.
- b) For other matters:
Polyplex Building, Tower-B, Ground Floor, B-37, Sector-1, Noida – 201301, India.
- xv) The policies on dealing with related party transactions and determining material subsidiaries are disclosed in the website of the company www.facoralloys.in.
- xvi) Commodity price risk or foreign exchange risk & hedging activities :
The company is resorting to natural hedges across transactions, i.e., netting-off of inflows and outflows and hedging the net flows will not be resorted to.
- xvii) Compliance with Discretionary Requirements:

The Board has duly reviewed the Statutory Auditors' Reports on the Standalone / Consolidated accounts for the year ended 31st March, 2025 and has noted that the Statutory Auditors have issued their reports on the Standalone and Consolidated Audited Financial Statements for the financial year ended 31st March 2025. The report on the Standalone Financial Statements does not contain any qualifications, observations, or adverse comments that have a material bearing on the functioning of the Company. However, the report on the Consolidated Financial Statements contains a disclaimer of opinion as follows:

Disclaimer of Opinion: “The Group has excluded the financial results of an overseas subsidiary for the year ended 31st March 2025 due to the non-availability of complete and reliable financial data following a change in management. Based on legal advice, the management has concluded that the financial impact of such non-consolidation is not material. However, in the absence of sufficient appropriate audit evidence regarding the financial performance, position, and cash flows of the said subsidiary, we are unable to determine whether adjustments might have been necessarily had such financial results been consolidated. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Companies Act, 2013. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India, and we have fulfilled our other ethical responsibilities in accordance with the Code.”

Reply to the Disclaimer of Opinion: During the financial year 2024-25, there was a change in the management of the Company. Following this transition, the new management was unable to obtain complete and reliable financial information relating to the Company's overseas subsidiary, which is required for the purpose of consolidation. After obtaining a legal opinion, the management has taken a considered decision to present the consolidated financial results for the year ended 31st March 2025, excluding the financial results of the said overseas subsidiary. It is further clarified that the current years transactions of the overseas subsidiary have not been considered for the purpose of consolidation. Based on the management's assessment, the financial impact of non-consolidation of these transactions is not material to the consolidated financial statements. In relation to the above matter, the Company has also filed a formal complaint with the Economic Offences Wing (EOW) for appropriate action and investigation.

9. COMPLIANCE:

a) **Disclosure under Regulation 30 and 46 of SEBI Listing Regulations regarding certain agreements with the media companies:**

Pursuant to the requirement of Regulation 30 of the SEBI Listing Regulations, the Company would like to inform that no agreement(s), back treaties/ contracts/agreements/ MoUs or similar instruments with media companies and/or their associates have been entered with media companies and/or their associates which has resulted/ will result in any kind of shareholding in the Company and consequently any other related disclosures viz., details of nominee(s) of the media companies on the Board of the Company, any management control or potential conflict of interest arising out of such agreements, etc. are not applicable.

b) **Accounting treatment in preparation of financial statements:**

The financial statements of the Company have been prepared to comply in all material respects with the Indian Accounting Standards ("Ind AS") notified under the Companies (Accounting Standards) Rules, 2015 except as mentioned the disclaimer in Consolidated Audit Report

10. INVESTOR SAFEGUARDS AND OTHER INFORMATION:

a) **Registration of Email Addresses:**

Ministry of Corporate Affairs has taken a 'Green Initiative in Corporate Governance' by issuing Circulars 17/2011 and 18/2011 dated 21st April, 2011 read with Circular bearing No. CIR/CFD/DIL/7/2011 dated 05.10.2011 of SEBI, whereby Companies are permitted to send Notices/documents including Annual Report comprising Balance Sheet, Statement of Profit & Loss, Directors Report, Auditors Report etc. in electronic mode (hereinafter 'documents'), provided the Company has obtained email addresses of its members for sending these documents through email by giving an advance opportunity to every shareholder to register their email address and changes therein from time to time with the Company.

Accordingly, shareholders holding shares in physical form are requested to submit the duly filled & signed Form ISR-1 to our RTA i.e Mas Services Limited, T-34, 2nd Floor, Okhla Industrial Area, Phase-II, New Delhi – 110020, Phone No. +91-11-26387281-83, Fax No. +91-11-26387384, E-Mail: investor@masserv.com along with details such as name, address, folio no., no. of shares held to the Registrars and Share Transfer Agent, i.e. M/s. MAS Services Limited, T-34, 2nd Floor, Okhla Industrial Area, Phase II, New Delhi-110020.

In respect of shares held in electronic form, the email address along with DP ID / Client ID and other shareholder details as mentioned above should be registered by the shareholders with their respective Depository Participants. Upon registration of the email address, the Company shall be enable to send notices and documents, in electronic form, to such shareholders.

b) **Registration of National Electronic Clearing Services (NECS) / Electronic Clearing Services (ECS) mandate:**

NECS/ECS facility ensures timely remittance of dividend without possible loss / delay in postal transit. Shareholders/ Members holding shares in electronic form may register their NECS/ECS details with the respective DPs and Shareholders / Members holding shares in physical form may register their NECS/ECS details with the Registrars and Share Transfer Agents, to receive dividends, if declared, via the NECS / ECS mode.

c) Updation of Address / Bank Details /PAN no. etc.:

To receive all communications/corporate actions promptly, shareholders holding shares in dematerialized form are requested to please update their address / bank details/PAN no. with the respective DPs and in case of physical shares, the updated details have to be intimated to the Registrar & Share Transfer Agents as mentioned in point no. 10(a).

d) Consolidation of multiple folios (in respect of physical shareholding):

Members are requested to consolidate their shareholdings under multiple folios to eliminate the receipt of multiple communications and this would ensure that future correspondence / corporate benefits could then be sent to the consolidated folio.

e) Compliances of mandatory requirements and adoption of the non mandatory requirements

The Company has complied with all the mandatory requirements and the following non-mandatory requirement:

The statutory financial statements both Standalone/Consolidated of the Company are not in qualifying nature.

11. NON-COMPLIANCE OF ANY REQUIREMENT OF CORPORATE GOVERNANCE REPORT
l) There were following non-compliance were reported as well as penalties imposed:

- C. *"During the financial year 2024-25, there was a change in the management of the Company. Following this transition, the new management was unable to obtain complete and reliable financial information relating to the Company's overseas subsidiary, which is required for the purpose of 'consolidation. After obtaining a legal opinion, the management has taken a considered decision to present the consolidated financial results for the year ended 31st March 2025, excluding the financial results of the said overseas subsidiary. It is further clarified that the current year's transactions of the overseas subsidiaries have not been considered for the purpose of consolidation.*

Based on the management's assessment, the financial impact of non-consolidation of these transactions is not material to the consolidated financial statements. In relation to the above matter, the Company has also filed a formal complaint with the Economic Offences Wing (EOW) for appropriate action and investigation."

D.	Sr. No.	Regulation / Provision	Nature of Non-Compliance	Regulatory Action Taken	Company's Response / Status
	1	Regulation 23(9) of SEBI (LODR)	Delay in disclosure of related party transactions on a consolidated basis	Monetary fine of ₹ 5,900 (incl. GST) imposed by BSE	Disclosure was submitted late. Company advised to take precautions to avoid recurrence.
	2	Regulation 19 & 20 of SEBI (LODR)	Non-constitution of NRC (Nomination & Remuneration Committee) and SRC (Stakeholders Relationship Committee) during Q1 & Q2	Monetary fine imposed by BSE	Company has applied for waiver of penalty. Proper constitution of committees has since been ensured.

12. THE DISCLOSURES OF THE COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS SPECIFIED IN REGULATION 17 TO 27 AND CLAUSES (B) TO (I) OF SUB-REGULATION (2) OF REGULATION 46 OF LISTING REGULATIONS
I. Disclosure on website in terms of Listing Regulations

Item	Compliance status (Yes/No/NA)
Details of business	Yes
Terms and conditions of appointment of independent directors	Yes
Composition of various committees of Board of Directors	Yes
Code of conduct of Board of Directors and senior management personnel	Yes
Details of establishment of vigil mechanism/ Whistle Blower Policy	Yes
Criteria of making payments to non-executive directors	Yes
Policy on dealing with related party transactions	Yes
Policy for determining 'material' subsidiaries	Yes
Details of familiarization programmes imparted to independent directors	Yes

Item	Compliance status (Yes/No/NA)
Contact information of the designated officials of the listed entity who are responsible for assisting and handling investor grievances	Yes
E-mail address for grievance redressal and other relevant details	Yes
Financial results	Yes
Shareholding pattern	Yes
Details of agreements entered into with the media companies and/or their associates	NA
New name and the old name of the listed entity	NA

II. Annual Affirmations

Particulars	Regulation Number	Compliance status (Yes/No/NA)
Independent director(s) have been appointed in terms of specified criteria of 'independence' and/or 'eligibility'	16(1)(b) & 25(6)	Yes
Board composition	17(1)	Yes
Meeting of Board of directors	17(2)	Yes
Review of Compliance Reports	17(3)	Yes
Plans for orderly succession for appointments	17(4)	Yes
Code of Conduct	17(5)	Yes
Fees/compensation	17(6)	Yes
Minimum Information	17(7)	Yes
Compliance Certificate	17(8)	Yes
Risk Assessment & Management	17(9)	Yes
Performance Evaluation of Independent Directors	17(10)	Yes
Composition of Audit Committee	18(1)	Yes
Meeting of Audit Committee	18(2)	No
Composition of Nomination & Remuneration Committee	19(1) & (2)	Yes
Composition of Stakeholder Relationship Committee	20(1) & (2)	Yes
Composition and role of Risk Management Committee	21(1),(2),(3),(4)	NA
Vigil Mechanism	22	Yes
Disclosure of shareholding by non-executive directors	Yes	
Policy for Related Party Transaction	23(1),(5),(6),(7) & (8)	Yes
Prior or Omnibus approval of Audit Committee for all related party transactions	23(2),(3)	Yes
Approval for material related party transactions	23(4)	Yes
Composition of Board of Directors of unlisted material subsidiary	24(1)	NA
Other Corporate Governance requirements with respect to subsidiary of listed entity	24(2),(3),(4),(5) & (6) : as follows:	

Company has overseas subsidiary company in Netherlands namely M/s Facor Minerals (Netherlands) ('FMN') which has further step-down subsidiary company namely Facor Turkkrom Mining (Netherlands) ('FTMN'). ("FMN and FTMN are collectively referred to as the "Overseas Subsidiaries"). Erstwhile promotor Director of the company, who was director in Overseas Subsidiaries has stepped down with effect from 4th April, 2024 since then company was asking all documents and information pertaining to affairs of overseas companies from erstwhile directors, issued notices, emails to him but did not get any information or reply from erstwhile director. Company is taking all legal course of action. In absence of documents pertaining to overseas companies, company is unable to consolidate the same in consolidated financial statements /results for the quarter/period ended on 30th September, 2024 and 31st December, 2024. Company obtained legal opinion and put forth before Board for necessary action, Board discussed the legal opinion and observed the situation arose on account of non-availability of financial records as well as information pertaining to affairs of overseas subsidiaries and resolved that company will declare consolidated financial statements/ results without consolidating overseas subsidiaries. However, these overseas subsidiaries are non-operational and no commercial or revenue generating activities were carrying out, no expenses were incurred during the quarter and investments in overseas subsidiaries have already been fully impaired years back, Hence there is no material impact on the results for the quarter/period ended on 30th September, 2024 and 31st December, 2024.

Maximum Directorship & Tenure	25(1) & (2)	Yes
Meeting of independent directors	25(3) & (4)	Yes
Familiarization of independent directors	25(7)	Yes
Memberships in Committees	26(1)	Yes
Affirmation with compliance to code of conduct from members of Board of Directors and Senior management personnel	26(3)	Yes
Disclosure of Shareholding by Non- Executive Directors	26(4)	Yes
Policy with respect to Obligations of directors and senior management	26(2) & 26(5)	Yes
Other Corporate Governance requirements	27	Yes

DECLARATION ON COMPLIANCE OF THE COMPANY'S CODE OF CONDUCT

As provided under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board Members and the Senior Management Personnel have confirmed Compliance with the Code of Conduct for the year ended 31st March, 2025.

Place: Nagpur
Date: 12th August, 2025

Ashish Santosh Agrawal
Whole-time Director
(DIN: 02148665)

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of
Facor Alloys Limited,
Shreeramnagar-535 101,
Garividi (Andhra Pradesh)

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Facor Alloys Limited having CIN L27101AP2004PLC043252 and having registered office at Shreeramnagar-535 101, Garividi (Andhra Pradesh)- 535101 (hereinafter referred to as 'the Company'), produced before me/us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in as considered necessary and explanations furnished to me / us by the Company & its officers, I, hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2025 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1	MANOJKUMAR UMASHANKAR SARAF	00234570	01/04/2022
2	MAHENDRA BHAWANJI THAKER	00004263	30/06/2022
3	VINITA BAHRI	03109454	14/08/2024
4	MURALIDHAR RAMBHATLA	00982212	30/09/2024
5	ASHISH SANTOSH AGRAWAL	02148665	30/05/2024
6	MURLIDHAR DURGAPRASADJI SARAF	00011966	09/04/2024
7	GAURAV VINOD SARAF	00197231	09/04/2024

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **MT & Co.**
Company Secretaries

Date: 10/06/2025
Place: Delhi

(Tumul Maheshwari)
Proprietor
C.P. No.5554
ICSI PR-1749/2022
UDIN No. A016464F000560315

CERTIFICATE/REPORT ON CORPORATE GOVERNANCE

To the Members of
Facor Alloys Limited
Sreeramnagar, P.O. Garividi
Vizianagaram-535101 (Andhra Pradesh)

I, have examined the compliance of the conditions of Corporate Governance by Facor Alloys Limited (CIN: L27101AP2004PLC043252) ("the Company") for the financial year ended on 31st March 2025, as stipulated under Regulations 17 to 27, clauses (b) to (i) of Regulation 46 (2) and paragraphs C, D and E of Schedule V to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'). *During the financial year 2024-25, there was a change in the management of the Company. Following this transition, the new management was unable to obtain complete and reliable financial information relating to the Company's overseas subsidiary, which is required for the purpose of 'consolidation. After obtaining a legal opinion, the management has taken a considered decision to present the consolidated financial results for the year ended 31st March 2025, excluding the financial results of the said overseas subsidiary. It is further clarified that the current year's transactions of the overseas subsidiaries have not been considered for the purpose of consolidation.*

Based on the management's assessment, the financial impact of non-consolidation of these transactions is not material to the consolidated financial statements. In relation to the above matter, the Company has also filed a formal complaint with the Economic Offences Wing (EOW) for appropriate action and investigation.

The compliance of the conditions of Corporate Governance is the responsibility of the management. My examination was limited to the review of procedures and implementation thereof, as adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and according to my examination of the relevant records and the explanations given to me, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned SEBI Listing Regulations for the year ended on 31st March 2025.

I, state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company. The stake holders are also requested to refer to audit report for the year ended 31/03/2025 to make informed decisions.

For **MT & Co.**
Company Secretaries

Date: 10/06/2025
Place: Delhi

(Tumul Maheshwari)
Proprietor
ACS No. 16464
C.P. No.5554
ICSI PR-1749/2022
UDIN No. A016464G000571568

CERTIFICATION BY WHOLE TIME DIRECTOR AND PRESIDENT

To the Board of Directors

Facor Alloys Limited

SHREERAMNAGAR-535101,

Dist. Vizianagaram (A.P.)

We certify that:

- [a] We have reviewed financial statements and the cash flow statement for the year ended 31st March, 2025 and that to the best of our knowledge and belief:
 - [i] These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - [ii] These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- [b] There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
- [c] We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- [d] We have indicated to the auditors and the Audit Committee that:
 - [i] There have been no significant changes in internal control over financial reporting during the year;
 - [ii] There have been no significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - [iii] There have been no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

Place: Nagpur
Date: 20th May, 2025

Md. Asim Quraishi
CFO

Vinod Saraf
President

Ashish Santosh Agrawal
Whole Time Director

INDEPENDENT AUDITOR'S 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, 2025, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity, and the Statement of Cash Flows for the year then ended, and notes to the financial statements including a summary of material accounting policies and other explanatory information (hereinafter referred to as the "Standalone Financial Statements")

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 Indian Accounting Standards prescribed under section 133 of the Act, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, and its loss, total comprehensive income, changes in equity, and its cash flows for the year then ended on that date.

Basis for opinion

We conducted our audit in accordance with the Standards on Auditing ("SA"s) 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.

Material Uncertainty Related to Going Concern

We draw attention to **Note 44 to the standalone financial statements**, which states that the Company's manufacturing operations have remained suspended since October 31, 2023. As a result, the Company has reported only minimal revenue from operations for the year ended March 31, 2025. The Company has also incurred significant losses during the year.

These conditions indicate the existence of a material uncertainty that cast significant doubt on the Company's ability to continue as a going concern.

Our opinion is not modified in respect of this matter.

Emphasis of Matter

We draw attention to **Note 33(d) of the standalone financial statements**, which explain that the Company has recognised a loss of ₹ 2,327 lakhs during the financial year 2024-25, arising from a claim raised by Tata Steel Limited (formerly Tata Steel Mining Limited) for a shortage of 9,885 MT of raw materials under a long-term conversion agreement. The settlement of the claim involved a combination of bank guarantee encashment (₹ 300 lakhs), direct payment (₹ 200 lakhs), and an adjustment of ₹ 1,827 lakhs against outstanding trade receivables. This loss has been disclosed under Exceptional Items in the Statement of Profit and Loss. The related adjustment to trade receivables has also been accounted for in the financial results.

We draw attention to **Note 42 of the standalone financial statements**, which states that the Company's recognition of a liability towards Fuel & Power Purchase Cost Adjustment (FPPCA) in respect of the financial years 2022-23 and 2023-24, pursuant to an order issued by the Andhra Pradesh Electricity Regulatory Commission. This liability has been recognized in the financial year 2024-25.

Further, FPPCA charges pertaining to the financial year 2021-22, as per a regulatory order issued during the financial year 2023-24, were recognized in the previous year (FY 2023-24).

We draw attention to **Note 43 of the standalone financial statements**, which discloses the identification of an excess quantity of 329.40 MT of anthracite coal during the financial year 2024-25. This surplus arose due to lower-than-anticipated consumption of anthracite coal, based on standard production norms provided by the vendor under a conversion-based chrome ore supply agreement. Of the total excess stock identified, 257.40 MT was sold during the year, pursuant to a legal opinion obtained by the Company. The resulting profit of ₹ 61.78 lakhs has been recognised under "Exceptional Items" in the Statement of Profit and Loss for the year ended 31st March 2025. As disclosed, this transaction is considered non-recurring and exceptional in nature, and accordingly, the proceeds from the sale have been classified under Exceptional Items.

Our opinion is not modified in respect of above matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Standalone Financial Statements for the financial year ended March 31, 2025. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

Key Audit Matters	How Our audit addressed the key audit matter
<p>Pending Arbitration proceedings for pre termination of conversion agreement by the company (as described in note no. 49 to the Standalone Ind AS financial statements)</p> <p>The Company is subject to Arbitration proceedings related to termination of conversion agreement by the company before Hon'ble High Court of Delhi appointed Arbitrator. Claims and counter claims are made by both the parties to arbitration. The assessment of the likelihood and quantum of impact in respect of arbitration can be judgmental due to the uncertainty about the outcome.</p> <p>We identified this as a key audit matter, since the amounts involved are material to the Standalone financial statements and involve a significant degree of management judgment in interpreting the case and it may subject to management bias. These claims and counter claims require management estimates and interpretation of various matters, issues involved and are subjective in nature.</p>	<ul style="list-style-type: none"> Assessed the management's conclusions through discussions with the in-house legal expert and external legal opinions obtained by the Company (where considered necessary) on both, the probability of success in the aforesaid cases, and the magnitude of any potential loss. Discussed with the management on the development in these litigations during the year ended March 31, 2025. Rolled out of enquiry letters to the Company's legal counsel and noted the responses received. Assessed the responses received from Company's legal counsel by engaging our internal legal experts. Assessed the objectivity and competence of the Company's legal counsel involved in the process and legal experts engaged by us. Assessed and validated the adequacy and appropriateness of the disclosure made by the management in the Standalone Ind AS Financial Statements. Obtained representation letter from the management on the assessment of these matters.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility and Sustainability Report, Corporate Governance and Shareholder's Information, 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 Board of Directors 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 IND AS 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 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 Standalone Financial Statements, management and Board of Directors 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 Company's 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, 2020 ("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, based on our audit, we report 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, read with Companies (Indian Accounting Standards) Rules, 2015 as amended;
 - e. On the basis of the written representations received from the directors as on 31st March, 2025, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2025 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 with reference to Standalone Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to Standalone Financial Statements.

- g. During the year 2024-25, the company has not paid any managerial remuneration to its directors.
- h. 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. 33 to the 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.
 - iv)
 - a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - b) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the noted to accounts, no funds have been received by the company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - c) Based on the audit procedures that were considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
 - v) No dividend declared or paid during the year by the Company.
 - vi) Based on our examination, which included test checks, the Company has used accounting software systems for maintaining its books of account for the financial year ended March 31, 2025 which have the feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software systems. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with and the audit trail has been preserved by the Company as per the statutory requirements for record retention.

Ashwin Mankeshwar

Partner

Membership No. 046219

For and on behalf of

K.K. Mankeshwar & Co.

