

ELECTROTHERM[®] (INDIA) LTD.



Ref. No :- EIL/SD/AR/2013-14/22XI
Date :- 22nd November, 2013

To
General Manager (Listing),
BSE Ltd.
Phiroze Jeejeebhoy Towers
Dalal Street, Fort
Mumbai – 400 001

Company Code: 526608

Dear Sir,

Subject :- Submission of Standalone and Consolidated Audited Financial Results for the financial year ended on 30th September, 2013

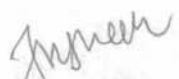
With regard to above subject, please find enclosed herewith Standalone and Consolidated Audited Financial Results for the quarter and year ended on 30th September, 2013.

The Board of Directors of the Company at their meeting held on 22nd November, 2013 has approved the above results.

You are requested to kindly take the same on record.

Thanking You

Yours faithfully,
For Electrotherm (India) Limited


Jigar Shah
Company Secretary



CC To:

Listing Department
National Stock Exchange of India Ltd.
Exchange Plaza, Bandra – Kurla Complex,
Bandra (East), Mumbai – 400 051

COMPANY CODE: ELECTHERM

ELECTROTHERM (India) Limited

HEAD OFFICE & WORKS:
Survey No. 72, Palodia, (Via Thalaj, Ahmedabad), Gujarat-382115, India.
Phone: +91-2717-234553 – 7, 660550 Fax: +91-2717-234866
Email: ho@electrotherm.com
Website: www.electrotherm.com

REGD. OFFICE:
A-1, Skylark Apartment, Satellite Road,
Satellite, Ahmedabad-380015.
Phone: +91-79-26768844, Fax: +91-79-26768855

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

**ELECTROTHERM (INDIA) LIMITED**

Registered Office : A-1, Skylark Apartment, Satellite Road, Satellite, Ahmedabad - 380 015

Audited Financial Results for the Quarter and Year ended on September 30, 2013

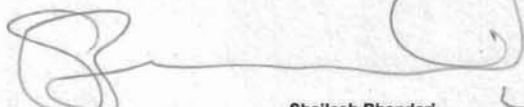
(Rs. in Millions)