Chartered Accountants

Firm's Registration No. 106009W

UDIN:25046219BMLMSL8409

Place: Nagpur

Date: 20th May, 2025

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

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 financial statements for the period ended March 31, 2025, we report that:

- 1) (a) (A) The company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment;
- (B) The company is maintaining proper records showing full particulars of intangible assets;
- (b) These Property, Plant and Equipment have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification;
- (c) The title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) are in the name of erstwhile pre-demerged company. The immovable properties and 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;
- (d) As per the information and explanation given to us and as per our verification of the records, the company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year;
- (e) On the basis of information and explanation given to us, no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- 2) a) The physical verification of inventory has been conducted at reasonable intervals by the management and no material discrepancies were noticed. Further, during the financial year 2024-25, the management identified a surplus of 329.40 MT of anthracite coal at the production floor. This surplus arose due to lower-than-expected consumption of raw materials in comparison to standard consumption norms, indicating enhanced production efficiency. Out of the identified surplus, 257.40 MT was sold during the year. The income arising from this sale, being exceptional and non-recurring in nature, has been disclosed separately under 'Exceptional Items' in the Statement of Profit and Loss for the year ended 31st March 2025. The above transaction has been appropriately recorded and dealt with in the books of account.
- b) As per the information and explanation given to us and as per our verification of the records, the company has not been sanctioned any working capital during any point of time of the year.
- 3) According to the information and explanation given to us, the company has not made any investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms,

Limited Liability Partnerships or any other parties during the year.

- 4) According to the information and explanations given to us and on the basis of our examination of the records, in respect of loans, investments, guarantees, and security, provisions of section 185 and 186 of the Companies Act, 2013 have been complied with.
- 5) The Company has not accepted any deposit within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the clause (v) of paragraph 3 of the Order is not applicable to the Company and hence not comment upon.
- 6) We have broadly reviewed the books of accounts and records maintained by the Company relating to the products of the Company pursuant to the rules made by the Central Government for the maintenance of cost records 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, 2025 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, 2025 on account of dispute are given below:

Nature of dues	Forum where dispute is pending	Period to which the amount relates	Rupees in lakhs*
Custom Duty	A.P. High Court, Hyderabad	1988 – 1989	158.34
Sales Tax	A.P. High Court, Hyderabad,	2009 – 2010	21.27
	APSTAT– Visakhapatnam,	2010-2011, 2011 – 2012, 2012 – 2013	8.51
Income Tax	CIT (Appeals)	2017-18	210.00

* Amount is net of payment under protest

- 8) There were no transactions relating to previously unrecorded income that were surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

- 9) In our opinion and according to the information and explanations given by the management-
- The company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender;
 - The company has not been declared wilful defaulter by any bank or financial institution or other lender;
 - The company has not applied for term loans during the current financial year;
 - The company has not raised availed any borrowing;
 - The company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures;
 - The company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies;
- 10) (a) According to information and explanation given by management, the company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, clause 3(x)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year.
- 11) (a) According to the information and explanations given by the management, no fraud by the company or any fraud on the company has been noticed or reported during the course of audit.
- (b) In our opinion and to the best of our knowledge, no report under subsection (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
- (c) According to the information and explanations given to us by the management, there were no whistle blower complaints received by the Company during the year and up to the date of this report.
- 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 explanations given by the management and in our opinion, the Company is in compliance with Section 177 and 188 of the Companies act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- 14) In respect of Internal audit:
- In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
 - We have considered, the internal audit reports issued to the Company during the year and covering the period up to 31st March, 2025.
- 15) According to the information and explanations given by the management, the Company has not entered into non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies act, 2013 and accordingly the provision of clause (xv) of the Order is not applicable to the company and hence not commented upon.
- 16) (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause 3(xvi)(a) of the Order is not applicable to the Company.
- (b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without obtaining a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- (c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi)(c) of the Order is not applicable to the Company.
- (d) As represented by the management, the Group does not have more than one Core Investment Company (CIC) as part of the Group as per the definition of Group contained in the Core Investment Companies (Reserve Bank) Directions, 2016.
- 17) Based on our examination, the company has incurred cash losses of Rs. 5,966.02 lakhs in the current year. Cash loss was of Rs 4,137.36 lakhs during the immediately preceding financial year.
- 18) There has no resignation of the statutory auditors during the year.
- 19) Based on our audit and according to the information and explanations given to us, we draw attention to Note 44 of the standalone financial statements, which discloses the existence of a material uncertainty regarding the company's ability to meet its liabilities as and when they fall due within a period of one year from the balance sheet date. In our opinion, this indicates that there exists a material uncertainty as on the date of the audit report regarding the company's capability of meeting its obligations existing at the balance sheet date as and when they fall due within such period of one year.
- 20) (a) Based upon the audit procedures performed and the information and explanations given by the management, there is no unspent amount of C.S.R expenditure. Accordingly, there is no need of transfer of amount to funds specified in Schedule VII to the Act in accordance with second proviso to sub-section (5) of section 135 of the said Act.
- (b) There is no remaining unspent amount under sub-section (5) of section 135 of the said Act, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act.
- 21) Please refer Annexure 'A' of the Report on the Audit of the Consolidated Financial Statements in respect of clause 3 (xxi) of the Order.

Ashwin Mankeshwar
Partner

Membership No. 046219
For and on behalf of

K.K. Mankeshwar & Co.
Chartered Accountants

Firm's Registration No. 106009W
UDIN:25046219BMLMSL8409

Place: Nagpur
Date: 20th May, 2025

ANNEXURE- “B” TO THE INDEPENDENT AUDITORS’ REPORT

(Referred to in paragraph 2(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of Facor Alloys Limited of even date)

Report on the Internal Financial Controls with reference to Standalone Financial Statements under Clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls with reference to Standalone Financial Statements of M/s Facor Alloys Limited (“the Company”) as of 31 March 2025 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 and Board of Directors are responsible for establishing and maintaining internal financial controls with reference to Standalone Financial Statements 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 (the “ICAI”). 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 Act.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls with reference to Standalone Financial Statements 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”) issued by the ICAI and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to Standalone Financial Statements. 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 with reference to Standalone Financial Statements 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 with reference to Standalone Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Standalone Financial Statements included obtaining an understanding of internal financial controls with reference to Standalone Financial Statements, 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 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 with reference to Standalone Financial Statements.

Meaning of Internal Financial Controls over Financial Reporting

A company’s internal financial control with reference to Standalone Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control with reference to Standalone Financial Statements 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 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 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 with reference to Standalone Financial Statements to future periods are subject to the risk that the internal financial control with reference to Standalone Financial Statements 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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference to Standalone Financial Statements and such internal financial controls with reference to Standalone Financial Statements were operating effectively as at March 31, 2025, based on the criteria for internal financial control with reference to Standalone Financial Statements 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 ICAI.

Ashwin Mankeshwar

Partner

Membership No. 046219

For and on behalf of

K.K. Mankeshwar & Co.

Chartered Accountants

Place: Nagpur

Date: 20th May, 2025

Firm’s Registration No. 106009W

UDIN:25046219BMLMSL8409

STANDALONE BALANCE SHEET AS AT 31 MARCH 2025

(₹ in Lakhs)

	Notes	As at 31 March 2025	As at 31 March 2024
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	4	10,538.61	10,772.80
Right of Use Assets (ROU)	5	-	-
Investments in Subsidiaries and Associates	6	-	-
Financial Assets			
(i) Other Non-Current Financial Assets	7	532.27	1,170.49
Deferred Tax Asset (Net)	8	2,803.38	1,676.07
Total Non-Current Assets		13,874.26	13,619.36
Current Assets			
Inventories	9	285.09	299.52
Financial Assets			
(i) Trade Receivables	10	2,971.07	4,413.34
(ii) Cash and Cash Equivalents	11	30.65	129.31
(iii) Other Bank Balances	12	0.18	301.58
(iv) Other Current Financial Assets	13	47.73	59.47
Current Tax Assets (Net)	14	11.01	276.30
Other Current Assets	15	517.59	286.29
Assets Classified as Held for Sale	16	614.75	543.25
Total Current Assets		4,478.07	6,309.06
Total Assets		18,352.33	19,928.42
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	17	1,955.48	1,955.48
Other Equity	18	8,239.01	13,342.71
Total Equity		10,194.49	15,298.19
Liabilities			
Non-Current Liabilities			
Financial Liabilities			
Provisions	19	35.34	56.80
Total Non-Current Liabilities		35.34	56.80
Current Liabilities			
Financial Liabilities			
(i) Borrowings	20	1,029.50	632.00
(ii) Trade Payables			
Micro Small and Medium Enterprises	21	85.67	211.04
Others	21	2,360.72	2,165.41
(iii) Other Financial Liabilities	22	571.89	332.63
Other Current Liabilities	23	2,896.55	164.24
Provisions	24	1,178.17	1,068.11
Total Current Liabilities		8,122.50	4,573.43
Total Liabilities		8,157.84	4,630.23
Total Equity and Liabilities		18,352.33	19,928.42
Notes to Financial Statements	1 to 51		

The accompanying notes are an integral part of these financial statements.
As per our report of even date.

For and on behalf of the Board of Directors

Ashwin Mankeshwar
Partner
(Membership No. 046219)

Murlidhar Durgaprasadji Saraf
Director
(DIN: 00011966)

Ashish Santosh Agrawal
Whole Time Director
(DIN: 02148665)

For K.K. Mankeshwar & Co.
Chartered Accountants
(Firm's Regn. No. 106009W)
UDIN: 25046219BMLMSL8409.

Place: Nagpur
Date: 20th May, 2025

Vinod Saraf
President

Md. Asim Quraishi
CFO

Sachin Kumar Gupta
Company Secretary

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2025

(₹ in Lakhs)

Particulars	Notes	For the year ended 31 March 2025	For the year ended 31 March 2024
Revenue			
Revenue from Operations	25	16.97	15,379.49
Other Income	26	1,041.33	285.43
Total Income		1,058.30	15,664.92
Expenses			
Cost of Materials Consumed		-	5,151.23
Change in Inventory of Finished Goods and Work in Progress	27	-	462.41
Employee Benefits Expenses	28	792.55	1,225.22
Finance Costs	29	256.34	264.29
Depreciation and Amortisation Expense		155.10	194.02
Other Expenses	30	471.62	10,757.36
Total Expenses		1,675.61	18,054.53
Profit/ (Loss) Before Tax and Exceptional Items		(617.31)	(2,389.61)
Exceptional Items			
A) Profit / (Loss) on Sale/Discard of Fixed Asset		3.44	(291.77)
B) Arrear Electricity Charges (FPPCA Charges) (Refer note 42)		(3,242.03)	(797.68)
C) Profit / Loss on Sale of Excess Inventory (Refer note 43)		61.78	-
D) Life Time Expected Credit Loss (Refer note 13.2)		-	(852.32)
E) Expenses for Recovery on Conversion (Refer note 33 (d))		(2,327.00)	-
Profit/ (Loss) Before Tax		(6,121.12)	(4,331.38)
Tax Expense:			
Current Tax	31	-	-
Tax for earlier years		-	-
Deferred Tax		(1,099.65)	(839.15)
Profit/ (Loss) for the Period (A)		(5,021.47)	(3,492.23)
Other Comprehensive Income			
Items that will not be reclassified subsequently to Profit and Loss			
Remeasurement of defined benefit plans		(109.89)	(77.68)
Deferred Tax relating to remeasurement of defined benefit plans		27.66	19.55
Total Other Comprehensive Income for the Period (B)		(82.23)	(58.13)
Total Comprehensive Income for the Period (A + B)		(5,103.70)	(3,550.36)
Earnings per Equity Share	32		
Basic		(2.57)	(1.79)
Diluted		(2.57)	(1.79)
Notes on Financial Statements	1 to 51		

The accompanying notes are an integral part of these financial statements.
As per our report of even date.

For and on behalf of the Board of Directors

Ashwin Mankeshwar
Partner
(Membership No. 046219)

Murlidhar Durgaprasadji Saraf
Director
(DIN: 00011966)

Ashish Santosh Agrawal
Whole Time Director
(DIN: 02148665)

For K.K. Mankeshwar & Co.
Chartered Accountants
(Firm's Regn. No. 106009W)
UDIN: 25046219BMLMSL8409.

Place: Nagpur
Date: 20th May, 2025

Vinod Saraf
President

Md. Asim Quraishi
CFO

Sachin Kumar Gupta
Company Secretary

STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2025

(₹ in Lakhs)

(a) Equity Share Capital

At the beginning of the year
Changes in Equity Share Capital during the year
At the end of the year

For the year ended	
31 March 2025 Amount	31 March 2024 Amount
1,955.48	1,955.48
-	-
1,955.48	1,955.48

(b) Other Equity

Particulars	Reserves & Surplus					Other Comprehensive Income	Total Other Equity
	Capital Reserve	Securities Premium	General Reserve	Retained Earnings	Equity Portion of Borrowings	Remeasurement of Defined Benefit Plans	
Balance at 31 March 2023	8,700.51	2,667.52	250.00	5,405.29	16.64	(146.89)	16,893.07
Profit for the year	-	-	-	(3,492.23)	-	-	(3,492.23)
Other Comprehensive Income/ (Loss) for the year	-	-	-	-	-	(58.13)	(58.13)
Total Comprehensive Income for the year	-	-	-	-3,492.23	-	(58.13)	(3,550.36)
Balance at 31 March 2024	8,700.51	2,667.52	250.00	1,913.06	16.64	(205.02)	13,342.71
Profit for the year	-	-	-	(5,021.47)	-	-	(5,021.47)
Other Comprehensive Income/ (Loss) for the year	-	-	-	-	-	(82.23)	(82.23)
Total Comprehensive Income for the year	-	-	-	(5,021.47)	-	(82.23)	(5,103.70)
Balance at 31 March 2025	8,700.51	2,667.52	250.00	(3,108.41)	16.64	(287.25)	8,239.01

The accompanying notes are an integral part of these financial statements.
As per our report of even date.

For and on behalf of the Board of Directors

Ashwin Mankeshwar
Partner
(Membership No. 046219)

Murlidhar Durgaprasadji Saraf
Director
(DIN: 00011966)

Ashish Santosh Agrawal
Whole Time Director
(DIN: 02148665)

For K.K. Mankeshwar & Co.
Chartered Accountants
(Firm's Regn. No. 106009W)
UDIN: 25046219BMLMSL8409.

Place: Nagpur
Date: 20th May, 2025

Vinod Saraf
President

Md. Asim Quraishi
CFO

Sachin Kumar Gupta
Company Secretary

STANDALONE STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31 MARCH 2025

(₹ in Lakhs)

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
A Cash flows from Operating Activities		
Net Profit/ (Loss) after Prior Period Items and Before Tax	(6,121.12)	(4,331.38)
Adjustments For:		
a) Interest Income	(86.38)	(212.50)
b) Depreciation	155.10	194.02
c) Provision for Doubtful Advances	0.16	0.15
d) Life Time Expected Credit Loss	-	852.32
e) (Gain)/Loss on Sale of Fixed Assets	(3.44)	291.77
f) Interest Expense	256.34	264.29
Operating Cash Profit before Working Capital Changes	(5,799.34)	(2,941.33)
Movement in Working Capital:-		
a) Increase/(Decrease) in Trade Payables	69.94	(853.11)
b) Increase/(Decrease) in Other Current Liabilities	2,732.31	(931.02)
c) Increase/(Decrease) in Other Current Financial Liabilities	180.98	(89.34)
d) (Increase)/Decrease in Other Non Current Financial Assets	638.22	1,383.76
e) Increase/(Decrease) in Provisions	(21.29)	(111.71)
f) (Increase)/Decrease in Other Current Financial Assets	306.25	864.29
g) (Increase)/Decrease in Inventories	14.43	1,040.70
h) (Increase)/Decrease in Trade Receivables	1,442.27	824.20
i) (Increase)/Decrease in Other Current Assets	(231.30)	(718.41)
Cash Generated from/ (used in) Operations	(667.53)	(1,531.97)
Less: Income Tax Paid (Net of Refunds)	265.29	251.50
Net Cash Generated from/ (used in) Operating Activities(A)	(402.24)	(1,280.47)
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	11.03	811.10
Interest Received	93.11	225.90
Net Cash Generated from/ (Used in) Investing Activities (B)	104.14	991.52
C Cash Flow from Financing Activities:		
Net proceeds/(Repayment) of Borrowings	397.50	-
Interest Expense Paid	(198.06)	(193.96)
Net Cash generated from/ (used in) Financing Activities (C)	199.44	(193.96)
Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)	(98.66)	(482.91)
Cash and Cash Equivalents at the Beginning of the year	129.31	612.22
Cash and Cash Equivalents at the End of the year	30.65	129.31

The accompanying notes are an integral part of these financial statements.
As per our report of even date.

For and on behalf of the Board of Directors

Ashwin Mankeshwar
Partner
(Membership No. 046219)

Murlidhar Durgaprasadji Saraf
Director
(DIN: 00011966)

Ashish Santosh Agrawal
Whole Time Director
(DIN: 02148665)

For K.K. Mankeshwar & Co.
Chartered Accountants
(Firm's Regn. No. 106009W)
UDIN: 25046219BMLMSL8409.

Place: Nagpur
Date: 20th May, 2025

Vinod Saraf
President

Md. Asim Quraishi
CFO

Sachin Kumar Gupta
Company Secretary

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

1. **REPORTING ENTITY**

Facor Alloys Limited referred to as "FAL" or "the Company" is domiciled in India. The Company's registered office is at Shreeramnagar, Garividi, Dist. Vizianagram, Andhra Pradesh – 535101.

The Company is listed at Bombay Stock Exchange. At one point of time FAL was one of the India's largest producers and exporters of Ferro Alloys, an essential ingredient for manufacture of Steel and Stainless Steel. FAL was incorporated in 2004 under the Companies Act, 1956.

The standalone financial statements for the year ended March 31, 2025, were approved for issue in accordance with a resolution of the Board of Directors of the Company on May 20, 2025.

2. **MATERIAL ACCOUNTING POLICY INFORMATION**

This note provides a list of material accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

a) **Basis of preparation**

These financial statements have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard ('Ind AS'), prescribed under Section 133 of the Companies Act, 2013 (the Act) read together with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time and other relevant provisions of the Act, on an accrual basis.

The company adopted Ind AS from 1st April, 2017.

The financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities (including derivative instruments) that are measured at fair value.

The financial statements are presented in INR, which is also the Company's functional currency and all values are rounded to the nearest lakhs (INR 00,000) as per the requirement of Schedule III, unless otherwise stated.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III (Division II) to the Act. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle at 12 months for the purpose of current and non-current classification of assets and liabilities.

b) **Basis of measurement**

The Financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- Property, plant and equipment at fair value;
- Certain financial assets and liabilities (including derivative instruments) measured at fair value;
- Defined benefit liability/ assets: fair value of plan assets less present value of defined benefit obligation

Current and non-current classification

The Company presents assets and liabilities in the balance sheet based in current / non-current classification.

An asset is classified as current when it satisfies any of the following criteria: it is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle. It is held primarily for the purpose of being traded;

- It is expected to be realised within 12 months after the reporting date; or
- It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date. All other assets are classified as non-current.
- A liability is classified as current when it satisfies any of the following criteria:
- It is expected to be settled in the Company's normal operating cycle.
- It is held primarily for the purpose of being traded.
- It is due to be settled within 12 months after the reporting date; or the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, results in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current only.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025
c) Use of judgements and estimates

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of the company's accounting policies and the reported amounts of assets, liabilities, income and expenses. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an on-going basis. Revisions to estimates are recognised prospectively.

A. Judgements

Information about the judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements have been given below:

- Leases: Whether an arrangement contains a lease
- Classification of leases into finance and operating lease
- Classification of financial assets: assessment of business model within which the assets are held and assessment of whether the contractual terms of the financial asset are solely payments of principal and interest on the principal amount outstanding.

B. Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the financial statements for the year is included below:

- Impairment test: key assumptions underlying recoverable amounts, including the recoverability of development costs;
- Useful life of property, plant & equipment
- Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources

d) Property, plant and equipment:
Recognition and measurement

Items of property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment loss if any. The cost of assets comprises of purchase price and directly attributable cost of bringing the assets to working condition for its intended use including borrowing cost and incidental expenditure during construction incurred up to the date when the assets are ready to use. Capital work in progress includes cost of assets at sites, construction expenditure and interest on the funds deployed. –

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate item (major components) of property, plant and equipment.

Any gain on disposal of property, plant and equipment is recognised in Profit and loss account.

Subsequent Measurement

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the company and its cost can be measured reliably.

Depreciation

The charge in respect of depreciation on tangible assets acquired prior to 01.04.2014 is provided on different fixed assets on the basis of 'straight line method' and 'written down value method' over the useful life of assets after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life as evaluated by external valuers and further reviewed by the technical Management based on historical experience. Hence, the useful lives for these assets is different from the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013

However, the useful life of the assets acquired on or after 1st April, 2014, is in accordance with the useful lives as prescribed for those assets in Part C of Schedule II of the Companies Act, 2013.

Cost of leasehold land is amortised over the lease period.

Depreciation methods, useful lives and residual values are reviewed at each financial year end and changes, if any, are accounted for prospectively.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025
e) Intangible assets

Intangible Assets are stated at cost less accumulated amortization and impairment loss, if any. Intangible assets are amortized on straight line method basis over the estimated useful life.

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the company.

f) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments also include derivative contracts such as foreign exchange forward contracts, cross currency interest rate swaps, interest rate swaps and currency options; and embedded derivatives in the host contract.

Financial Assets
Initial recognition and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Classifications

The company classifies its financial assets as subsequently measured at either amortized cost or fair value through comprehensive income or fair value through profit and loss account depending on the company's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

Business model assessment

The company makes an assessment of the objective of a business model in which an asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management.

Assessments whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g., liquidity risk and administrative costs), as well as profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition.

Debt instruments at amortized cost

A financial asset is measured at amortized cost only if both of the following conditions are met:

- it is held within a business model whose objective is to hold assets in order to collect contractual cash flows.
- the contractual terms of the financial asset represent contractual cash flows that are solely payments of principal and interest.

Such financial assets are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

Debt instrument at fair value through Other Comprehensive Income (FVOCI)

Debt instruments with contractual cash flow characteristics that are solely payments of principal and interest and held in a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets are classified to be measured at FVOCI.

Debt instrument at fair value through profit and loss (FVTPL)

Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVOCI, is classified as at FVTPL.

In addition, the company may elect to classify a debt instrument, which otherwise meets amortized cost or FVOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

On initial recognition an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in fair value in OCI. This election is made on an investment-by-investment basis.

All other Financial Instruments are classified as measured at FVTPL.

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the company has transferred substantially all the risks and rewards of the asset, or (b) the company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

When the company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the company continues to recognize the transferred asset to the extent of the company's continuing involvement. In that case, the company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the company could be required to repay.

On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset derecognised) and the sum of (i) the consideration received (including any new asset obtained less any new liability assumed) and (ii) any cumulative gain or loss that had been recognised in OCI is recognised in profit or loss.

Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

With regard to trade receivable, the Company applies the simplified approach as permitted by Ind AS 109, *Financial Instruments*, which requires expected lifetime losses to be recognised from the initial recognition of the trade receivables.

Financial liabilities
Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, amortised cost, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of amortised cost, net of directly attributable transaction costs.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial Liabilities measured at amortised cost

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss.

Derecognition of financial liabilities

The company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

Modifications of financial assets and financial liabilities
Financial assets

If the terms of a financial asset are modified, the company evaluates whether the cash flows of the modified asset are substantially different. If the cash flows are substantially different, then the contractual rights to cash flows from the original financial asset are deemed to have expired. In this case, the original financial asset is derecognised and a new financial asset is recognised at fair value.

If the cash flows of the modified asset carried at amortised cost are not substantially different, then the modification does not result in derecognition of the financial asset. In this case, the company recalculates the gross carrying amount of the financial asset and recognises the amount arising from adjusting the gross carrying amount as a modification gain or loss in profit or loss. If such a modification is carried out because of financial difficulties of the borrower, then the gain or loss is presented together with impairment losses. In other cases, it is presented as interest income.

Financial liabilities

The company derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit or loss.

g) Inventories

Raw material, stores and spares, work in progress and finished goods are valued at lower of cost or net realizable value

h) Revenue Recognition

Effective April 1, 2018, the Company has applied Ind AS 115 which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. Ind AS 115 replaces Ind AS 18 Revenue and Ind AS 11 Construction Contracts. The effect of initially applying this standard is recognised at the date of initial application i.e. April 1, 2018. The core principle of Ind AS 115 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers for an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The impact of the adoption of the standard on the financial statements of the Company is insignificant.

(i) Sale of goods

Revenue is recognised when the significant risk and rewards of ownership have been transferred to the customer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing management involvement with the goods, and the amount of revenue can be measured reliably. Revenue is measured at the fair value of the consideration received or receivable, net of returns, trade discounts and volume rebates. Export benefits are recognised as per schemes specified in Foreign Trade Policy, as amended from time to time on accrual basis.

(ii) Interest income is recognized using the Effective Interest Rate ('EIR') method. The EIR is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial instrument or a shorter period, where appropriate to the net carrying amount of the financial asset. The EIR is computed basis the expected cash flows by considering all the contractual terms of the financial instrument. The calculation includes all fees, transaction costs, and all other premiums or discounts paid or received between parties to the contract that are an integral part of the effective interest rate.

(iii) Export Incentives are recognised as per schemes specified in foreign Trade Policy, as amended from time to time on accrual basis when right to receive is established and are accounted to the extent there is no uncertainty about its ultimate collection

(iv) Dividend income is recognised, when the right to receive the dividend is established.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025
i) Leases

The Company has adopted Ind AS 116 using the modified retrospective approach from 01.04.2019 and therefore the comparative information till March 31, 2019 has not been restated and continues to be reported under Ind AS 17.

As a lessee

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate and an estimate cost to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use asset are determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, Company's incremental borrowing rate.

Lease payment included in the measurement of the lease liability comprise followings;

- Fixed payments, including in substance fixed payments;
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- Amounts expected to be payable under a residual value guarantee; and
- The exercise price under a purchase option that the company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Company presents right-of-use assets that do not meet the definition of investment property in 'property, plant and equipment' and lease liabilities in 'loans and borrowings' in the statement of financial position.

Short-term leases and leases of low-value assets

The Company has elected not to recognise right-of-use assets and lease liabilities for short term leases that have a lease term of 12 months. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

As a lessor

Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

j) Foreign currency transactions

- (i) Foreign currency transactions are recorded at the exchange rate prevailing on the date of the transaction.
- (ii) Monetary items denominated in foreign currencies (such as cash, receivables, payables etc.) outstanding at the year end, are translated at exchange rates applicable on year end date.
- (iii) Non-monetary items denominated in foreign currency, (such as fixed assets) are valued at the exchange rate prevailing on the date of transaction and carried at cost.
- (iv) Any gains or losses arising due to exchange differences arising on translation or settlement are accounted for in the Statement of Profit and Loss.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025
k) Employee benefits
i. Short term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

ii. Defined contribution plans

Obligations for contributions to defined contribution plans are expensed as the related service is provided. The company has following defined contribution plans:

- a) Provident Fund
- b) Superannuation Fund

iii. Defined benefit plans

The company has only one Defined benefit plan - Gratuity. The company net obligation in respect of defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Re-measurement of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in Other Comprehensive Income. Net interest expense/(income) on the net defined liability/(assets) is computed by applying the discount rate, used to measure the net defined liability/(asset), the start of the financial year after taking into account any changes as a result of contribution and benefit payments during the year. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

iv. Other long-term employee benefits

The Company's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value. Re-measurements are recognised in profit or loss in the period in which they arise.

The company has following long term employment benefit plans:

a) Leave encashment

Leave encashment is payable to eligible employees at the time of retirement. The liability for leave encashment is provided based on actuarial valuation as at the Balance Sheet date, based on Projected Unit Credit Method, carried out by an independent actuary.

l) Borrowing Cost

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Other borrowing costs are expensed in the period in which they are incurred.

m) Income tax

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to items recognised directly in equity or in Other Comprehensive Income

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025
i. Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date.

Current tax assets and liabilities are offset only if, the Company:

- a) Has a legally enforceable right to set off the recognised amounts; and
- b) Intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

ii. Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit nor loss.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognized deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if:

- a) The entity has a legally enforceable right to set off current tax assets against current tax liabilities; and
- b) The deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws, to the extent it would be available for set off against future current income tax liability. Accordingly, MAT is recognised as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.

n) Impairment of non-financial assets

At each reporting date, the Company reviews the carrying amounts of its non-financial assets (other than inventories and deferred tax assets) to determine whether there is any indication on impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment loss in respect of assets other than goodwill is reversed only to the extent that the assets carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

o) Provisions

Provisions are recognised when the Company has a present (legal or constructive) obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as finance cost.

p) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The board of directors of Facor alloys Limited has been identified as being the chief operating decision maker by the Management of the company. Refer **note 34** for segment information presented.

q) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand and short-term money market deposits with original maturities of three months or less that is readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

r) Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount is intended to be recovered principally through sale rather than through continuing use. The condition for classification of held for sale is met when the non-current asset is available for immediate sale and the same is highly probable of being completed within one year from the date of classification as held for sale. These are measured at the lower of carrying amount and fair value less costs to sell.

Non-current assets classified as held for sale are not depreciated or amortized while they are classified as held for sale.

Non-current assets that ceases to be classified as held for sale shall be measured at the lower of carrying amount before the non-current asset was classified as held for sale adjusted for any depreciation/ amortization and its recoverable amount at the date when it no longer meets the "held for sale" criteria.

s) Events occurring after the balance sheet date

All material events occurring after the balance sheet date upto the date of approval of financial statements by the board of directors, have been considered, disclosed and adjusted, wherever applicable, as per the requirements of Ind AS 10 – Events after the Reporting Period.

3. RECENT INDIAN ACCOUNTING STANDARDS (IND AS)

Ministry of Corporate Affairs (MCA), notifies new standard or amendments to the existing standards. There are no new standards that are notified, but not yet effective, upto the date of issuance of the Company's financial statements.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025
4. Property, Plant and Equipment

(₹ in Lakhs)

Particulars	Gross Block					Depreciation					Net Block	
	As at 31 March 2024	Adjustment	Additions	Assets classified as held for sale	Deletions/ Adjustments	As at 31 March 2025	Adjustment	For the year	Assets classified as held for sale	Adjustments / Deductions	As at 31 March 2025	As at 31 March 2025
Tangible Assets												
Freehold Land	9,790.49	-	-	71.50	-	9,718.99	-	-	-	-	-	9,718.99
Mines and Quarries Freehold	83.40	-	-	-	-	83.40	-	-	-	-	-	83.40
Buildings	207.41	-	-	-	-	207.41	76.37	-	6.33	-	82.70	124.71
Railway Sidings	12.03	-	-	-	-	12.03	8.13	-	0.49	-	8.62	3.41
Plant and Machinery	1,861.05	-	-	-	4.68	1,856.37	1,139.84	-	138.50	-	1,278.34	578.03
Office Equipments	114.63	-	-	-	2.86	111.77	86.58	-	8.67	-	2.42	18.94
Furniture & Fixtures	5.40	-	-	-	-	5.40	4.26	-	0.19	-	4.45	0.95
Vehicles	32.21	-	-	-	6.93	25.28	18.64	-	0.92	-	4.46	10.18
Total	12,106.62	-	-	71.50	14.47	12,020.65	1,333.82	-	155.10	6.88	1,482.04	10,538.61

The above includes following assets given on operating lease:

Particulars	As at 31 March 2025				2025	
	Gross Block	Accumulated Depreciation	Net Block	Depreciation for the year		
Freehold Land	150.00	-	150.00	-	-	-
Total	150.00	-	150.00	-	-	-

Particulars	Gross Block					Depreciation					Net Block		
	As at 31 March 2023	Adjustment	Additions	Assets classified as held for sale	Deletions/ Adjustments	As at 31 March 2024	As at 31 March 2023	Adjustment	For the year	Assets classified as held for sale	Adjustments / Deductions	As at 31 March 2024	As at 31 March 2024
Tangible Assets													
Freehold Land	9,814.22	-	-	-	23.73	9,790.49	-	-	-	-	-	-	9,790.49
Mines and Quarries Freehold	259.80	-	-	-	176.40	83.40	-	-	-	-	-	-	83.40
Buildings	207.41	-	-	-	-	207.41	69.72	-	6.65	-	-	76.37	131.04
Railway Sidings	12.03	-	-	-	-	12.03	7.56	-	0.57	-	-	8.13	3.90
Plant and Machinery	1,816.19	-	44.86	-	-	1,861.05	980.11	-	159.73	-	-	1,139.84	721.21
Office Equipments	123.80	-	0.62	-	9.79	114.63	78.09	-	15.79	-	7.30	86.58	28.05
Furniture & Fixtures	8.78	-	-	-	3.38	5.40	6.35	-	0.30	-	2.39	4.26	1.14
Vehicles	32.48	-	-	-	0.27	32.21	17.36	-	1.28	-	-	18.64	13.57
Total	12,274.71	-	45.48	-	213.57	12,106.62	1,159.19	-	184.32	-	9.69	1,333.82	10,772.80

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025
5 Right-of-Use Asset
Transition to Ind AS 116

Ministry of Corporate Affairs (MCA) through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian accounting Standards) Second Amendment Rules, has notified Ind AS 116 Leases which replaces the existing lease standard, Ind AS 17 Leases, and other interpretations. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessee and lessors.

The Company has adopted Ind AS 116, effective annual reporting period beginning 1st April, 2019

On application of Ind AS 116, the nature of expenses has changed from lease rent in previous periods to depreciation cost for the right-of-use asset, and finance cost for interest accrued on lease liability.

5.1 The Company as lessee

- (i) Company had taken vehicle on lease with lease term of 60 months w.e.f 01-04-2019, during the financial year 2023-24, lessor has terminated lease i.e. before expirations of lease term.

5.2 Company as a lessor

The Company is not required to make any adjustments on transition to Ind As 116 for leases in which it acts as a lessor.

The details of the right-of-use asset held by the Company is as follows:

Right-of-Use Asset
(₹ in Lakhs)

Particulars	Cost				Amortisation					Net Carrying Amount	
	As at 31 March 2024	Recognition of Assets taken on finance lease as Right of Use Assets	Adjustment on Modification of Lease term	As at 31 March 2025	As at 31 March 2024	Recognition of Assets taken on finance lease as Right of Use Assets	Amortisation for the year	Adjustment on Modification of Lease term	As at 31 March 2025	As at 31 March 2025	
Building	-	-	-	-	-	-	-	-	-	-	-
Vehicles	-	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-	-

(₹ in Lakhs)

Particulars	Cost				Amortisation					Net Carrying Amount	
	As at 31 March 2023	Recognition of Assets taken on finance lease as Right of Use Assets	Adjustment on Modification of Lease term	As at 31 March 2024	As at 31 March 2023	Recognition of Assets taken on finance lease as Right of Use Assets	Amortisation for the year	Adjustment on Modification of Lease term	As at 31 March 2024	As at 31 March 2024	
Building	-	-	-	-	-	-	-	-	-	-	-
Vehicles	58.24	-	58.24	-	46.59	-	9.70	56.29	-	-	-
Total	58.24	-	58.24	-	46.59	-	9.70	56.29	-	-	-

(₹ in Lakhs)

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NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

		(₹ in Lakhs)	
		As at 31 March, 2025	As at 31 March, 2024
9	Inventories		
	(At cost or NRV whichever is lower)		
	Raw Materials	175.00	190.77
	Work-in-Process	-	-
	Finished Products	-	-
	Stores and Spares	110.09	108.75
	Total	285.09	299.52
	* Material in transit included above is as below:		
10	Trade Receivables		
	Unsecured		
	Considered good (Refer Note No.38 & 39)	2,971.07	4,413.34
	Considered doubtful	-	-
	Total	2,971.07	4,413.34
11	Cash and Cash Equivalents		
	Balance with banks:		
	- In Current Account	29.84	34.07
	- Deposit with maturity of less than 3 months	-	95.00
	Cash in hand	0.81	0.24
	Total	30.65	129.31
12	Other Bank Balances		
	Balance with banks:		
	Deposit with maturity of more than 3 months but less than 12 months*	0.18	301.58
		0.18	301.58
	*Held as lien by bank against bank guarantees.		
13	Other Current Financial Assets		
	Loans and advances to subsidiaries	7,736.23	8,686.08
	Less: Allowance for credit Loss	7,688.53	8,638.37
	Sub-Total	47.70	47.71
	Loans and advances to others	-	-
	Less: Allowance for credit Loss	-	-
	Sub-Total	-	-
	Loans and advances to Promoters/Directors/KMPs	-	-
	Sub-Total	-	-
	Interest Accrued	0.03	6.76
	Security Deposits	-	5.00
	Total	47.73	59.47

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

(₹ in Lakhs)

	As at 31 March, 2025	As at 31 March, 2024
Note:		
13.1 Movement in Allowance for credit loss is as follows:		
Opening	8,638.37	7,785.90
Additions/(Reduction)	(949.84)	852.47
Closing	7,688.53	8,638.37
13.2 An advance of Rs. 950 lakh was paid to FAL Power Ventures Pvt Ltd, (a wholly owned domestic subsidiary), which was impaired at the time of Ind As adoption in FY 17-18. Now this amount is returned by the subsidiary company and considered as Miscellaneous Income.		
13.3 Loans and Advance to subsidiaries includes Rs. 852.32 lakh receivable from Cati Madencilik Ithalat Ve Ihracat (Cati), a stepdown tier II overseas subsidiary. This amount refers to loan taken by Cati from BOI, London (The lender) and company provided corporate guarantee as collateral for such loan. Cati defaulted in repayment of loan, Consequently, company received demand notice dated 20.02.2017 from the lender of Cati against the corporate guarantee given by Facor Alloys Limited towards its borrowing amount of USD 1.5 million. The lender had offered one time settlement (OTS) vide its letter dated 17.01.2019 for payment of USD 1.188 million. Company remitted OTS amount to BOI (London) in FY 2019-20 and shown amount recoverable from Cati. Company has provided lifetime expected credit loss for the same during the Financial Year 2023-24 and no deferred tax asset has been recognised on the same.		
14 Current Tax Assets (Net)		
Advance tax (Net of provision for income tax)	11.01	276.30
Total	11.01	276.30
15 Other Current Assets		
Advances to vendors	290.69	123.02
Taxes and duties recoverable	211.31	149.45
Prepaid expenses	15.59	13.82
Total	517.59	286.29
16 Assets Classified as Held for Sale		
Land	614.50	543.00
Buildings	0.25	0.25
Total	614.75	543.25
The company has identified certain assets like Land which are available for sale in its present condition. The company is committed to plan the sale of asset. The company expects to dispose off these assets within twelve months from its classification. The company has received an amount of ₹ 79.10 lakhs (previous year ₹ 18.10 lakhs) which pertains to the advance received from the parties in relation to this sale. The same is shown as a liability under other current liabilities.		
17 Share Capital		
Authorised:		
36,00,00,000 Equity Shares of ₹ 1/- each	3,600.00	3,600.00
39,00,000 Preference Shares of ₹ 100/- each	3,900.00	3,900.00
Issued, subscribed & fully paid up:		
19,55,47,355 Equity Shares of ₹ 1/- each	1,955.48	1,955.48
Total	1,955.48	1,955.48

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025
a. Terms and rights attached to equity shares

The company has only one class of equity shares each having a par value of ₹ 1/- per share. The Equity Shares have rights, preferences and restrictions which are in accordance with the provisions of law, in particular the Companies Act, 2013.

b. Reconciliation of Number of Equity Shares outstanding

	As at 31 March, 2025		As at 31 March 2024	
	No. of Shares	(₹ in Lakhs)	No. of Shares	(₹ in Lakhs)
Balance as at the beginning of the year	19,55,47,355	1,955.48	19,55,47,355	1,955.48
Equity Shares issued during the year in consideration for cash	-	-	-	-
Balance as at the end of the year	19,55,47,355	1,955.48	19,55,47,355	1,955.48

c. Shareholders holding more than 5% of the Equity shares in the company

Name of the Shareholders	As at 31 March, 2025		As at 31 March 2024	
	No. of Shares	Percentage	No. of Shares	Percentage
R.B.Shreeram & Co. Pvt. Ltd.	6,10,55,682	31.22%	6,10,55,682	31.22%

d. Details of shareholdings by the Promoters/ Promoter Groups

Promoter/ Promoter Group Name	As at 31 March, 2025		As at 31 March 2024		% Change during the year
	Number of Shares	% Holding	Number of Shares	% Holding	
<u>Promoter</u>					
Mohinidevi Umashankar Saraf	2098174	1.07%	2098174	1.07%	0.00%
Bimladevi Vithaldas Saraf	1217651	0.62%	1217651	0.62%	0.00%
Murlidhar Durgaprasadji Saraf	2850974	1.46%	2850974	1.46%	0.00%
Ramkisan Durgaprasadji Saraf	2256	0.00%	2256	0.00%	0.00%
Sanjiv Saraf	239387	0.12%	239387	0.12%	0.00%
<u>Promoter Group</u>					
Urmiladevi Narayandas Saraf	3629215	1.86%	3629215	1.86%	0.00%
Promiladevi Ramkisan Saraf	2556967	1.31%	2556967	1.31%	0.00%
Anurag Murlidhar Saraf	2507354	1.28%	2507354	1.28%	0.00%
Sushmadevi Vinodkumar Saraf	1708582	0.87%	1708582	0.87%	0.00%
Ramadevi Manojkumar Saraf	1248361	0.64%	1248361	0.64%	0.00%
Vanitadevi Vineetkumar Saraf	883884	0.45%	883884	0.45%	0.00%
Rohitkumar Narayandasji Saraf	872669	0.45%	872669	0.45%	0.00%
Vinodkumar Saraf	731814	0.37%	731814	0.37%	0.00%
Vineetkumar Vithaldas Saraf (HUF)	588385	0.30%	588385	0.30%	0.00%
Shailjadevi Ashishkumar Saraf	498207	0.25%	498207	0.25%	0.00%
Manojkumar Umashankar Saraf	488956	0.25%	488956	0.25%	0.00%
Madhavhari Yogeshkumar Saraf	311441	0.16%	311441	0.16%	0.00%
Ashishkumar Ramkisan Saraf	246679	0.13%	246679	0.13%	0.00%
Sonal Ashimkumar Saraf	237680	0.12%	237680	0.12%	0.00%
Gautam Vinodkumar Saraf	164098	0.08%	164098	0.08%	0.00%

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

Promoter/ Promoter Group Name	As at 31 March, 2025		As at 31 March 2024		% Change during the year
	Number of Shares	% Holding	Number of Shares	% Holding	
Raghuhari Yogeshkumar Saraf	147185	0.08%	147185	0.08%	0.00%
Vineetkumar Vithaldas Saraf	120624	0.06%	120624	0.06%	0.00%
Manojkumar Umashankar Saraf (HUF)	103915	0.05%	103915	0.05%	0.00%
Sunanda devi saraf	83182	0.04%	83182	0.04%	0.00%
Amla Saraf	74797	0.04%	74797	0.04%	0.00%
Payal Murlidhar Saraf	72651	0.04%	72651	0.04%	0.00%
Vibhav Vineetkumar Saraf	64451	0.03%	64451	0.03%	0.00%
Ashim Kumar Ram Kisan Saraf	17008	0.01%	17008	0.01%	0.00%
Yogeshkumar Umashankar Saraf	12288	0.01%	12288	0.01%	0.00%
Preetidevi Rohitkumar Saraf	105973	0.05%	105973	0.05%	0.00%
Aisha Ashishkumar Saraf	11500	0.01%	11500	0.01%	0.00%
Madhuri Manojkumar Saraf	7948	0.00%	7948	0.00%	0.00%
Gaurav Vinodkumar Saraf	5156	0.00%	5156	0.00%	0.00%
Sakhi Sanjeevkumar Saraf	5128	0.00%	5128	0.00%	0.00%
Gauri Sanjeev Saraf (HUF)	4800	0.00%	4800	0.00%	0.00%
Raghavendra Manojkumar Saraf	4800	0.00%	4800	0.00%	0.00%
Yogeshkumar Umashankar Saraf (HUF)	4100	0.00%	4100	0.00%	0.00%
Vinodkumar Vithaldas Saraf (HUF)	3560	0.00%	3560	0.00%	0.00%
Narayandas Durgaprasadji Saraf	1704	0.00%	1704	0.00%	0.00%
Narayandas Durgaprasad Saraf (HUF)	1472	0.00%	1472	0.00%	0.00%
FAL Employees Welfare Trust	27576	0.01%	27576	0.01%	0.00%
FACOR Employees Welfare Trust	22424	0.01%	22424	0.01%	0.00%
Shreeram Co.Employees Welfare Trust	2512	0.00%	2512	0.00%	0.00%
R B Shreeram & Co. Pvt. Ltd.	61055682	31.22%	61055682	31.22%	0.00%
Saraf Bandhu Pvt. Ltd.	826200	0.42%	826200	0.42%	0.00%
Ferro Alloys Corporation Ltd.	500000	0.26%	500000	0.26%	0.00%
GDP Infrastructure Pvt. Ltd.	214440	0.11%	214440	0.11%	0.00%
Vidarbha Iron & Steel Co. Ltd	18144	0.01%	18144	0.01%	0.00%
Suchitra Investments & Leasing Ltd.	5774	0.00%	5774	0.00%	0.00%
Premier Commercial Corporation	1000	0.00%	1000	0.00%	0.00%
Total	86608728	44.29%	86608728	44.29%	0.00%

Note:- % are shown upto two decimals.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

		(₹ in Lakhs)	
		As at 31 March, 2025	As at 31 March, 2024
18	Other Equity		
a.	Capital Reserves		
	Balance at the beginning of the year	8,700.51	8,700.51
	Addition during the year	-	-
	Balance at the end of the year	8,700.51	8,700.51
b.	Securities premium		
	Balance at the beginning of the year	2,667.52	2,667.52
	Addition during the year	-	-
	Balance at the end of the year	2,667.52	2,667.52
c.	General reserve		
	Balance at the beginning of the year	250.00	250.00
	Add: Transfer from surplus balance in the statement of Profit & Loss	-	-
	Balance at the end of the year	250.00	250.00
d.	Retained earnings		
	Balance at the beginning of the year	1,913.06	5,405.29
	Add: Profit for the year after taxation as per statement of Profit and Loss	(5,021.47)	(3,492.23)
	Balance at the end of the year	(3,108.41)	1,913.06
e.	Equity Component of Loan		
	Balance at the beginning of the year	16.64	16.64
	Addition during the year	-	-
	Balance at the end of the year	16.64	16.64
f.	Other Comprehensive Income		
	Balance at the beginning of the year	(205.02)	(146.89)
	Addition during the year	(82.23)	(58.13)
	Balance at the end of the year	(287.25)	(205.02)
Total Equity (a+b+c+d+e+f)		8,239.01	13,342.71

Nature and purpose of other reserves
Securities premium

Securities premium is used to record the premium on issue of shares. The reserve will be utilised in accordance with the provisions of the Act.

General reserve

The general reserve is used from time to time to transfer profits from retained earnings for appropriation purpose.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

		(₹ in Lakhs)	
		As at 31 March 2025	As at 31 March 2024
19	Provisions		
	Provision for employee benefits		
	- Compensated Absences	35.34	56.80
	Total	35.34	56.80
20	Borrowings		
	(a) From Related parties (Unsecured)	777.50	380.00
	(b) From Others (Unsecured)	252.00	252.00
	Total	1,029.50	632.00
21	Trade Payables		
	Micro Small and Medium Enterprises (Refer Note No.40&41)	85.67	211.04
	Others (Refer Note No.40)	2,360.72	2,165.41
	Total	2,446.39	2,376.45
22	Other Financial Liabilities		
	Interest accrued and due	147.73	89.45
	Other payables for:		
	- Employee Benefits Payable	419.89	238.01
	- Security deposits / Retention money	4.27	5.17
	Total	571.89	332.63
23	Other Current Liabilities		
	Statutory dues	42.83	58.32
	Revenue received in advance	158.31	41.16
	Other payables	2,695.41	64.76
	Total	2,896.55	164.24
24	Provisions		
	Provision for employee benefits		
	- Gratuity	136.61	18.73
	- Compensated Absences	21.03	28.85
	Others	1,020.53	1,020.53
	Total	1,178.17	1,068.11

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

		(₹ in Lakhs)	
		Year ended 31 March 2025	Year ended 31 March 2024
25	Revenue from Operations		
	Sale of goods		
	- High Carbon Ferro Chrome- Export - Direct	-	-
	- Export - Deemed	-	2,728.51
	- Indigenous	-	2,266.01
	Subtotal	-	4,994.52
	Off Grade/By-products	16.97	-
	Sale of goods	16.97	4,994.52
	Sale of service- HCF conversion	-	10,257.59
	Sale of service- SiMn conversion	-	-
		16.97	15,252.11
	Export Incentives	-	-
	Scrap Sale	-	127.38
	Grand Total	16.97	15,379.49
26	Other Income		
	Interest income from financial assets measured at amortised cost		
	- On bank deposits	1.29	25.32
	- Others	85.09	187.18
	Miscellaneous Income *	950.42	70.05
	Rent Received	4.53	2.88
	Total	1,041.33	285.43
27	Change in Inventory of Finished Goods and Work-in-Progress		
	Closing Stock		
	- Finished Goods	-	-
	- Work-in-Progress	-	-
		-	-
	Opening Stock		
	- Finished Goods	-	185.49
	- Work-in-Progress	-	276.92
		-	462.41
	Decrease / (Increase) in Inventories	-	462.41

* Miscellaneous Income includes Rs.950 lakhs, received from FAL Power Venture Pvt. Ltd. (a wholly owned domestic subsidiary), which was innitally given as advance and impaired at the time of Ind AS adoption in FY 17-18.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

		(₹ in Lakhs)	
		Year ended 31 March 2025	Year ended 31 March 2024
28	Employee Benefits Expenses		
	Salaries and wages	633.63	939.17
	Contribution to provident and other funds	45.96	76.09
	Staff Gratuity and Superannuation	7.15	30.71
	Staff welfare expenses	105.81	179.25
	Total	792.55	1,225.22
29	Finance Cost		
	Interest	250.45	260.18
	Interest Cost on Employee Benefit Plans	5.89	2.21
	Interest on Leased Asset (ROU)	-	1.90
	Total	256.34	264.29
30	Other Expenses		
	Mining Handling & Other Production Expenses	21.06	469.01
	Power and Fuel	38.49	8,598.93
	Repairs and Maintenance:		
	- Buildings	61.90	247.02
	- Plant and Machinery	48.12	689.92
	Freight, Shipment & Sales Expenses	-	32.25
	Stores & Spares	0.31	237.11
	Works Expenses	91.70	154.18
	Legal and Professional Expense	120.70	87.77
	Transport Expenses	2.06	125.24
	Rent	15.90	22.24
	Insurance	4.74	7.77
	Rates and Taxes	18.21	19.57
	Provision for Doubtful Advances	0.16	0.15
	Donation	-	1.20
	Payment to Auditors	6.66	7.18
	Directors' Sitting Fees	9.55	5.70
	CSR Expenses (Refer Note No. 30.2)	-	9.02
	Miscellaneous Expenses	32.06	43.10
	Total	471.62	10,757.36

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

		(₹ in Lakhs)	
		Year ended 31 March 2025	Year ended 31 March 2024
30.1	Payment to Auditor as:		
	(a) Statutory Auditor		
	Audit Fees	3.50	3.50
	Tax Audit Fees	0.75	0.75
	Reimbursement of Expenses	0.76	1.28
	(b) Cost Auditor		
	Audit Fees	0.50	0.50
	(c) GST Auditor		
	Audit Fees	1.15	1.15
	Total	6.66	7.18

30.2 Corporate Social Responsibilities (CSR) – Expenditure

Particulars	2024-25	2023-24
Amount required to be spent as per Section 135 of the Act	-	9.02
Amount spent during the year on:		
1) Construction/ Acquisition of any asset	-	-
2) On purpose other than(1) above	-	9.02
Total CSR	-	9.02
Shortfall at the end of the year	-	-
Amount available for set off in succeeding financial years	-	-

31 Reconciliation of Tax Expense

Profit/(Loss) before Tax	(6,121.12)	(4,331.38)
Applicable Tax Rate	25.17%	25.17%
Computed Tax Expenses	(1,540.56)	(1,090.12)
Tax Effect of:		
Adjustment of earlier year tax	-	-
Decrease/(Increase) Deferred Tax Liabilities	(16.69)	(9.43)
(Decrease)/Increase Deferred Tax Assets	(1,082.96)	(829.72)
Others Tax Adjustment	1,540.56	1,090.12
Tax Expenses Recognised in Profit and Loss	(1,099.65)	(839.15)

32 Earning Per Share

Profit/ (Loss) for the Period	(5,021.47)	(3,492.23)
Weighted Average Number of Equity Shares of ₹ 1/- each (In lakhs)	1,955.48	1,955.48
EPS - Basic and Diluted	(2.57)	(1.79)

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025
33 Contingent Liabilities, Contingent Assets and Commitments
A. Contingent Liabilities

- a. Claims against the Company not acknowledged as debts, since disputed ₹ 1,336.85 lakhs (Previous Year ₹ 1,336.85 lakhs). Amounts paid under protest ₹ 110.85 lakhs (Previous Year ₹ 110.85 lakhs) have been debited to Advance Account.
- b. In view of the decision of NCLT, Mumbai bench in the application under section 30(1) and (6) and order under section 31 of Insolvency and Bankruptcy Code, 2016 in the matter of Vidarbha Iron & Steel Corporation Limited, the liability of the Company on account of Corporate Guarantee issued in favour of Consortium Banks of Facor Steels Limited is NIL.
- c. Bank guarantee amounting to NIL (previous year ₹ 300.00 lakhs) secured by way of fixed deposit as disclosed in note 12.
- d. Claims against the Company not acknowledged as debts and not provided for: Company had entered into long term conversion agreement with M/s Tata Steel Mining Ltd (TSML), a wholly owned subsidiary of M/s Tata Steel Ltd (TSL) on 22-03-2021. Consequent to the merger of TSML into TSL on 08-08-2023, agreement was modified in the name of M/s TSL w.e.f. 01-09-2023. As per conversion agreement raw materials required for conversion work will be supplied by TSL free of cost at the manufacturing site of the company and company will raise conversion bills on manufacturing of HCFC. During the year, TSL informed the company that 9885 MT of raw material was found short on physical verification of inventory laying at company's premises on 27-02-2024 and shortage of material was valued at prevailing market price at ₹ 31.15 Crores. During the financial year 2024-25, the Company, has recognise the loss amounting to ₹ 23.27 Crores in its books. Accordingly, the total claim of ₹ 23.27 crores has been set off against the following :
 - ₹ 3.00 crores through encashment of the bank guarantee; (refer note no. 33(c))
 - ₹ 2.00 crores paid directly via banking channels; and
 - ₹ 18.27 crores adjusted against outstanding receivables (refer note no.10).

The remaining balance of the claim continues to be disputed by the Company in terms of both quantity and valuation. Discussions with TSL are ongoing with a view to jointly reconciling the raw material position since the inception of the agreement. The recognised loss has been disclosed separately under Exceptional Items in the Statement of Profit and Loss for the year ended 31st March 2025.

34 Segment Information:

Segment information is presented in respect of the company's key operating segments. The operating segments are based on the company's management and internal reporting structure.

Operating Segments

The Management Information System of the Company identifies and monitors Ferro Alloys as the business segment. The Company is managed organisationally as a single unit. In the opinion of the management, the Company is primarily engaged in the business of Ferro Alloys. As the basic nature of these activities are governed by the same set of risk and return, these constitute and are grouped as a single segment. Accordingly, there is only one Reportable Segment for the Company which is "Ferro Alloys", hence no specific disclosures have been made.

Entity wise disclosures
A. Information about products and services

During the year, the Group primarily operates in one product line, therefore product wise revenue disclosure is not applicable.

B. Information about Geographical Areas

The Group derives revenue from following major geographical areas:

(₹ in Lakhs)

Area	For the year ended 31 March 2025	For the year ended 31 March 2024
Outside India (Including Deemed Export)	-	2,728.51
Domestic	16.97	12,523.60

All the non-current assets of the Group other than financial instruments, deferred tax assets, post-employment benefit assets are located in India.

C. Information about Major Customers (from External Customers)

The Company derives revenues from the following customers where each contributes to 10 per cent or more of an entity's revenues:

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

(₹ in Lakhs)

External Customers	For the year ended 31 March 2025	For the year ended 31 March 2024
Tata Steel Mining Ltd.	-	8,682.72
Mortex India Ltd.	-	1,214.11
Tata Steel Ltd.	-	1,574.87

35 Related Party Disclosure:-
I List of Related Parties:-
A. Name and nature of relationship with the related party where control exists:

FAL Power Ventures Pvt. Ltd. - Subsidiary Company
Facor Minerals (Netherlands) B.V. (FMN) - Subsidiary Company
Facor Turkkrom Mining (Netherlands) B.V. (FTM) - Subsidiary of FMN
Cati Madencilik Ithalat ve Ihracat A.S. (Cati) - Subsidiary of FTM

B. Enterprise, over which Key Management Personnel and their relatives exercise significant influence, with whom transactions have taken place during the year :

- 1 Rai Bahadur Shreeram and Company Private Limited
- 2 Godawaridevi Saraf & Sons
- 3 GDP Infrastructure Private Limited
- 4 Shreeram Shipping Services Pvt. Ltd
- 5 Shreeram Durgaprasad Ores (P) Ltd

C. Key Management Personnel

- 1 R.K. Saraf - Chairman & Managing Director (Till 04.04.2024)
- 2 Ashish Santosh Agrawal - Whole-Time Director (w.e.f. 30.05.2024)

(₹ in Lakhs)

II Transactions with Related Parties during the year ended 31-03-2025 in the ordinary course of business.

Particulars	With Subsidiary Companies		With Enterprise where Significant influence exists		With Key Management Personnel & Relatives	
	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24
i) Rent paid	-	-	0.99	50.76	-	-
ii) Interest Received/(Paid)	-	-	(58.37)	(37.16)	-	-
iii) Short Term Loans & Advances Provided/(Received)	0.16	0.13	(454.30)	(5.62)	-	-
iv) Clearing & forwarding and other service charges	-	-	0.01	-	-	-
v) Sitting Fees	-	-	-	-	9.55	5.70
vi) Balances outstanding at the year end:						
a) Short Term Loans & Advances*	47.70	47.71	(842.83)	(388.53)	-	-
b) Other Payables	-	-	-	0.18	-	-

*During the current financial year 2024-25, the Company has disclosed the net outstanding amount, i.e., the gross advance given net of Life time expected credit loss recognised in accordance with the requirements of the applicable accounting standards. In the previous year 2023-24, the amount disclosed represented the gross amount of advance given. Accordingly, the comparative figure for the year ended 31st March 2024 has been reclassified from ₹ 900 lakhs to ₹ 47.71 lakhs to ensure consistency and better comparability with the current year's disclosure. This reclassification does not impact the total assets, liabilities, or profit reported in the previous year's financial statements.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025
III Disclosure in respect of Related Party Transactions during the year:
(₹ in Lakhs)

S.No.	Particulars		Relationship	2024-25	2023-24
1	RENT PAID:				
	Rai Bahadur Shreeram & Company Pvt. Ltd.		Others	0.99	50.76
		Total		0.99	50.76
2	INTEREST RECEIVED/(PAID)				
	Paid				
	Rai Bahadur Shreeram & Company Pvt. Ltd.		Others	(32.09)	(8.80)
	GDP Infrastructure Private Limited		Others	(0.18)	-
	Shreeram Durgaprasad Ores (P) Ltd		Others	(26.10)	(28.36)
		Total		(58.37)	(37.16)
3	SHORT TERM LOANS AND ADVANCES (RECEIVED)/PAID				
	Loans (Received)/Given				
	Rai Bahadur Shreeram & Company Pvt. Ltd.		Others	(422.52)	(1.33)
	GDP Infrastructure Private Limited		Others	(5.68)	-
	Shreeram Durgaprasad Ores (P) Ltd		Others	(26.10)	(4.29)
		Sub-Total		(454.30)	(5.62)
	FAL Power Ventures Private Limited	Subsidiary		0.16	0.13
		Sub-Total		0.16	0.13
		Net Loan Paid		(454.14)	(5.49)
4	CLEARING & FORWARDING AND OTHER SERVICE CHARGES				
	Shreeram Shipping Services Pvt. Ltd.		Others	0.01	-
		Total		0.01	-
5	DIRECTOR'S SITTING FEES				
	Shri Ashim Saraf		Non Executive Directors	-	1.10
	Shri Gaurav Saraf		Non Executive Directors	1.30	-
	Shri Manoj Saraf		Non Executive Directors	1.60	0.45
	Mrs. Vinita Bahri		Non Executive Directors	1.15	-
	Shri Murlidhar Rambhatla		Non Executive Directors	1.00	-
	Shri A.S.Kapre		Non Executive Directors	1.35	1.75
	Shri Kishan Lal Mehrotra		Non Executive Directors	-	0.25
	Mrs. Urmila Gupta		Non Executive Directors	1.00	1.45
	Shri M B Thaker		Non Executive Directors	2.15	0.70
		Total		9.55	5.70

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

(₹ in Lakhs)

S.No.	Particulars		Relationship	2024-25	2023-24
6	BALANCES OUTSTANDING AT THE YEAR END				
	(A) Short Term Loans & Advances - Given:				
	FAL Power Ventures Private Limited		Subsidiary	256.10	1,205.94
	Facor Minerals (Netherlands) B.V.		Subsidiary	6,627.82	6,627.82
	Cati Madencilik Ithalat ve Ihracat A.S. (Cati) - Subsidiary of FTM		Subsidiary	852.32	852.32
		Sub-Total	7,736.24	8,686.08	
	Rai Bahadur Shreeram & Company Pvt Ltd		Others	(514.54)	(92.02)
	GDP Infrastructure Private Limited		Others	(5.68)	-
	Shreeram Durgaprasad Ores (P) Ltd		Others	(322.61)	(296.51)
		Sub-Total		(842.83)	(388.53)
		Total		6,893.41	8,297.55
	Out of above balances -				
	(i) Life time expected credit loss recognised during previous years				
	FAL Power Ventures Private Limited		Subsidiary	206.86	1,156.86
	Cati Madencilik Ithalat ve Ihracat A.S. (Cati) - Subsidiary of FTM		Subsidiary	852.32	852.32
	Facor Minerals (Netherlands) B.V.		Subsidiary	6,627.82	6,627.82
		Sub-Total		7,687.00	8,637.00
	(ii) Provisions for doubtful recovery created for balance till current year				
	FAL Power Ventures Private Limited		Subsidiary	1.53	1.37
		Sub-Total		1.53	1.37
	Net Receivable				
	Cati Madencilik Ithalat ve Ihracat A.S. (Cati) - Subsidiary of FTM		Subsidiary	-	0.00
	FAL Power Ventures Private Limited		Subsidiary	47.70	47.71
		Sub-Total		47.70	47.71
	Rai Bahadur Shreeram & Company Pvt Ltd		Others	(514.54)	(92.02)
	GDP Infrastructure Private Limited		Others	(5.68)	-
	Shreeram Durgaprasad Ores (P) Ltd		Others	(322.61)	(296.51)
		Sub-Total		(842.83)	(388.53)
	(B) Other Current Liabilities				
	Other Payables:				
	Rai Bahadur Shreeram and Company Pvt. Ltd.		Others	-	0.18
		Total		-	0.18

36 Details of Loans given, Investments made and Guarantee given covered U/s 186(4) of the Companies Act, 2013.

Loans given, Investments made and Guarantees given by the Company in respect of loans are given under the respective heads.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

37 Employee Benefits

The Company Contributes to the following post-employment Defined Plans.

Defined Contribution Plans:

Amount of ₹ 46.66 lakhs (Previous Year ₹ 77.91 lakhs) is recognised as expenses and included in "Employee Benefits Expense" in Note 28 of the Statement of Profit and Loss.

Defined Benefit Plan :

The company has a defined benefit gratuity plan. Every employee who has completed five years or more of service is entitled to Gratuity on terms not less favourable than the provisions of the Payment of Gratuity Act, 1972. The scheme is funded with SBI Life Insurance in form of qualifying insurance policy.

The most recent actuarial valuation of plan assets and the present value of the defined benefit obligation for gratuity were carried out as at 31 March 2025. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

Based on the actuarial valuation obtained in this respect, the following table sets out the status of the gratuity plan and the amounts recognised in the Company's financial statements as at balance sheet date:

(₹ In Lakhs)

	31 March 2025	31 March 2024
(a) Net Defined Benefit Liability		
Liability for Gratuity	136.61	18.73
Liability for PL Encashment	56.37	85.65
Total Employee Benefit Liability	192.98	104.38
Non-Current	35.34	56.80
Current	157.64	47.58

(i) (a) Reconciliation of Opening and Closing balances of the present value of the Defined Benefit Obligation

(₹ In Lakhs)

Particulars	Gratuity		PL Encashment	
	2024-25	2023-24	2024-25	2023-24
Present value of Defined Benefit Obligation at the beginning of the year	531.51	572.62	86.13	138.40
Interest Cost	37.90	42.95	6.14	10.38
Current Service Cost	24.51	28.88	5.63	8.55
Actuarial Losses/(Gains)	105.49	65.62	(6.80)	(30.13)
Benefits Paid	(235.86)	(178.56)	(34.73)	(41.07)
Present value of Defined Benefit Obligation at the close of the year	463.55	531.51	56.37	86.13

(b) Changes in the Fair Value of Plan Assets and reconciliation thereof

(₹ In Lakhs)

Particulars	Gratuity	
	2024-25	2023-24
Fair Value of Plan Assets at the beginning of the year	512.78	681.56
Adjustments	22.17	-
Add : Expected Return on Plan Assets	28.71	8.92
Add/(Less) : Actuarial Gains/(Losses)	-	-
Add : Contributions	(0.86)	-
Less : Benefits Paid	(235.86)	(177.70)
Fair Value of Plan Assets at the close of the year	326.94	512.78

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025
(c) Amount Recognised in The Balance Sheet
(₹ In Lakhs)

Particulars	Gratuity		PL Encashment	
	2024-25	2023-24	2024-25	2023-24
Present Value of Defined Benefit Obligation	463.55	531.51	56.37	86.13
Less : Fair Value of Plan Assets	326.94	512.78	-	-
Present Value of unfunded obligation	136.61	18.73	56.37	86.13

(d) Amount Recognised in the Statement of Profit and Loss are as follows
(₹ In Lakhs)

Particulars	Gratuity		PL Encashment	
	2024-25	2023-24	2024-25	2023-24
In Income Statement				
Current Service Cost	24.51	28.88	5.63	8.55
Adjustments	-	-	-	-
Interest Cost	(0.25)	(8.17)	6.14	10.38
Expected return on Plan Asset	24.26	20.71	11.77	18.93
In Other Comprehensive Income				
Net actuarial loss/(gain)	114.92	107.82	(6.80)	(30.13)
Net periodic cost	114.92	107.82	(6.80)	(30.13)

(e) Investment Details:

Funds Managed by Insurer (investment with insurer)

100% 100%

(f) Actuarial Assumptions as at the Balance Sheet date

Particulars	2024-25	2023-24
Discount Rate	6.64%	7.13%
Salary Escalation Rate	5.00%	5.00%
Expected rate of return on plan assets	7.13%	7.50%

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

The Expected Rate of Return on Plan Assets is determined considering several applicable factors, mainly the composition of Plan Assets held, assessed risks, historical results of return on Plan Assets and the Company's policy for Plan Assets Management.

The expected contributions for Defined Benefit Plan for the next financial year will be in line with FY 2024-25

(g) Sensitivity Analysis:

Significant Actuarial Assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and employee turnover. The sensitivity analysis below, have been determined based on reasonably possible changes of the assumptions occurring at end of the reporting period, while holding all other assumptions constant. The result of Sensitivity analysis is given below.

Particulars	As at 31 March 2025		As at 31 March 2024	
	Increase	Decrease	Increase	Decrease
Change in discounting rate (delta effect of +/- 0.5%)	(0.73)	0.75	(1.46)	1.52
Change in rate of salary increase (delta effect of +/- 0.5%)	0.76	(0.75)	1.54	(1.50)

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025
38 Trade Receivables for following periods from due date of payment. (₹ In Lakhs)

Particulars	As at 31 March 2025		As at 31 March 2024	
	Considered good	Doubtful	Considered good	Doubtful
Less than 6 months	3,611.58	-	638.33	-
6 months -1 year	0.24	-	1,809.55	-
1-2 years	601.68	-	1,965.46	-
2-3 years	1,965.46	-	-	-
More than 3 years	-	-	-	-
Total	6,178.96	-	4,413.34	

- 39** During the year, trade receivables include a reduction amounting to ₹ 18.27 crores on account of adjustment made against a claim raised by M/s Tata Steel Ltd. (TSL) relating to a shortage of raw materials supplied under a long-term conversion agreement. The said adjustment has been accounted for as part of the loss recognised under Exceptional Items in the Statement of Profit and Loss for the year ended 31st March 2025. This set-off represents the settlement of outstanding dues from TSL (formerly Tata Steel Mining Ltd.) in line with the resolution of the matter disclosed under Contingent Liabilities and Claims Not Acknowledged as Debt.

40 Trade Payable for following periods from due date of payment. (₹ In Lakhs)

Particulars	As at 31 March 2025		As at 31 March 2024	
	MSME	Others	MSME	Others
Less than 1 year	-	480.95	211.04	1,529.86
1-2 years	85.67	1,858.10	-	91.68
2-3 years	-	21.61	-	543.87
More than 3 years	-	0.06	-	-
Total	85.67	2,360.72	211.04	2,165.41

41 Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006

On the basis of confirmation obtained from supplier who have registered themselves under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006) and based on the information available with the Company, the following are the details:

(₹ In Lakhs)

S. No.	Particulars	31.03.2025	31.03.2024
1	Principal amount remaining unpaid	85.67	204.01
2	Interest due thereon remaining unpaid	0	7.03
3	Interest paid by the company in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along-with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	Nil	Nil
4	Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding the interest specified under Micro, Small and Medium Development Act, 2006.	0	0
5	Interest accrued and remaining unpaid	0	7.03
6	Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise.	0	0

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

- 42** During the year, the Company has recognized a liability towards Fuel & Power Purchase Cost Adjustment (FPPCA) in respect of the financial years 2022–23 and 2023–24, pursuant to the order issued by the Andhra Pradesh Electricity Regulatory Commission. The liability has been provided in the financial year 2024–25. In addition, FPPCA charges relating to the financial year 2021–22 was recognized in the previous financial year (FY 2023–24), pursuant to a regulatory order issued during that period.
- 43** During the financial year 2024-25, the management identified an excess quantity of 329.40 MT of anthracite coal at the production floor. This surplus arose due to lower-than-anticipated consumption of raw materials in the manufacturing process when compared with the standard norms for production efficiency. Out of the identified excess, 257.40 MT was sold during the year. Given the non-recurring and exceptional nature of this event, the proceeds from the sale have been disclosed separately under Exceptional Items in the Statement of Profit and Loss for the year ended 31st March 2025.
- 44** Plant operation is temporarily shut down w.e.f. 31-10-2023, which has caused lowest 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.

45 Key Ratios

Ratios	31.03.2025	31.03.2024	% change from Previous Year
1. Current Ratio	0.55	1.38	-60.1%
2. Debt Equity Ratio	0.10	0.04	142.7%
3. Debt Service Coverage Ratio	6.52	-3.63	-279.8%
4. Return on Equity Ratio	-39.40%	-20.53%	-291.9%
5. Inventory Turnover Ratio	0.06	18.76	-99.7%
6. Trade Receivable Turnover Ratio	0.00	3.19	-100.0%
7. Trade Payable Turnover Ratio	0.55	6.29	-91.3%
8. Net Capital Turnover Ratio	0.00	8.86	-100.0%
9. Net Profit Ratio (%)	-29590%	-22.79%	-129917.1%
10. Return on capital employed	0.52	-0.26	-303.7%

Note: During the current and previous year, the Company has not earned income on the investments held on account of losses incurred by the respective Investee Company. Accordingly, ratio for Return on Investments has not been presented.

Reasons for more than 25% increase/ (decrease) in above ratios

Particulars	Reason for change
1. Current Ratio	The primary reason for the decrease in the current ratio is that receivables from Tata were adjusted against their material shortage, leading to a reduction in current assets. Additionally, current liabilities increased due to FPPCA charges booked during the current financial year, pertaining to FY 2022-23 and 2023-24.
2. Debt Equity Ratio	Due to the temporary shutdown of operations, the company's reserves and surplus decreased, while borrowings increased. Consequently, the ratio has increased.
3. Debt Service Coverage Ratio	Company incurred operating losses due to temporary shut down of operation which caused negative DSCR. (Refer note no.44)
4. Return on Equity Ratio	The company incurred operating losses during the year due to the temporary shutdown of operations, which resulted in a negative ROE
5. Inventory Turnover Ratio	The temporary shutdown of manufacturing operations led to a decline in turnover, resulting in a reduction in the ratio

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

Particulars	Reason for change
6. Trade Receivable Turnover Ratio	Due to the temporary shutdown of operations, debts from TSL and RTVNPL could not be realised, as referred to in Note No. 33(d) and Note No. 49 respectively. Consequently, debtors increased, causing a reduction in the ratio
7. Trade Payable Turnover Ratio	As a result of the temporary shutdown of operations, trade payables increased mainly due to FPPCA liabilities (Refer Note No. 42) and non-payment to other creditors leading to a reduction in the ratio
8. Net Capital Turnover Ratio	The temporary shutdown of manufacturing operations led to a reduction in turnover, thereby reducing the ratio
9. Net Profit Ratio (%)	Company incurred operationing losses due to temporary shut down of operation which caused reduction of ratio. (Refer note no.44)
10. Return on capital employed	The reduction in the ratio is due to negative EBIT

46 Financial Instruments – Fair Values And Risk Management
I. Fair Value Measurements
A. Financial Instruments By Category*
(₹ in Lakhs)

Particulars	As at 31 March 2025	As at 31 March 2024
	Amortised Cost	Amortised Cost
Financial assets		
Non-Current Investments	-	-
Other Non-Current Financial Assets	532.27	1,170.49
Trade Receivables	2,971.07	4,413.34
Cash and Cash Equivalents	30.65	129.31
Other Bank Balances	0.18	301.58
Other Current Financial Assets	47.73	59.47
	3,581.90	6,074.19
*Exclude financial instruments measured at cost		
Financial Liabilities		
Borrowings	1,029.50	632.00
Trade Payables	2,446.39	2,376.45
Other Financial Liabilities	571.89	332.63
	4,047.78	3,341.08

B. Fair Value Hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are:

- (a) recognised and measured at fair value and
- (b) measured at amortised cost and for which fair values are disclosed in the financial statements.

To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025
Financial assets and liabilities which are Measured at amortised cost for which fair values are disclosed
(₹ in Lakhs)

Particulars	As at 31 March 2025			
	Level 1	Level 2	Level 3	Total
Financial Assets				
Non-Current Investments	-	-	-	-
Other Non-Current Financial Assets	-	-	532.27	532.27
Trade Receivables	-	-	2,971.07	2,971.07
Cash and Cash Equivalents	-	-	30.65	30.65
Other Bank Balances	-	-	0.18	0.18
Other Current Financial Assets	-	-	47.73	47.73
Total financial assets	-	-	3,581.90	3,581.90
Financial Liabilities				
Borrowings	-	-	1,029.50	1,029.50
Trade Payables	-	-	2,446.39	2,446.39
Other Financial Liabilities	-	-	571.89	571.89
Total financial liabilities	-	-	4,047.78	4,047.78

Financial assets and liabilities which are Measured at amortised cost for which fair values are disclosed
(₹ in Lakhs)

Particulars	As at 31 March 2024			
	Level 1	Level 2	Level 3	Total
Financial Assets				
Non-Current Investments	-	-	-	-
Other Non-Current Financial Assets	-	-	1,170.49	1,170.49
Trade Receivables	-	-	4,413.34	4,413.34
Cash and Cash Equivalents	-	-	129.31	129.31
Other Bank Balances	-	-	301.58	301.58
Other Current Financial Assets	-	-	59.47	59.47
Total Financial Assets	-	-	6,074.19	6,074.19
Financial Liabilities				
Borrowings	-	-	632.00	632.00
Trade Payables	-	-	2,376.45	2,376.45
Other Financial Liabilities	-	-	332.63	332.63
Total Financial Liabilities	-	-	3,341.08	3,341.08

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

There are no transfers between level 1 and level 2 during the year

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025
C. Fair value of financial assets and liabilities measured at amortised cost (₹ in Lakhs)

Particulars	As at 31 March 2025		As at 31 March 2024	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial assets				
Non-Current Investments	-	-	-	-
Other Non-Current Financial Assets	532.27	532.27	1,170.49	1,170.49
Trade Receivables	2,971.07	2,971.07	4,413.34	4,413.34
Cash and Cash Equivalents	30.65	30.65	129.31	129.31
Other Bank Balances	0.18	0.18	301.58	301.58
Other Current Financial Assets	47.73	47.73	59.47	59.47
	3,581.90	3,581.90	6,074.19	6,074.19
Financial liabilities				
Borrowings	1,029.50	1,029.50	632.00	632.00
Trade Payables	2,446.39	2,446.39	2,376.45	2,376.45
Other Financial Liabilities	571.89	571.89	332.63	332.63
	4,047.78	4,047.78	3,341.08	3,341.08

II. Financial Risk Management

The Company has exposure to the following risks arising from financial instruments:

- credit risk;
- liquidity risk; and
- market risk

Risk Management Framework

A company is exposed to uncertainties owing to the sector in which it is operating. The Company is conscious of the fact that any risk that could have a material impact on its business should be included in its risk profile. Accordingly, in order to contain / mitigate the risk, the Board of Directors have approved a Risk management policy which shall be reviewed by Board and the management from time to time.

The Company's Risk Management framework is designed to identify, assess and monitor various risks related to key business and strategic objectives and lead to the formulation of a mitigation plan. Major risks in particular are monitored regularly at Executive meetings and the Board of Directors of the Company is kept abreast of such issues and the policy was reviewed by the Board and Committee at its meeting.

The Company's Audit Committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The Audit Committee is assisted in its oversight role by Internal Audit. Internal Audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

i. Credit Risk

Credit risk is the risk of financial loss to company if a customer or counterparty to the financial instrument fails to meet its financial obligations, and arises principally from the loans & advances to related parties and company's receivables from customers.

Financial instruments that are subject to concentrations of credit risk principally consist of trade receivables, cash and cash equivalents, other balances with banks and other financial assets. None of the financial instruments of the Company result in material concentration of credit risk other than trade receivable.

The company maintains its Cash and cash equivalents and Bank Deposits with banks having good reputation, good past track record and high quality credit rating and also reviews their credit rating on a timely basis.

The gross carrying amount of trade receivables is ₹ 6,178.96 lakhs (31 March 2024 ₹ 4,413.34 lakhs).

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

During the period, the Company has made no write-offs of trade receivables. The Company management also pursue all options for recovery of dues wherever necessary based on its internal assessment. A default on a financial asset is when counterparty fails to make payments within 365 days when they fall due.

Other current financial assets basically include loans and advances recoverable from related parties. Provision is created in books of accounts on case to case basis depending upon the possibility/probability of recovery of the amount due to financial position of related parties. The carrying amount of loan and advances to related parties as on 31 March 2025 amounted to ₹ 47.71 lakhs out of which no provision of expected life time credit loss has been provided during the FY 24-25 (As at 31 March 2024 was ₹ 900.03 lakhs out of which provision of expected life time credit loss amounting to ₹ 852.32 lakhs has been provided during the same year).

ii. Liquidity risk

Liquidity risk refers to risk of financial distress or extra ordinary high financing cost arising due to shortage of liquid funds in a situation where business conditions unexpectedly deteriorate and require financing. The Company's objective is to maintain at all times optimum levels of liquidity to meet its cash and collateral requirements. Processes and policies related to such risk are overseen by senior management and management monitors the Company's net liquidity position through rolling forecast on the basis of expected cash flows.

(a) Financing arrangements

The company do not have undrawn bank overdraft facilities as on 31 March 2025 and as on 31 March 2024.

(b) Maturities of financial liabilities

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and excluding contractual interest payments and exclude the impact of netting agreements.

(₹ in Lakhs)

Particulars	Contractual cash flows					
	Carrying Amounts 31 March 2025	Total	Upto 1 year	Between 1 and 2 years	Between 2 and 5 years	More than 5 year
Non-derivative financial liabilities						
Borrowings	1,029.50	1,029.50	1,029.50	-	-	-
Trade payables	2,446.39	2,446.39	2,446.39	-	-	-
Other financial liabilities	571.89	571.89	571.89	-	-	-
Total non-derivative liabilities	4,047.78	4,047.78	4,047.78	-	-	-

(₹ in Lakhs)

Particulars	Contractual cash flows					
	Carrying Amounts 31 March 2024	Total	Upto 1 year	Between 1 and 2 years	Between 2 and 5 years	More than 5 year
Non-derivative financial liabilities						
Borrowings	632.00	632.00	632.00	-	-	-
Trade payables	2,376.45	2,376.45	2,376.45	-	-	-
Other financial liabilities	332.63	332.63	332.63	-	-	-
Total non-derivative liabilities	3,341.08	3,341.08	3,341.08	-	-	-

iii. Market risk

Market risk is the risk that changes in market prices, foreign exchange rates and interest rates – will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025
a) Equity Price risk

Commodity Price Risk is the risk that future cash flow of the Company will fluctuate on account of changes in market price of the material produced and sold by the company. The Company is exposed to the movement in price of key raw materials in domestic and international markets. The Company has in place policies to manage exposure to fluctuations in the prices of the materials. The Company enters into contracts for procurement of materials and most of the transactions are short term fixed price contracts.

b) Currency risk

Foreign currency risk is the risk that fair value of future cash flow of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities. The Company has foreign currency trade payables and receivables and is therefore, exposed to a foreign exchange risk. Foreign currency risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the Company's functional currency (INR). The risk is managed through a forecast of highly probable foreign currency cash flows.

Exposure to currency risk

The summary quantitative data about the Group's exposure to currency risk as reported to the management of the Group is as follows:

Particulars	(₹ in Lakhs)	
	As at 31 March 2025	As at 31 March 2024
	USD	USD
Financial asset		
Trade receivables	-	-
Net exposure to foreign currency risk (assets)	-	-
Financial Liabilities		
Trade payables	-	-
Net statement of financial position exposure	-	-

Sensitivity analysis

A reasonably possible strengthening (weakening) of the INR against all other currencies at 31 March would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant.

Particulars	Profit or loss, net of tax		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
31 March 2025				
5% movement	NA	NA	NA	NA
USD	-	-	-	-
31 March 2024				
5% movement				
USD	NA	NA	NA	NA

c) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company exposure to the risk of changes in market interest rates related primarily to the Company's short term borrowing with floating interest rates. The Company constantly monitors the credit markets and rebalances its financing strategies to achieve an optimal maturity profile and financing cost.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025
Exposure to interest rate risk

The interest rate profile of the Company's interest bearing financial instruments at the end of the reporting period are as follows:

(₹ in Lakhs)

Particulars	31 March 2025	31 March 2024
Fixed Rate Instruments		
Financial Assets	0.18	396.58
Financial Liabilities	-	-
	(0.18)	(396.58)
Variable Rate Instruments		
Financial Assets	-	-
Financial Liabilities	-	-
	-	-

Sensitivity analysis
Fixed rate instruments

Fixed rate instruments that are carried at amortised cost are not subject to interest rate risk for the purpose of sensitive analysis.

Variable rate instruments

A reasonably possible change of 100 basis points in variable rate instruments at the reporting dates would have increased or decreased profit or loss by the amounts shown below. This analysis assumes that all other variables remain constant.

(₹ in Lakhs)

Particulars	Profit or loss, net of tax		Equity, net of tax	
	100 bp increase	100 bp decrease	100 bp increase	100 bp decrease
31 March 2025				
Variable Rate Instruments	-	-	-	-
Cash flow sensitivity (net)	-	-	-	-
31 March 2024				
Variable Rate Instruments	-	-	-	-
Cash flow sensitivity (net)	-	-	-	-

47 Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, securities premium and all other equity reserves attributable to the equity share holders of the Company. The primary objective of the Company's capital management is to safeguard continuity, maintain healthy capital ratios in order to support its business and maximise shareholder value. The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The funding requirement is met through equity, internal accruals, long term borrowings and short term borrowings. In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements.

- 48** The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and postemployment benefits received 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.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

- 49** The Company has terminated the conversion agreements dated 01-08-2021 ('Agreement') with Rajadhiraj Vinayak Natraj Pvt. Ltd ("RTVNPL") vide termination notice dated 27-10-2022 as RTVNPL has violated the terms of the said Agreement. RTVNPL against the said termination had filed a petition bearing no.O.M.P. (I) (Comm.) 310/2022 under section 9 of arbitration and conciliation Act ("Act") before Hon'ble High Court of Delhi and sought interim reliefs against the termination of the said Agreement. The Hon'ble High Court of Delhi vide order dated 03-11-2022 referred the parties to Mediation under the aegis of Samadhan, at Delhi High Court Mediation and Conciliation Centre, however same was unsuccessful. Thereafter, the Hon'ble High Court of Delhi vide order dated 10-11-2022 treated present petition as an application under section 17 of the Act on mutual consent of both counsels and referred the matter to the arbitration to be held under the aegis of the Delhi International Arbitration Centre, Delhi High Court. Hon'ble Ms. Justice Indira Banerjee, former judge of Supreme Court of India was appointed as Sole Arbitrator. Claim and counter claim are filed and arbitration is in process. As no Arbitration award has been passed and impact cannot be quantified at this stage, therefore, no accounting adjustment have been made in books of Accounts. Debtors include Rs. 2,444.85 lakh receivable from RTVNPL on account of conversion bills as on 31-03-2024.
- 50 Other Statutory Information**
- The title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) are in the name of erstwhile pre-demerged company. The immovable properties were 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
 - The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
 - The company has not been declared wilful defaulter by any bank or financial institution or other lender.
 - The Company do not have any transactions with companies struck off.
 - The Company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
 - The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.
 - During the year company has not availed working capital borrowings from banks or financial institutions.
- 51** The figures for the corresponding previous year has been regrouped/ reclassified wherever necessary, to make them comparable.

As per our report of even date.

For and on behalf of the Board of Directors

Ashwin Mankeshwar
Partner
(Membership No. 046219)

Murlidhar Durgaprasadji Saraf
Director
(DIN: 00011966)

Ashish Santosh Agrawal
Whole Time Director
(DIN: 02148665)

For K.K. Mankeshwar & Co.
Chartered Accountants
(Firm's Regn. No. 106009W)
UDIN: 25046219BMLMSL8409.

Place: Nagpur
Date: 20th May, 2025

Vinod Saraf
President

Md. Asim Quraishi
CFO

Sachin Kumar Gupta
Company Secretary

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF FACOR ALLOYS LIMITED

Report on the audit of the Consolidated Financial Statements

Disclaimer of Opinion

We were engaged to audit the accompanying consolidated financial statements of **Facor Alloys Limited** (hereinafter referred to as the "Holding Company") and its subsidiaries (collectively referred to as "the Group"), which comprise the Consolidated Balance Sheet as at 31st March 2025, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity, the Consolidated Cash Flow Statement for the year then ended, and notes to the consolidated financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

As described in the Basis for Disclaimer of Opinion section of our report, we were not able to obtain sufficient appropriate audit evidence regarding the financial information of one of the overseas subsidiaries of the Group, whose financial results have not been included in the consolidated financial statements for the year ended 31st March 2025.

Because of the significance of the matter described in the Basis for Disclaimer of Opinion section, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on the accompanying consolidated financial statements of the Group.

Basis for Disclaimer of Opinion

As stated in **Note 36 to the consolidated financial statements**, the financial statements of an overseas subsidiary have not been included in the consolidation for the year ended 31st March 2025 due to the non-availability of reliable and complete financial information following a change in management. The Company has obtained a legal opinion and lodged a formal complaint with the Economic Offences Wing (EOW). However, in the absence of sufficient appropriate audit evidence regarding the financial position, results of operations, and cash flows of the said subsidiary, we were unable to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the consolidated financial statements.

Because of the significance of the matter described above, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the consolidated financial statements.

Accordingly, we do not express an opinion on the accompanying consolidated financial statements of the Group.

Material Uncertainty Related to Going Concern

We draw attention to **Note 37 to the consolidated financial statements**, which states that the Parent company's manufacturing operations have remained suspended since October 31, 2023. As a result, the Group has reported only

minimal revenue from operations for the quarter and year ended March 31, 2025. The Group has also incurred significant losses during the year.

These conditions indicate the existence of a material uncertainty that cast significant doubt on the Group's ability to continue as a going concern.

Our opinion is not modified in respect of this matter.

Emphasis of Matter

We draw attention to **Note 31(d) to the consolidated financial statements**, which explain that the Company has recognised a loss of ₹ 2,327 lakhs during the financial year 2024–25, arising from a claim raised by Tata Steel Limited (formerly Tata Steel Mining Limited) for a shortage of 9,885 MT of raw materials under a long-term conversion agreement. The settlement of the claim involved a combination of bank guarantee encashment (₹ 300 lakhs), direct payment (₹ 200 lakhs), and an adjustment of ₹ 1,827 lakhs against outstanding trade receivables. This loss has been disclosed under Exceptional Items in the Statement of Profit and Loss. The related adjustment to trade receivables has also been accounted for in the financial statements.

We draw attention to **Note 34 to the consolidated financial statements**, which states that the Parent company's recognition of a liability towards Fuel & Power Purchase Cost Adjustment (FPPCA) in respect of the financial years 2022–23 and 2023–24, pursuant to an order issued by the Andhra Pradesh Electricity Regulatory Commission. This liability has been recognized in the financial year 2024–25.

Further, FPPCA charges pertaining to the financial year 2021–22, as per a regulatory order issued during the financial year 2023–24, were recognized in the previous year (FY 2023–24).

We draw attention to **Note 35 to the consolidated financial statements**, which discloses the identification of an excess quantity of 329.40 MT of anthracite coal during the financial year 2024–25. This surplus arose due to lower-than-anticipated consumption of anthracite coal, based on standard production norms provided by the vendor under a conversion-based chrome ore supply agreement. Of the total excess stock identified, 257.40 MT was sold during the year, pursuant to a legal opinion obtained by the Parent company. The resulting profit of ₹ 61.78 lakhs has been recognised under "Exceptional Items" in the Consolidated Statement of Profit and Loss for the year ended 31st March 2025. As disclosed, this transaction is considered non-recurring and exceptional in nature, and accordingly, the proceeds from the sale have been classified under Exceptional Items.

Our opinion is not modified in respect of this matter.

Information Other than Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility and Sustainability

Report, Corporate Governance and Shareholder's Information, but does not include the Consolidated Financial Statements, standalone 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 Board of Directors 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 the preparation and presentation of these Consolidated Financial Statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including Ind AS specified under section 133 of the Act. The respective Boards of Directors of the entities included in the Group are responsible for maintenance of 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 financial statements 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 Consolidated Financial Statements by the Directors of the Company, as aforesaid.

In preparing the Consolidated Financial Statements, the respective Boards of Directors of the entities included in the Group are responsible for assessing the ability of the 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 Boards of Directors either intends to liquidate their respective entities or to cease operations, or have 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 responsibility is to conduct an audit of the Group's consolidated financial statements in accordance with the Standards on Auditing and to issue an auditor's report. However, because of the matter described in the Basis for Disclaimer of Opinion section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these consolidated financial statements.

We are independent of the Group 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 consolidated financial statements under the provisions of the Companies Act, 2013 and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

Other Matters

The consolidated financial statements include the financial statements of one domestic subsidiary, whose financial statements for the year ended March 31, 2025, have been furnished to us by the Management and have been audited by another auditor. Our opinion on the consolidated financial statements, insofar as it relates to the amounts and disclosures included in respect of this subsidiary, is based solely on the audit report of the other auditor and such financial statements/information provided to us. The financial statements of this subsidiary reflect total assets of ₹ 47.98 lakhs as at March 31, 2025, total profit/(loss) of ₹ 949.88 lakhs, and net cash outflows of ₹ 0.01 lakhs for the year then ended, as considered in the consolidated Ind AS financial statements.

The financial statements (audited or unaudited) of foreign subsidiaries for the year ended March 31, 2025, were not made available to the Holding Company. Accordingly, the financial statements of these subsidiaries have not been included in the consolidated financial statements by the Management. However, the balances pertaining to these subsidiaries, as included in the opening consolidated balance sheet, continue to be reflected in the closing consolidated financial statements. As a result, the consolidated financial statements include total assets of ₹ 146.89 lakhs as at March 31, 2025, relating to such subsidiaries. No revenue, profit/(loss), or net cash flows pertaining to the current year operations of these subsidiaries have been included due to the non-availability of the current period financial statements.

Our report is not modified in respect of the above matters (except to the extent of the disclaimer of opinion expressed).

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("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 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 of the aforesaid Consolidated Financial Statements.
 - b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept by the Company so far as appears from our examination of those books;
 - c. The Consolidated Balance Sheet, Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of changes in equity and the Consolidated statement of Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements;
 - 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, 2025, and taken on record by the Board of Directors, and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors is disqualified as on 31st March, 2025 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" which is based on the auditors' reports of the Company and its subsidiary companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls with reference to Consolidated Financial Statements of those companies.
 - g. Based on the consideration of reports of other statutory auditors of the subsidiaries, associates and joint ventures incorporated in India, Holding Company, its subsidiaries, associates and joint ventures incorporated in India have not paid any managerial remuneration for the year ended March 31, 2025 to their directors.
 - h. 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.31 in the consolidated financial statements 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
 - iv) a) The respective Managements of the Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or any of such subsidiaries to or in any other person or entity, outside the Group, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.;
 - b) The Respective Managements of the Holding Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the respective Holding Company or any of such subsidiaries from any person(s) or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

- c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us on the Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v) No dividend declared or paid during the year by The Holding Company, its subsidiaries, associates and joint venture companies incorporated in India during the year.

Ashwin Mankeshwar
Partner

Membership No. 046219
For and on Behalf of

K. K. Mankeshwar & Co.
Chartered Accountants

FRN – 106009W

Place: Nagpur
Date: 20th May, 2025

UDIN: 25046219BMLMSM2877

“ANNEXURE A” TO THE INDEPENDENT AUDITORS’ REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENT OF FACOR ALLOYS LIMITED

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 financial statements for the period ended March 31, 2025, we report that:

- (xxi) There are no qualifications or adverse remarks by the respective auditors in the Companies (Auditors Report) Order (CARO) reports of the companies included in the consolidated financial statements. Accordingly, the requirement to report on clause 3(xxi) of the Order is not applicable to the Holding Company.

Ashwin Mankeshwar
Partner

Membership No. 046219
For and on Behalf of

K. K. Mankeshwar & Co.
Chartered Accountants

FRN – 106009W

Place: Nagpur
Date: 20th May, 2025

UDIN: 25046219BMLMSM2877

ANNEXURE- “B” TO THE INDEPENDENT AUDITORS’ REPORT

(Referred to in paragraph 2(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of Facor Alloys Limited of even date)

Report on the Internal Financial Controls with reference to Consolidated Financial Statements under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 (the “Act”)

In conjunction with our audit of the Consolidated Financial Statements of the Company as of and for the year ended March 31, 2025, we have audited the internal financial controls with reference to Consolidated Financial Statements of Facor Alloys Limited (hereinafter referred to as the “Company”) and its subsidiary companies, as of that date.

Management’s Responsibility for Internal Financial Controls

The respective Company’s management and Boards of Directors of the Company and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective Companies 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 (the “ICAI”). 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 the respective 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 Act.

Auditors’ Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to Consolidated Financial Statements of the Company and its subsidiary companies, which are companies incorporated in India, 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”) issued by the Institute of Chartered Accountants of India (“ICAI”) and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to Consolidated Financial Statements. 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 with reference to Consolidated Financial Statements 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 judgment, including the assessment of the risks of material misstatement of the 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 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 financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the 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 and to the best of our information and according to the explanations given to us, the Company and its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system with reference to Consolidated Financial Statements and such internal financial controls with reference to Consolidated Financial Statements were operating effectively as at March 31, 2025, based on the criteria for internal financial control with reference to Consolidated Financial Statements established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

Ashwin Mankeshwar
Partner

Membership No. 046219
For and on Behalf of

K. K. Mankeshwar & Co.
Chartered Accountants

Place: Nagpur
Date: 20th May, 2025

FRN – 106009W
UDIN: 25046219BMLMSM2877

CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2025

	Notes	As at 31 March 2025	As at 31 March 2024
(₹ in Lakhs)			
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	4	10,700.93	10,935.12
Intangible	4	26.64	26.64
Right of Use Assets (ROU)	5	-	-
Financial Assets			
(i) Other Non-Current Financial Assets	6	532.92	1,171.14
Deferred Tax Asset (Net)	7	2,803.38	1,676.07
Total Non-Current Assets		14,063.87	13,808.97
Current Assets			
Inventories	8	286.78	301.21
Financial Assets			
(i) Trade Receivables	9	2,971.07	4,413.34
(ii) Cash and Cash Equivalents	10	34.10	132.77
(iii) Other Bank Balances	11	0.18	301.58
(iv) Other Current Financial Assets	12	0.03	11.76
Current Tax Assets (Net)	13	11.01	276.30
Other Current Assets	14	517.71	286.41
Assets Classified as Held for Sale	15	614.75	543.25
Total Current Assets		4,435.63	6,266.62
Total Assets		18,499.50	20,075.59
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	16	1,955.48	1,955.48
Other Equity	17	8,995.90	14,099.54
Non-Controlling Interest		(914.29)	(914.29)
Total Equity		10,037.09	15,140.73
Liabilities			
Non-Current Liabilities			
Financial Liabilities			
Provisions	18	35.34	56.80
Total Non-Current Liabilities		35.34	56.80
Current Liabilities			
Financial Liabilities			
(i) Short Term Borrowings	19	1,315.39	917.89
(ii) Trade Payables			
Micro Small and Medium Enterprises	20	85.67	211.04
Others	20	2,360.89	2,165.58
(iii) Other Financial Liabilities	21	571.89	332.63
Other Current Liabilities	22	2,915.06	182.81
Provisions	23	1,178.17	1,068.11
Total Current Liabilities		8,427.07	4,878.06
Total Liabilities		8,462.41	4,934.86
Total Equity and Liabilities		18,499.50	20,075.59

Notes to Financial Statements

1 to 48

The notes referred to above form an integral part of the Balance sheet.
As per our report of even date.

For and on behalf of the Board of Directors

Ashwin Mankeshwar
Partner
(Membership No. 046219)

Murlidhar Durgaprasadji Saraf
Director
(DIN: 00011966)

Ashish Santosh Agrawal
Whole Time Director
(DIN: 02148665)

For K.K. Mankeshwar & Co.
Chartered Accountants
(Firm's Regn. No. 106009W)
UDIN: 25046219BMLMSM2877

Place: Nagpur
Date: 20th May, 2025

Vinod Saraf
President

Md. Asim Quraishi
CFO

Sachin Kumar Gupta
Company Secretary

STATEMENT OF CONSOLIDATED PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2025

(₹ in Lakhs)

Particulars	Notes	For the year ended 31 March 2025	For the year ended 31 March 2024
Revenue			
Revenue from Operations	24	16.97	15,379.49
Other Income	25	1,041.33	397.29
Total Income		1,058.30	15,776.78
Expenses			
Cost of Materials Consumed		-	5,151.23
Change in Inventory of Finished Goods and Work in Progress	26	-	462.41
Employee Benefits Expense	27	792.55	1,225.22
Finance Costs	28	256.34	266.77
Depreciation		155.10	202.17
Other Expenses	29	471.58	10,795.48
Total Expenses		1,675.57	18,103.28
Profit/ (Loss) before Tax and Exceptional Items		(617.27)	(2,326.50)
Exceptional Items			
A) Profit / (Loss) on Sale/Discard of Fixed Assets		3.44	(291.77)
B) Arrear Electricity Charges (FPPCA Charges) (Refer Note 34)		(3,242.03)	(797.68)
C) Profit / Loss on Sale of Excess Inventory (Refer Note 35)		61.78	-
D) Sundry Balance Written Off		-	653.04
E) Expenses for Recovery on Conversion (Refer Note 31 (d))		(2,327.00)	-
Profit/ (Loss) Before Tax		(6,121.08)	(2,762.91)
Tax Expense:			
Current Tax		-	-
Tax for earlier years		-	-
Deferred Tax		(1,099.65)	(839.15)
Profit/ (Loss) for the Period (A)		(5,021.43)	(1,923.76)
Other Comprehensive Income			
Items that will not be reclassified subsequently to statement Profit or Loss			
Remeasurement of defined benefit plans		(109.89)	(77.68)
Deferred Tax relating to remeasurement of defined benefit plans		27.66	19.55
Items that will be reclassified subsequently to statement of Profit or Loss			
Foreign Currency Translation Reserve		0.02	(791.24)
Income Tax on Translation Reserve		-	-
Total Other Comprehensive Income for the period (B)		(82.21)	(849.37)
Total Comprehensive Income for the period (A) + (B)		(5,103.64)	(2,773.13)
Profit attributable to :			
- Shareholders of the Company		(5,021.43)	(1,990.83)
- Non-Controlling Interests		-	67.07
Other Comprehensive Income attributable to :			
- Shareholders of the Company		(82.21)	(849.37)
- Non-Controlling Interests		-	-
Total Comprehensive Income attributable to :			
- Shareholders of the Company		(5,103.64)	(2,840.20)
- Non-Controlling Interests		-	67.07
Earnings per equity share	30		
Basic		(2.57)	(1.02)
Diluted		(2.57)	(1.02)
Notes on Financial Statements	1 to 48		

The accompanying notes are an integral part of these financial statements.
As per our report of even date.

For and on behalf of the Board of Directors

Ashwin Mankeshwar
Partner
(Membership No. 046219)

Murlidhar Durgaprasadji Saraf
Director
(DIN: 00011966)

Ashish Santosh Agrawal
Whole Time Director
(DIN: 02148665)

For K.K. Mankeshwar & Co.
Chartered Accountants
(Firm's Regn. No. 106009W)
UDIN: 25046219BMLMSM2877

Place: Nagpur
Date: 20th May, 2025

Vinod Saraf
President

Md. Asim Quraishi
CFO

Sachin Kumar Gupta
Company Secretary

STATEMENT OF CONSOLIDATED CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2025
(₹ in Lakhs)

(a) Equity Share Capital	No. of Shares	Amount
Balance as at 1 April 2023	19,55,47,355	1,955.48
Changes in equity share capital during the year	-	-
Balance as at 31 March 2024	19,55,47,355	1,955.48
Balance as at 1 April 2022	19,55,47,355	1,955.48
Changes in equity share capital during the year	-	-
Balance as at 31 March 2025	19,55,47,355	1,955.48

(b) Other equity

Particulars	Reserves & Surplus						OCI	Total
	Securities Premium	General Reserve	Capital Reserve	Retained earnings	Equity Portion of Borrowings	Foreign Currency Translation Reserve	Remeasurement of defined benefit plans	
Balance at 31 March 2023	2,667.52	250.00	8,682.92	4,330.88	16.64	1,138.94	(146.89)	16,940.01
Profit for the year	-	-	(0.27)	(1,990.83)	-	-	-	(1,991.10)
Other comprehensive income for the year	-	-	-	-	-	(791.24)	(58.13)	(849.37)
Total comprehensive income for the year	-	-	(0.27)	(1,990.83)	-	(791.24)	(58.13)	(2,840.47)
Balance at 31 March 2024	2,667.52	250.00	8,682.65	2,340.05	16.64	347.70	(205.02)	14,099.54
Profit for the year	-	-	-	(5,021.43)	-	-	-	(5,021.43)
Other comprehensive income for the year	-	-	-	-	-	0.02	(82.23)	(82.21)
Total comprehensive income for the year	-	-	-	(5,021.43)	-	0.02	(82.23)	(5,103.64)
Balance at 31 March 2025	2,667.52	250.00	8,682.65	(2,681.38)	16.64	347.72	(287.25)	8,995.90

The accompanying notes are an integral part of these financial statements.
As per our report of even date.

For and on behalf of the Board of Directors

Ashwin Mankeshwar
Partner
(Membership No. 046219)

Murlidhar Durgaprasadji Saraf
Director
(DIN: 00011966)

Ashish Santosh Agrawal
Whole Time Director
(DIN: 02148665)

For K.K. Mankeshwar & Co.
Chartered Accountants
(Firm's Regn. No. 106009W)
UDIN: 25046219BMLMSM2877

Place: Nagpur
Date: 20th May, 2025

Vinod Saraf
President

Md. Asim Quraishi
CFO

Sachin Kumar Gupta
Company Secretary

STATEMENT OF CONSOLIDATED CASH FLOW FOR THE YEAR ENDED 31 MARCH 2025

(₹ in Lakhs)

S. Particulars No.	Year ended 31 March 2025	Year ended 31 March 2024
A Cash flows from operating activities:		
Net Profit/ (Loss) after Prior Period Items and before Tax	(6,121.08)	(2,762.91)
Adjustments For:		
a) Interest Income	(86.38)	(212.53)
b) Depreciation	155.10	202.17
c) (Gain)/ Loss on sale of fixed assets	(3.44)	291.77
d) Effect of change in foreign currency translation reserve	0.02	(791.24)
e) Interest Expense	256.34	266.77
Operating Cash Profit before Working Capital Changes	(5,799.44)	(3,005.97)
Movement in Working Capital:-		
a) Increase/(Decrease) in Trade Payables	69.94	(853.11)
b) Increase/(Decrease) in Other Current Liabilities	2,732.25	(1,116.90)
c) Increase/(Decrease) in Other Current Financial Liabilities	180.98	(89.34)
d) (Increase)/Decrease in Other Non Current Financial Assets	638.22	1,389.40
e) Increase/(Decrease) in Provisions	(21.29)	(114.77)
f) (Increase)/Decrease in Other Current Financial Assets	306.40	12.10
g) (Increase)/Decrease in Inventories	14.43	1,041.82
h) (Increase)/Decrease in Trade Receivables	1,442.27	824.20
i) (Increase)/Decrease in Other Current Assets	(231.30)	166.92
Cash Generated From/ (used in) operations	(667.54)	(1,745.65)
Less: Income Tax Paid (net of refunds)	265.29	251.50
Net Cash Generated From/ (used in) Operating Activities(A)	(402.25)	(1,494.15)
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	11.03	901.10
Interest received	93.11	225.93
Change in Minority interest of Subsidiary company	-	(16.20)
Net Cash Generated from/ (Used in) Investing Activities (B)	104.14	1,065.35
C. Cash Flow from Financing Activities:		
Net proceeds/(Repayment) of Borrowings	397.50	141.49
Interest Expense Paid	(198.06)	(196.44)
Net Cash generated from/ (used in) Financing Activities (C)	199.44	(54.95)
Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)	(98.67)	(483.75)
Cash and cash equivalents at the beginning of the year	132.77	616.52
Balance at the end of year	34.10	132.77

This is the Statement of Cash Flow referred to in our report of even date
As per our report of even date.

For and on behalf of the Board of Directors

Ashwin Mankeshwar
Partner
(Membership No. 046219)

Murlidhar Durgaprasadji Saraf
Director
(DIN: 00011966)

Ashish Santosh Agrawal
Whole Time Director
(DIN: 02148665)

For K.K. Mankeshwar & Co.
Chartered Accountants
(Firm's Regn. No. 106009W)
UDIN: 25046219BMLMSM2877

Place: Nagpur
Date: 20th May, 2025

Vinod Saraf
President

Md. Asim Quraishi
CFO

Sachin Kumar Gupta
Company Secretary

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025
1. Corporate Information

The Consolidated Financial Statements comprise financial statements of Facor Alloys Limited (referred to as "FAL" or "the Company") and its subsidiaries (collectively "the Group"). The Company is a public company domiciled in India and is listed at Bombay Stock exchange. The Company's registered office is located at Shreeramnagar, Garividi, Vizianagaram, Andhra Pradesh.

The consolidated financial statements for the year ended March 31, 2025 were approved for issue in accordance with a resolution of the Board of Directors of the Company on May 20, 2025.

2. Material Accounting Policy Information

This note provides a list of material accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

a) Basis of preparation

These financial statements have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard ('Ind AS'), prescribed under Section 133 of the Companies Act, 2013 (the Act) read together with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time, and other relevant provisions of the Act, on an accrual basis.

The financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities (including derivative instruments) that are measured at fair value.

The financial statements are presented in INR, which is also the Company's functional currency and all values are rounded to the nearest lakhs (INR 00,000) as per the requirement of Schedule III, unless otherwise stated.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III (Division II) to the Act. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle at 12 months for the purpose of current and non-current classification of assets and liabilities.

b) Principles of Consolidation

- a) The consolidated financial statements include results of the subsidiaries of Facor Alloys Ltd., consolidated in accordance with Ind AS 110 'Consolidated Financial Statements'. The consolidated financial statements present the consolidated accounts of Facor Alloys Limited, its following subsidiaries

S. No.	Name of the Company	Relationship	Proportion of Ownership & Voting Power	Country of Incorporation
1.	FAL Power Ventures Pvt. Ltd. (FPVPL) [Formerly known as BEC Power Pvt. Ltd.]	Subsidiary	100.00%	India
2.	Facor Minerals (Netherlands) B.V. (FMN)	Subsidiary	90.65%	Netherlands
3.	Facor Turkkrom Mining (Netherlands) B.V. (FTM)	Subsidiary of FMN	100.00%	Netherlands
4.	Cati Madencilik Ithalat ve Ihracat A.S. (Cati)	Subsidiary of FTM	100.00%	Turkey

- b) The consolidated financial statements incorporate the financial statements of the Company and its subsidiaries, being the entities that it controls. Control is evidenced where the group has power over the investee or is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Power is demonstrated through existing rights that give the ability to direct relevant activities, which significantly affect the entity returns. The financial statements of subsidiaries are prepared for the same reporting year as the parent company.
- c) The financial statements of the Company and its subsidiaries have been consolidated on a line-by-line basis adding together the book value of like items of assets, liabilities, income and expenses, after eliminating intra-group balances, intra group transactions and any unrealized profits.
- d) The consolidated financial statements have been prepared using accounting policies for like transactions and are presented, to the extent possible, in the same manner as the company's separate financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

- e) The financial statements of FMN and its fellow subsidiary FTM have been prepared in accordance with Netherland Generally Accepted Accounting Principles. The financial statements of Cati, tier 2 subsidiary has been prepared as per IFRS. The impact on account of any difference to the Indian Accounting Standards (Ind AS) is not material in view of Company's consolidated operations.
- f) For non-wholly owned subsidiaries, non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet respectively.
- g) The Group's consolidated financial statements are presented in INR, which is also the parent company's functional currency. For each entity the group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency. The Group uses the direct method of consolidation and on disposal of a foreign operation the gain or loss that is reclassified to profit or loss reflects the amount that arises from using this method.
- h) Transactions in foreign currencies are initially recorded by the Group's entities at their respective functional currency spot rates at the date of the transaction first qualifies for recognition. However, for practical reasons, the group uses an average rate if the average approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss with the exception of the following;

Exchange differences arising on monetary items that forms part of a reporting entity's net investment in a foreign operation are recognised in profit or loss in the separate financial statements of the reporting entity or the individual financial statements of the foreign operation, as appropriate. In the financial statements that include the foreign operation and the reporting entity (e.g., consolidated financial statements when the foreign operation is a subsidiary), such exchange differences are recognised initially in OCI. These exchange differences are reclassified from equity to profit or loss on disposal of the net investment.

Tax charges and credits attributable to exchange differences on those monetary items are also recorded in OCI.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively.)

- i) On consolidation, the assets and liabilities of foreign operations are translated into INR at the rate of exchange prevailing at the reporting date and their statements of profit or loss are translated at exchange rates prevailing at the dates of the transactions. For practical reasons, the group uses an average rate to translate income and expense items, if the average rate approximates the exchange rates at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is recognised in profit or loss.
- j) Any goodwill arising on acquisition / consolidation is stated at cost less impairment losses, where applicable. On disposal of a subsidiary, attributable amount of goodwill is included in the determination of the profit and loss recognised in the Statement of the Profit and Loss.

Impairment loss, if any, to the extent the carrying amount exceed the recoverable amount is charged off to the statement of Profit and Loss as it arises and is not reversed.

- k) Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the group operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax is provided using the asset / liability method on temporary differences between the tax base of assets and liabilities and their carrying amounts in the financial statements. Deferred tax is determined using tax rates that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

3. Other material accounting policies followed by the Group are exactly similar to the material accounting policies of the parent, Facor Alloys Ltd., and hence have not been reproduced here. Refer Note 2 to 3 of standalone financial statement of Facor Alloys Ltd. for the year ended March 31, 2025 for details in regard to other material accounting policies.

Notes to these consolidated financial statements are intended to serve as a means of informative disclosure and a guide to better understanding. Recognising this purpose, the Company has disclosed only such notes from the individual financial statements which fairly present the needed disclosure.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025
4. Property, Plant and Equipment

(₹ in Lakhs)

Particulars	Gross Block			Depreciation			Net Block	
	As at 31 March 2024	Additions	Assets Classified as Held for Sale	Deletions	As at 31 March 2025	As at 31 March 2024	For the year	As at 31 March 2025
Tangible Assets								
Freehold Land	9,837.27	-	71.50	-	9,765.77	-	-	9,765.77
Mines and Quarries Freehold	83.40	-	-	-	83.40	-	-	83.40
Buildings	342.09	-	-	-	342.09	139.06	6.33	145.39
Railway Sidings	12.03	-	-	-	12.03	8.13	0.49	8.62
Plant and Machinery	1,943.16	-	-	4.68	1,938.48	1,179.24	138.50	1,317.74
Office Equipments	114.65	-	-	2.86	111.79	86.58	8.67	92.83
Furniture & Fixtures	6.87	-	-	-	6.87	4.91	0.19	5.10
Vehicles	32.21	-	-	6.93	25.28	18.64	0.92	15.10
Total	12,371.68	-	71.50	14.47	12,285.71	1,436.56	155.10	1,584.78

The above includes following assets given on operating lease:

Particulars	As at 31 March 2025			2025	
	Gross Block	Accumulated Depreciation	Net Block	Depreciation for the year	
Freehold Land	150.00	-	150.00	-	-
Total	150.00	-	150.00	-	-

Particulars	Gross Block			Depreciation			Net Block	
	As at 31 March 2024	Additions	Deletions	As at 31 March 2025	As at 31 March 2024	For the year	As at 31 March 2025	As at 31 March 2025
Intangible Assets								
Mining Rights	26.64	-	-	26.64	-	-	-	26.64
Goodwill	-	-	-	-	-	-	-	-
Total	26.64	-	-	26.64	-	-	-	26.64

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

4. Property, Plant and Equipment

(₹ in Lakhs)

Particulars	Gross Block				Depreciation			Net Block	
	As at 31 March 2023	Additions	Assets Classified as Held for Sale	Deletions	As at 31 March 2024	For the year	Adjustments / Deductions	As at 31 March 2024	As at 31 March 2024
Tangible Assets									
Freehold Land	9,861.00	-	-	23.73	9,837.27	-	-	-	9,837.27
Mines and Quarries Freehold	259.80	-	-	176.40	83.40	-	-	-	83.40
Buildings	392.29	-	-	50.20	342.09	12.01	-	139.06	203.03
Railway Sidings	12.03	-	-	-	12.03	0.57	-	8.13	3.90
Plant and Machinery	1,929.07	44.86	-	30.77	1,943.16	162.46	-	1,179.24	763.92
Office Equipments	123.82	0.62	-	9.79	114.65	15.79	7.30	86.58	28.07
Furniture & Fixtures	10.83	-	-	3.96	6.87	0.36	2.39	4.91	1.96
Vehicles	32.48	-	-	0.27	32.21	1.28	-	18.64	13.57
Total	12,621.32	45.48	-	295.12	12,371.68	192.47	9.69	1,436.56	10,935.12

Particulars	Gross Block				Depreciation			Net Block	
	As at 31 March 2023	Additions	Deletions	As at 31 March 2024	For the year	Adjustments / Deductions	As at 31 March 2024	As at 31 March 2024	As at 31 March 2024
Intangible Assets									
Mining Rights	35.09	-	8.45	26.64	-	-	-	-	26.64
Total	35.09	-	8.45	26.64	-	-	-	-	26.64

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025
5 Right-of-Use Asset
(₹ in Lakhs)

Particulars	Cost			Amortisation					Net Carrying Amount	
	As at 31 March 2024	Recognition of Assets taken on finance lease as Right of Use Assets	Adjustment on Modification of Lease term	As at 31 March 2025	As at 31 March 2024	Recognition of Assets taken on finance lease as Right of Use Assets	Amortisation for the year	Adjustment on Modification of Lease term	As at 31 March 2025	As at 31 March 2025
Vehicles	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-

(₹ in Lakhs)

Particulars	Cost			Amortisation					Net Carrying Amount	
	As at 31 March 2023	Recognition of Assets taken on finance lease as Right of Use Assets	Adjustment on Modification of Lease term	As at 31 March 2024	As at 31 March 2023	Recognition of Assets taken on finance lease as Right of Use Assets	Amortisation for the year	Adjustment on Modification of Lease term	As at 31 March 2024	As at 31 March 2024
Vehicles	58.24	-	58.24	-	46.59	-	9.70	56.29	-	-
Total	58.24	-	58.24	-	46.59	-	9.70	56.29	-	-

(₹ in Lakhs)

	As at 31 March 2025	As at 31 March 2024
6 Other non-current financial assets		
<i>Unsecured, considered good</i>		
Security deposits		
- Others	532.42	1,170.64
Balance in Term Deposits (Maturity more than 12 months)	0.50	0.50
Total	532.92	1,171.14

7 Deferred Tax Liabilities/ Assets (Net)
Deferred Tax Liability:

Difference between Book and Income Tax depreciation	59.85	76.54
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Deferred Tax Assets:

Disallowance u/s 43B of the Income Tax Act, 1961 to be allowed on payment basis	23.94	30.94
Unabsorbed Depreciation and Unabsorbed Business loss	2,017.75	900.14
Unabsorbed Long Term Capital loss	821.54	821.53
Total	2,803.38	1,676.07

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

		(₹ in Lakhs)	
		As at 31 March 2025	As at 31 March 2024
Reconciliation of Deferred Tax Assets/(Liabilities)			
Opening Balance as on 1st April		1,676.07	822.36
Deferred tax income/ (expense) on transition impact recognised in other equity		-	-
Deferred tax income/ (expense) during the period recognised in profit & loss		1,099.65	839.15
Deferred tax income/ (expense) during the period recognised in OCI		27.66	19.55
Other adjustment for Consolidation		-	(4.99)
Closing Balance		2,803.38	1,676.07
8 Inventories			
(At cost or NRV whichever is lower)			
Raw materials		175.00	190.77
Work-in-Process		1.69	1.69
Finished Products		-	-
Stores and spares		110.09	108.75
Total		286.78	301.21
9 Trade Receivables			
Unsecured			
Considered good (Refer note 42)		2,971.07	4,413.34
Considered doubtful		-	-
Total		2,971.07	4,413.34
10 Cash and cash equivalents			
Balance with banks:			
- In current account		32.23	36.47
- Deposits with maturity of less than 3 months		-	95.00
Cash in hand		1.87	1.30
Total		34.10	132.77
11 Other Bank Balances			
- Deposits with maturity of more than 3 months but less than 12 months*		0.18	301.58
Total		0.18	301.58

*Held as lien by bank against bank guarantees.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

		(₹ in Lakhs)	
		As at 31 March 2025	As at 31 March 2024
12	Other current financial assets		
	Loans and advances to others	-	-
	Less: allowance for credit loss	-	-
	Sub Total	-	-
	Interest Accrued	0.03	6.76
	Security Deposit	-	5.00
	Total	0.03	11.76
13	Current tax assets (net)		
	Advance tax (Net of provision for income tax)	11.01	276.30
	Total	11.01	276.30
14	Other current assets		
	Advances to vendors	290.69	123.02
	Taxes and duties recoverable	211.43	149.57
	Prepaid Expenses	15.59	13.82
	Total	517.71	286.41
15	Assets Classified as Held for Sale		
	Land	614.50	543.00
	Buildings	0.25	0.25
		614.75	543.25
16	Share capital		
	Authorised:		
	36,00,00,000 (31 March 2024 - 36,00,00,000) equity shares of ₹ 1/- each	3,600.00	3,600.00
	39,00,00,000 (31 March 2024 - 39,00,00,000) preference shares of ₹ 100/- each	3,900.00	3,900.00
	Issued, subscribed & fully paid up:		
	19,55,47,355 (31 March 2024 - 19,55,47,355) equity shares of ₹ 1/- each	1,955.48	1,955.48
	Total	1,955.48	1,955.48

a. **Terms and rights attached to equity shares**

The Company has only one class of Equity shares referred to as equity shares each having a par value of ₹ 1/- per share. The Equity Shares have rights, preferences and restrictions which are in accordance with the provisions of law, in particular the Companies Act, 2013.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025
b. Reconciliation of number of shares outstanding at the beginning and end of the year :

	Number of Shares	Amount (₹ in lakhs)
Outstanding at the 1 April 2023	19,55,47,355.00	1,955.48
Equity Shares issued during the year in consideration for cash	-	-
Outstanding at the 31 March 2024	19,55,47,355.00	1,955.48
Equity Shares issued during the year in consideration for cash	-	-
Outstanding at the 31 March 2025	19,55,47,355.00	1,955.48

c. Shareholders holding more than 5% shares in the company

Name of the Shareholders	As at 31 March 2025		As at 31 March 2024	
	No. of Shares	Percentage	No. of Shares	Percentage
R.B.Shreeram & Co. Pvt. Ltd.	6,10,55,682	31.22%	6,10,55,682	31.22%

		(₹ in Lakhs)	
		As at 31 March 2025	As at 31 March 2024
17 Other equity			
a. Securities premium			
Balance at the beginning of the year		2,667.52	2,667.52
Addition during the year		-	-
Balance at the end of the year		2,667.52	2,667.52
b. Capital Reserves			
Balance at the beginning of the year		8,682.65	8,682.92
Addition during the year		-	(0.27)
Balance at the end of the year		8,682.65	8,682.65
c. General reserve			
Balance at the beginning of the year		250.00	250.00
Add: Transfer from surplus balance in the statement of Profit & Loss		-	-
Balance at the end of the year		250.00	250.00
d. Retained earnings			
Balance at the beginning of the year		2,340.05	4,330.88
Add: Profit for the year after taxation as per statement of Profit and Loss		(5,021.43)	(1,990.83)
Balance at the end of the year		(2,681.38)	2,340.05
e. Equity Component of Loan			
Balance at the beginning of the year		16.64	16.64
Add: Profit for the year after taxation as per statement of Profit and Loss		-	-
Balance at the end of the year		16.64	16.64
f. Other Comprehensive Income			
Foreign Currency Translation Reserve			
Balance at the beginning of the year		347.70	1,138.94
Addition during the year		0.02	(791.24)
Balance at the end of the year		347.72	347.70

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

		(₹ in Lakhs)	
		As at 31 March 2025	As at 31 March 2024
g.	Remeasurement of actuarial gain/loss		
	Balance at the beginning of the year	(205.02)	(146.89)
	Addition during the year	(82.23)	(58.13)
	Balance at the end of the year	(287.25)	(205.02)
	Total Equity (a+b+c+d+e+f+g)	8,995.90	14,099.54
	Nature and purpose of other reserves		
	Securities premium		
	Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Act.		
	General reserve		
	The general reserve is used from time to time to transfer profits from retained earnings for appropriation purpose.		
18	Provisions		
	Provision for employee benefits		
	- Compensated Absences	35.34	56.80
	- Others	-	-
	Total	35.34	56.80
19	Borrowings		
	From Others (Secured)*	285.89	285.89
	From Others (Unsecured)	252.00	252.00
	From related parties (Unsecured)	777.50	380.00
	Total	1,315.39	917.89
	* Facor Turkkrom Mining (Netherlands) BV, Tier I subsidiary, has borrowed Rs. 285.89 Lakhs (\$ 340,000) at Libor +1% Interest by pledging 99.99% shares of Cati Madencilik Ithalat Ve Ihracat AS, Tier II subsidiary, during current financial year, repayable before 31st December, 2024. However, there are no further details available with the parent company regarding the same.		
20	Trade Payables		
	Micro Small and Medium Enterprises (Refer Note No. 43 & 44)	85.67	211.04
	Others (Refer Note No. 44)	2,360.89	2,165.58
	Total	2,446.56	2,376.62
21	Other Financial Liabilities		
	Interest Accrued and Due	147.73	89.45
	Other payables for:		
	- Employee Benefits Payable	419.89	238.01
	- Security deposits / Retention money	4.27	5.17
	Total	571.89	332.63

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

		(₹ in Lakhs)	
		As at 31 March 2025	As at 31 March 2024
22	Other Current Liabilities		
	Statutory dues	42.83	58.32
	Revenue received in advance	158.31	41.16
	Other payables	2,713.92	83.33
	Total	2,915.06	182.81
23	Provisions		
	Provision for employee benefits		
	- Gratuity	136.61	18.73
	- Compensated Absences	21.03	28.85
	Others	1,020.53	1,020.53
	Total	1,178.17	1,068.11
		(₹ in Lakhs)	
		Year ended 31 March 2025	Year ended 31 March 2024
24	Revenue from operations		
	Sale of goods	-	4,994.52
	Sale of service- HCF conversion	-	10,257.59
	Sale of service- SiMn conversion	-	-
		-	15,252.11
	Off-Grade Sale	16.97	
	Export Incentives	-	-
	Scrap Sale	-	127.38
	Grand Total	16.97	15,379.49
25	Other Income		
	Interest income from financial assets measured at amortised cost		
	- On bank deposits	1.29	25.32
	- Others	85.09	187.21
	Miscellaneous Receipts	950.42	70.05
	Rent Received	4.53	114.71
	Total	1,041.33	397.29
26	Change in Inventory of Finished Goods and Work-in-Progress		
	Change in Inventories of Finished Goods & Work-in-Progress		
	Decrease / (Increase) in Stock :		
	(a) Opening Stock		
	- Finished Goods	-	185.49
	- Work-in-Progress	-	276.92
	(b) Less : Closing Stock		
	- Finished Goods	-	-
	- Work-in-Progress	-	-
	Total	-	462.41

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

		(₹ in Lakhs)	
		Year ended 31 March 2025	Year ended 31 March 2024
27	Employee Benefits Expense		
	Salaries and wages	633.63	939.17
	Contribution to provident and other funds	45.96	76.09
	Staff Gratuity and Superannuation	7.15	30.71
	Staff welfare expenses	105.81	179.25
	Total	792.55	1,225.22
28	Finance Costs		
	Interest	250.45	262.66
	Interest Cost on Employee Benefit Plans	5.89	2.21
	Interest on Leased Asset (ROU)	-	1.90
	Total	256.34	266.77
29	Other Expenses		
	Mining Handling & Other Production expenses	21.06	504.93
	Power and fuel	38.49	8,598.93
	Repairs and maintenance:		
	- Buildings	61.90	247.02
	- Plant and machinery	48.12	689.92
	Freight, Shipment & Sales Expenses	-	32.25
	Stores & Spares	0.31	237.11
	Works Expenses	91.70	154.18
	Legal and Professional Expense	120.70	87.77
	Transportation expenses	2.06	125.24
	Rent	15.90	22.24
	Insurance	4.74	7.77
	Rates and Taxes	18.21	19.58
	Donation	-	1.20
	Payment to auditors	6.71	7.23
	Directors' sitting fees	9.55	5.70
	CSR Expenses	-	9.02
	Miscellaneous Expenses	32.13	43.23
	Foreign exchange fluctuations (net)	-	2.16
	Total	471.58	10,795.48

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

		(₹ in Lakhs)	
		Year ended 31 March 2025	Year ended 31 March 2024
29.1	Payment to Auditor as:		
	(a) Statutory Auditor		
	Audit Fees	3.55	3.55
	Tax Audit Fees	0.75	0.75
	Reimbursement of Expenses	0.76	1.28
	(b) Cost Auditor		
	Audit Fees	0.50	0.50
	(c) GST Auditor		
	Audit Fees	1.15	1.15
	Total	6.71	7.23
30	Earning per share		
	Profit/ (Loss) for the period	(5,021.43)	(1,990.83)
	Weighted average number of equity shares of ₹ 1/- each (In lakhs)	1,955.48	1,955.48
	EPS - Basic and Diluted	(2.57)	(1.02)
31	Contingent liabilities, contingent assets and commitments		
	A. Contingent Liabilities		
	a. Claims against the Group not acknowledged as debts, since disputed ₹ 1,336.85 lakhs (Previous Year ₹ 1,336.85 lakhs). Amounts paid under protest ₹ 110.85 lakhs (Previous Year ₹ 110.85 lakhs) have been debited to Advance Account.		
	b. In view of the decision of NCLT, Mumbai bench in the application under section 30(1) and (6) and order under section 31 of Insolvency and Bankruptcy Code, 2016 in the matter of Vidarbha Iron & Steel Corporation Limited, the liability of the Company on account of Corporate Guarantee issued in favour of Consortium Banks of Facor Steels Limited is NIL.		
	c. Bank guarantee amounting to NIL (previous year ₹ 300.00 lakhs) secured by way of fixed deposit.		
	d. Claims against the Company not acknowledged as debts and not provided for: Company had entered into long term conversion agreement with M/s Tata Steel Mining Ltd (TSML), a wholly owned subsidiary of M/s Tata Steel Ltd (TSL) on 22-03-2021. Consequent to the merger of TSML into TSL on 08-08-2023, agreement was modified in the name of M/s TSL w.e.f. 01-09-2023, As per conversion agreement raw materials required for conversion work will be supplied by TSL free of cost at the manufacturing site of the company and company will raise conversion bills on manufacturing of HCFC. During the year, TSL informed the company that 9885 MT of raw material was found short on physical verification of inventory laying at company's premises on 27-02-2024 and shortage of material was valued at prevailing market price at ₹ 31.15 Crores. During the financial year 2024-25, the Company, has recognise the loss amounting to ₹ 23.27 Crores in its books. Accordingly, the total claim of ₹ 23.27 crores has been set off against the following :		
	• ₹ 3.00 crores through encashment of the bank guarantee; (refer note no. 31(c))		
	• ₹ 2.00 crores paid directly via banking channels; and		
	• ₹ 18.27 crores adjusted against outstanding receivables (refer note no.9).		
	The remaining balance of the claim continues to be disputed by the Company in terms of both quantity and valuation. Discussions with TSL are ongoing with a view to jointly reconciling the raw material position since the inception of the agreement. The recognised loss has been disclosed separately under Exceptional Items in the Statement of Profit and Loss for the year ended 31st March 2025.		

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025
32 Segment Information:

Consolidated segment informations are same as segment information of Facor Alloys Limited.

33 Related Party Disclosure:-

Consolidated related party transactions are same as related party transactions of Standalone Facor Alloys Limited except for following transactions which are additional in consolidated financial statement. Amount received by Cati Medencilik Ithalat Ve Ihracat A.S. for Directors and their Relatives are as under:

(₹ In Lakhs)

S.No.	Name of the Related Party	Nature of Relationship	Transactions during the year		Balance at the year end	
			2024-25	2023-24	2024-25	2023-24
1	Huseyin Cevik	Director	-	(34.74)	-	-
2	Gokhan Cevik*	Relative of Director	-	(37.09)	-	-

* Variation is due to exchange fluctuation

34 During the year, the Company has recognized a liability towards Fuel & Power Purchase Cost Adjustment (FPPCA) in respect of the financial years 2022–23 and 2023–24, pursuant to the order issued by the Andhra Pradesh Electricity Regulatory Commission. The liability has been provided in the financial year 2024–25.

In addition, FPPCA charges relating to the financial year 2021–22 was recognized in the previous financial year (FY 2023–24), pursuant to a regulatory order issued during that period.

35 During the financial year 2024-25, the management identified an excess quantity of 329.40 MT of anthracite coal at the production floor. This surplus arose due to lower-than-anticipated consumption of raw materials in the manufacturing process when compared with the standard norms for production efficiency. Out of the identified excess, 257.40 MT was sold during the year. Given the non-recurring and exceptional nature of this event, the proceeds from the sale have been disclosed separately under Exceptional Items in the Statement of Profit and Loss for the year ended 31st March 2025.

36 During the financial year 2024-25, there was a change in the management of the Company. Following this transition, the new management was unable to obtain complete and reliable financial information relating to the Company's overseas subsidiary, which is required for the purpose of consolidation. After obtaining a legal opinion, the management has taken a considered decision to present the consolidated financial results for the year ended 31st March 2025, excluding the financial results of the said overseas subsidiary.

It is further clarified that the current year's transactions of the overseas subsidiary have not been considered for the purpose of consolidation. Based on the management's assessment, the financial impact of non-consolidation of these transactions is not material to the consolidated financial statements.

In relation to the above matter, the Company has also filed a formal complaint with the Economic Offences Wing (EOW) for appropriate action and investigation.

37 Plant operations have been temporarily shut down with effect from October 31, 2023. As a result, the Company has incurred significant losses during the quarter/year, with only minimal revenue generated, primarily from the sale of by-products.

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.

38 Details of Loans given, Investments made and Guarantee given covered U/s 186(4) of the Companies Act, 2013.

Loans given, Investments made and Guarantees given by the Company in respect of loans are given under the respective heads.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

39

FORM AOC - 1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/ associate companies

Part "A": Subsidiaries

(₹ in lakhs)

1	Sl. No.	1	2	3	4
2	Name of subsidiary	FAL Power Ventures Pvt. Ltd.	Facor Minerals (Netherlands) B.V.	Facor Turkkrom Mining (Netherlands) B.V.	Cati Mandencilik Ithalat ve Ihracat A.S.
			Refer note no 36 above.		
3	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	-	-	-	-
4	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries		US\$ 83.355	US\$ 83.355	US\$ 83.355
5	Share Capital	1.00	2,006.03	1,833.81	95.53
6	Reserves & Surplus	(209.39)	(11,785.28)	(1,837.38)	(1,243.31)
7	Total Assets	47.98	146.89	305.39	145.68
8	Total Liabilities	47.98	146.89	305.39	145.68
9	Investments	-	-	-	-
10	Turnover	-	-	-	-
11	Profit before taxation	949.88	716.19	(4.63)	(772.27)
12	Provision for taxation	-	-	-	-
13	Profit after taxation	949.88	716.19	(4.63)	(772.27)
14	Proposed Dividend	-	-	-	-
15	% of shareholding	100%	90.65%	100%	100%

Notes:

1: Following are the names of subsidiaries which are yet to commence operations ;

- | | |
|---|---|
| i). FAL Power Ventures Pvt. Ltd. | ii). Facor Minerals (Netherlands) B.V. |
| iii). Facor Turkkrom Mining (Netherlands) B.V.:-
Subsidiary of Facor Minerals (Netherlands) B.V. | iv). Cati Madencilik Ithalat ve Ihracat A.S.:-
Subsidiary of Facor Turkkrom Mining (Netherlands) B.V |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

- 40** Additional information, as required under schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiary/Associate.

S. No.	Name of the entity	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
		As % of consolidated net assets	Amount (₹ in lakhs)	As % of consolidated profit or loss	Amount (₹ in lakhs)	As % of consolidated other comprehensive income	Amount (₹ in lakhs)	As % of consolidated total comprehensive income	Amount (₹ in lakhs)
	1	2	3	4	5	6	7	8	9
	Parent								
	Facor Alloys Limited	93.33	9,367.25	(145.55)	(5,323.56)	(5.69)	(82.23)	(105.92)	(5,405.79)
	Subsidiaries								
	Indian								
1	FAL Power Ventures Pvt. Ltd.	(2.09)	(209.39)	25.97	949.88	-	-	18.61	949.88
	Foreign								
	Facor Minerals (Netherlands) B.V. - Refer Note 36	(117.42)	(11,785.28)	19.58	716.19	-	-	14.03	716.19
	Non-controlling Interest in Subsidiaries	(9.11)	(914.29)	-	-	-	-	-	-
	Adjustment on Consolidation	135.29	13,578.80			(94.31)	(1,363.92)	(26.72)	(1,363.92)
	Total	100.00	10,037.09	(100.00)	(3,657.49)	(100.00)	(1,446.15)	(100.00)	(5,103.64)

41 Employee benefits

Consolidated employee benefits are same as employee benefits of Standalone Facor Alloys Limited.

- 42** Consolidated Trade Receivable are same as Trade Receivable of Standalone Facor Alloys Limited. During the year, trade receivables include a reduction amounting to ₹ 18.27 crores on account of adjustment made against a claim raised by M/s Tata Steel Ltd. (TSL) relating to a shortage of raw materials supplied under a long-term conversion agreement. The said adjustment has been accounted for as part of the loss recognised under Exceptional Items in the Statement of Profit and Loss for the year ended 31st March 2025.

This set-off represents the settlement of outstanding dues from TSL (formerly Tata Steel Mining Ltd.) in line with the resolution of the matter disclosed under Contingent Liabilities and Claims Not Acknowledged as Debt.

- 43** Consolidated MSME details are same as MSME detail of Standalone Facor Alloys Limited.

- 44** Trade Payable for following periods from due date of payment. (₹ In Lakhs)

Particulars	As at 31 March 2025		As at 31 March 2024	
	MSME	Others	MSME	Others
Less than 1 year	-	480.95	211.04	1,529.86
1-2 years	85.67	1,858.10	-	91.68
2-3 years	-	21.61	-	543.87
More than 3 years	-	0.23	-	0.17
Total	85.67	2,360.89	211.04	2,165.58

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

45 Financial instruments – Fair values and risk management

I. Fair value measurements

A. Financial instruments by category*

(₹ in Lakhs)

Particulars	As at 31 March 2025	As at 31 March 2024
	Amortised Cost	Amortised Cost
Financial assets		
Other non-current financial assets	532.92	1,171.14
Trade receivables	2,971.07	4,413.34
Cash and cash equivalents	34.10	132.77
Other bank balances	0.18	301.58
Other current financial assets	0.03	11.76
Total	3,538.30	6,030.59
*Exclude financial instruments measured at cost		
Financial liabilities		
Borrowings	1,315.39	917.89
Trade payables	2,446.56	2,376.62
Other financial liabilities	571.89	332.63
Total	4,333.84	3,627.14

B. Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are:

- (a) recognised and measured at fair value and
- (b) measured at amortised cost and for which fair values are disclosed in the financial statements.

To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Financial assets and liabilities which are measured at amortised cost for which fair values are disclosed

(₹ in Lakhs)

Particulars	As at 31 March 2025			
	Level 1	Level 2	Level 3	Total
Financial assets				
Other non-current financial assets	-	-	532.92	532.92
Trade receivables	-	-	2,971.07	2,971.07
Cash and cash equivalents	-	-	34.10	34.10
Other bank balances	-	-	0.18	0.18
Other current financial assets	-	-	0.03	0.03
Total financial assets	-	-	3,538.30	3,538.30
Financial liabilities				
Borrowings	-	-	1,315.39	1,315.39
Trade payables	-	-	2,446.56	2,446.56
Other financial liabilities	-	-	571.89	571.89
Total financial liabilities	-	-	4,333.84	4,333.84

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025
Financial assets and liabilities which are measured at amortised cost for which fair values are disclosed
(₹ in Lakhs)

Particulars	As at 31 March 2024			
	Level 1	Level 2	Level 3	Total
Financial assets				
Other non-current financial assets	-	-	1,171.14	1,171.14
Trade receivables	-	-	4,413.34	4,413.34
Cash and cash equivalents	-	-	132.77	132.77
Other bank balances	-	-	301.58	301.58
Other current financial assets	-	-	11.76	11.76
Total financial assets	-	-	6,030.59	6,030.59
Financial liabilities				
Borrowings	-	-	917.89	917.89
Trade payables	-	-	2,376.62	2,376.62
Other financial liabilities	-	-	332.63	332.63
Total financial liabilities	-	-	3,627.14	3,627.14

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs are not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

There are no transfers between level 1 and level 2 during the year

C. Fair value of financial assets and liabilities measured at amortised cost
(₹ in Lakhs)

Particulars	As at 31 March 2025		As at 31 March 2024	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial assets				
Other non-current financial assets	532.92	532.92	1,171.14	1,171.14
Trade receivables	2,971.07	2,971.07	4,413.34	4,413.34
Cash and cash equivalents	34.10	34.10	132.77	132.77
Other bank balances	0.18	0.18	301.58	301.58
Other current financial assets	0.03	0.03	11.76	11.76
Total	3,538.30	3,538.30	6,030.59	6,030.59
Financial liabilities				
Borrowings	1,315.39	1,315.39	917.89	917.89
Trade payables	2,446.56	2,446.56	2,376.62	2,376.62
Other financial liabilities	571.89	571.89	332.63	332.63
Total	4,333.84	4,333.84	3,627.14	3,627.14

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025
II. Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- credit risk;
- liquidity risk; and
- market risk

Risk management framework

A company is exposed to uncertainties owing to the sector in which it is operating. The Company is conscious of the fact that any risk that could have a material impact on its business should be included in its risk profile. Accordingly, in order to contain / mitigate the risk, the Board of Directors have approved a Risk Management Policy which shall be reviewed by Board and the management from time to time.

The Company's Risk Management framework is designed to identify, assess and monitor various risks related to key business and strategic objectives and lead to the formulation of a mitigation plan. Major risks in particular are monitored regularly at Executive meetings and the Board of Directors of the Company is kept abreast of such issues and the policy was reviewed by the Board and Committee at its meeting.

The Company's Audit Committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The Audit Committee is assisted in its oversight role by Internal Audit. Internal Audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

i. Credit risk

Credit risk is the risk of financial loss to company if a customer or counterparty to the financial instrument fails to meet its financial obligations, and arises principally from the loans & advances to related parties and company's receivables from customers.

Financial instruments that are subject to concentrations of credit risk principally consist of trade receivables, cash and cash equivalents, other balances with banks and other financial assets. None of the financial instruments of the Company result in material concentration of credit risk other than trade receivable.

The company maintains its Cash and cash equivalents and Bank Deposits with banks having good reputation, good past track record and high quality credit rating and also reviews their credit rating on a timely basis.

The gross carrying amount of trade receivables is ₹ 6,178.96 lakhs (31 March 2024 ₹ 4,413.34 lakhs).

During the period, the Company has made no write-offs of trade receivables. The Company management also pursue all options for recovery of dues wherever necessary based on its internal assessment. A default on a financial asset is when counterparty fails to make payments within 365 days when they fall due.

Other current financial assets basically include loans and advances recoverable from related parties. Provision is created in books of accounts on case to case basis depending upon the possibility/probability of recovery of the amount due to financial position of related parties. The gross carrying amount of loan and advances to related parties as on 31 March 2025 amounted to ₹ NIL (NIL as on 31 March 2024).

ii. Liquidity risk

Liquidity risk refers to risk of financial distress or extra ordinary high financing cost arising due to shortage of liquid funds in a situation where business conditions unexpectedly deteriorate and require financing. The Company's objective is to maintain at all times optimum levels of liquidity to meet its cash and collateral requirements. Processes and policies related to such risk are overseen by senior management and management monitors the Company's net liquidity position through rolling forecast on the basis of expected cash flows.

(a) Financing arrangements

The company do not have undrawn bank overdraft facilities as on 31 March 2025 and as on 31 March 2024.

(b) Maturities of financial liabilities

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and excluding contractual interest payments and exclude the impact of netting agreements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

(₹ in Lakhs)

Particulars	Contractual cash flows					
	Carrying Amounts 31 March 2025	Total	Upto 1 year	Between 1 and 2 years	Between 2 and 5 years	More than 5 year
Non-derivative financial liabilities						
Borrowings	1,315.39	1,315.39	1,315.39	-	-	-
Trade payables	2,446.56	2,446.56	2,446.56	-	-	-
Other financial liabilities	571.89	571.89	571.89	-	-	-
Total non-derivative liabilities	4,333.84	4,333.84	4,333.84	-	-	-

(₹ in Lakhs)

Particulars	Contractual cash flows					
	Carrying Amounts 31 March 2024	Total	Upto 1 year	Between 1 and 2 years	Between 2 and 5 years	More than 5 year
Non-derivative financial liabilities						
Borrowings	917.89	917.89	917.89	-	-	-
Trade payables	2,376.62	2,376.62	2,376.62	-	-	-
Other financial liabilities	332.63	332.63	332.63	-	-	-
Total non-derivative liabilities	3,627.14	3,627.14	3,627.14	-	-	-

iii. **Market risk**

Market risk is the risk that changes in market prices, foreign exchange rates and interest rates – will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

a) **Equity Price risk**

Commodity Price Risk is the risk that future cash flow of the Company will fluctuate on account of changes in market price of the material produced and sold by the company. The Company is exposed to the movement in price of key raw materials in domestic and international markets. The Company has in place policies to manage exposure to fluctuations in the prices of the materials. The Company enters into contracts for procurement of materials and most of the transactions are short term fixed price contracts.

b) **Currency risk**

Foreign currency risk is the risk that fair value of future cash flow of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities. The Company has foreign currency trade payables and receivables and is therefore, exposed to a foreign exchange risk. Foreign currency risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the Company's functional currency (INR). The risk is managed through a forecast of highly probable foreign currency cash flows.

Exposure to currency risk

The summary quantitative data about the Group's exposure to currency risk as reported to the management of the Group is as follows:

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

Particulars	As at 31 March 2025	As at 31 March 2024
	USD	USD
Financial asset		
Trade receivables	-	-
Net exposure to foreign currency risk (assets)	-	-
Financial Liabilities		
Trade payables	-	-
Net statement of financial position exposure	-	-

Sensitivity analysis

A reasonably possible strengthening (weakening) of the INR against all other currencies at 31 March would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant.

Particulars	Profit or loss, net of tax		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
31 March 2025				
5% movement				
USD	-	-	-	-
31 March 2024				
5% movement				
USD	-	-	-	-

c) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company exposure to the risk of changes in market interest rates related primarily to the Company's short term borrowing with floating interest rates. The Company constantly monitors the credit markets and rebalances its financing strategies to achieve an optimal maturity profile and financing cost.

Exposure to interest rate risk

The interest rate profile of the Company 's interest bearing financial instruments at the end of the reporting period are as follows:

(₹ in Lakhs)

Particulars	31 March 2025	31 March 2024
Fixed Rate Instruments		
Financial Assets	-	-
Financial Liabilities	-	-
	-	-
Variable Rate Instruments		
Financial Assets	-	-
Financial Liabilities	-	-
	-	-

Sensitivity analysis**Fixed rate instruments**

Fixed rate instruments that are carried at amortised cost are not subject to interest rate risk for the purpose of sensitive analysis.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025
Variable rate instruments

A reasonably possible change of 100 basis points in variable rate instruments at the reporting dates would have increased or decreased profit or loss by the amounts shown below. This analysis assumes that all other variables remain constant.

Particulars	Profit or loss, net of tax		Equity, net of tax	
	100 bp increase	100 bp decrease	100 bp increase	100 bp decrease
31 March 2025				
Variable Rate Instruments	-	-	-	-
Cash flow sensitivity (net)	-	-	-	-
31 March 2024				
Variable Rate Instruments	-	-	-	-
Cash flow sensitivity (net)	-	-	-	-

46 Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, securities premium and all other equity reserves attributable to the equity share holders of the Company. The primary objective of the Company's capital management is to safeguard continuity, maintain healthy capital ratios in order to support its business and maximise shareholder value. The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The funding requirement is met through equity, internal accruals, long term borrowings and short term borrowings. In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements.

47 The Company has terminated the conversion agreements dated 01-08-2021 ("Agreement") with Rajadhiraj Vinayak Natraj Pvt. Ltd ("RTVNPL") vide termination notice dated 27-10-2022 as RTVNPL has violated the terms of the said Agreement. RTVNPL against the said termination had filed a petition bearing no.O.M.P. (I) (Comm.) 310/2022 under section 9 of arbitration and conciliation Act ("Act") before Hon'ble High Court of Delhi and sought interim reliefs against the termination of the said Agreement. The Hon'ble High Court of Delhi vide order dated 03-11-2022 referred the parties to Mediation under the aegis of Samadhan, at Delhi High Court Mediation and Conciliation Centre, however same was unsuccessful.

Thereafter, the Hon'ble High Court of Delhi vide order dated 10-11-2022 treated present petition as an application under section 17 of the Act on mutual consent of both counsels and referred the matter to the arbitration to be held under the aegis of the Delhi International Arbitration Centre, Delhi High Court. Hon'ble Ms. Justice Indira Banerjee, former judge of Supreme Court of India was appointed as Sole Arbitrator. Claim and counter claim are filed and arbitration is in process. As no Arbitration award has been passed and impact cannot be quantified at this stage, therefore, no accounting adjustment have been made in books of Accounts. Debtors include Rs. 2,444.85 lakh receivable from RTVNPL on account of conversion bills as on 31-03-2024.

48 The figures for the corresponding previous year has been regrouped/ reclassified wherever necessary, to make them comparable.

As per our report of even date.

For and on behalf of the Board of Directors

Ashwin Mankeshwar
Partner
(Membership No. 046219)

Murlidhar Durgaprasadji Saraf
Director
(DIN: 00011966)

Ashish Santosh Agrawal
Whole Time Director
(DIN: 02148665)

For K.K. Mankeshwar & Co.
Chartered Accountants
(Firm's Regn. No. 106009W)
UDIN: 25046219BMLMSM2877

Place: Nagpur
Date: 20th May, 2025

Vinod Saraf
President

Md. Asim Quraishi
CFO

Sachin Kumar Gupta
Company Secretary

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