Sr. No.	Particulars	Standalone					Consolidated	
		Quarter ended	Quarter ended	Quarter ended	Year ended (12 months)	Year ended (18 months)	Year ended (12 months)	Year ended (18 months)
		30/09/2013 Audited	30/06/2013 Unaudited	30/09/2012 Audited	30/09/2013 Audited	30/09/2012 Audited	30/09/2013 Audited	30/09/2012 Audited
PART I								
1	Income from operations							
	(a) Net Sales / Income from Operations (Net of excise duty)	2,968.55	2,149.84	2,774.48	10,552.32	22,389.03	12,468.38	25,819.28
	(b) Other operating income	-	-	-	-	-	-	-
	Total Income from operations (net)	2,968.55	2,149.84	2,774.48	10,552.32	22,389.03	12,468.38	25,819.28
2	Expenses							
	(a) Cost of materials consumed	2,292.45	1,539.68	2,047.65	7,392.13	15,192.56	8,563.16	16,684.94
	(b) Purchases of stock-in-trade	54.31	55.55		259.90	1,388.22	270.22	1,794.49
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	178.90	(128.68)	724.97	146.14	1,606.56	233.50	1,706.66
	(d) Employee benefits expenses	135.81	140.85	241.69	672.67	1,215.05	778.62	1,432.10
	(e) Depreciation and amortisation expenses	335.11	349.32	98.85	1,388.28	1,991.83	1,432.25	2,062.38
	(f) Other expenses	666.05	503.06	784.95	2,280.31	4,721.50	2,843.03	6,056.38
	Total Expenses	3,662.63	2,459.78	3,898.12	12,139.43	26,115.72	14,120.77	29,736.95
3	Profit / (Loss) from operations before other income, finance costs & exceptional items (1-2)	(694.08)	(309.94)	(1,123.64)	(1,587.11)	(3,726.69)	(1,652.39)	(3,917.67)
4	Other Income	34.35	1.22	115.67	64.06	316.42	63.40	271.14
5	Profit / (Loss) from ordinary activities before finance costs and exceptional items (3+4)	(659.73)	(308.72)	(1,007.97)	(1,523.05)	(3,410.27)	(1,588.99)	(3,646.53)
6	Finance Costs	534.10	49.99	(73.17)	1,015.46	4,740.34	1,068.59	5,026.77
7	Profit / (Loss) from ordinary activities after finance costs but before exceptional items (5-6)	(1,193.83)	(358.71)	(934.79)	(2,538.51)	(8,150.61)	(2,657.58)	(8,673.30)
8	Exceptional Items	-	-	-	-	-	-	-
9	Profit / (Loss) from ordinary activities before tax (7-8)	(1,193.83)	(358.71)	(934.79)	(2,538.51)	(8,150.61)	(2,657.58)	(8,673.30)
10	Tax expense	0.25	-	0.23	0.25	0.23	0.80	3.04
11	Net Profit / (Loss) from ordinary activities after Tax (9-10)	(1,194.08)	(358.71)	(935.02)	(2,538.76)	(8,150.84)	(2,658.38)	(8,676.34)
12	Extra Ordinary Items (Net of Tax Expense)	(0.07)	-	20.14	(0.12)	858.30	-	867.21
13	Net Profit / (Loss) for the period (11+12)	(1,194.15)	(358.71)	(914.88)	(2,538.88)	(7,292.53)	(2,658.38)	(7,819.13)
14	Share of profit / (loss) of associates						-	-
15	Minority Interest						1.46	2.85
16	Net Profit / (Loss) after taxes, minority interest and share of profit / (loss) of associates (13 + 14 + 15)						(2,656.92)	(7,816.28)
17	Paid up Equity Share Capital (Face value of Rs. 10 each)	114.76	114.76	114.76	114.76	114.76	114.76	114.76
18	Reserves excluding revaluation reserves	-	-	-	(2,737.92)	(167.22)	(3,427.83)	(737.00)
19.i	Earning per share (not annualized)							
	(a) Before extra ordinary items							
	(i) Basic	(104.05)	(31.26)	(81.48)	(221.22)	(710.25)	(231.65)	(756.04)
	(ii) Diluted	(104.05)	(31.26)	(81.48)	(221.22)	(710.25)	(231.65)	(756.04)
	(b) After extra ordinary items							
	(i) Basic	(104.06)	(31.26)	(79.72)	(221.23)	(635.46)	(231.65)	(681.35)
	(ii) Diluted	(104.06)	(31.26)	(79.72)	(221.23)	(635.46)	(231.65)	(681.35)
PART II								
A	PARTICULARS OF SHAREHOLDING							
1	Public Share holding							
	(a) No of Shares	7708299	7708299	7708299	7708299	7708299	7708299	7708299
	(b) Percentage of shareholding	67.17	67.17	67.17	67.17	67.17	67.17	67.17
2	Promoters and Promoter group shareholding							
	(a) Pledged / Encumbered							
	(i) Number of shares	300000	300000	300000	300000	300000	300000	300000
	(ii) Percentage of shares (as a % of the total shareholding of promoter and promoter group)	7.96	7.96	7.96	7.96	7.96	7.96	7.96
	(iii) Percentage of shares (as a % of the total share capital of the company)	2.61	2.61	2.61	2.61	2.61	2.61	2.61
	(b) Non-encumbered							
	(i) Number of shares	3468075	3468075	3468075	3468075	3468075	3468075	3468075
	(ii) Percentage of shares (as a % of the total shareholding of promoter and promoter group)	92.04	92.04	92.04	92.04	92.04	92.04	92.04
	(iii) Percentage of shares (as a % of the total share capital of the company)	30.22	30.22	30.22	30.22	30.22	30.22	30.22
B	The Status of Investor grievances for the quarter ended on 30th September, 2013 :							
	Pending at the beginning of the quarter			0				
	Received during the quarter			0				
	Disposed off during the quarter			0				
	Remaining unresolved at the end of the quarter			0				



SEGMENT WISE REVENUE, RESULTS AND CAPITAL EMPLOYED (Under Clause 41 of Listing Agreement)								
Sr. No.	Particulars	Standalone					Consolidated	
		Quarter ended	Quarter ended	Quarter ended	Year ended (12 months)	Year ended (18 months)	Year ended (12 months)	Year ended (18 months)
		30/09/2013	30/06/2013	30/09/2012	30/09/2013	30/09/2012	30/09/2013	30/09/2012
		Audited	Unaudited	Audited	Audited	Audited	Audited	Audited
1	Segment Revenue							
	(a) Engineering and Projects Division	884.95	531.05	1,081.22	3,879.28	4,977.82	3,879.28	4,977.82
	(b) Special Steel Division	2,069.06	1,603.59	1,641.68	6,547.44	16,896.23	6,547.44	16,896.23
	(c) Electric Vehicle Division	18.59	16.90	78.41	144.62	583.34	144.62	583.34
	(d) Others	-	-	-	-	-	1,916.06	3,430.25
	Total	2,972.60	2,151.54	2,801.31	10,571.34	22,457.39	12,487.40	25,887.64
	Less: Inter Segment Revenue	4.05	1.70	26.82	19.02	68.36	19.02	68.36
	Net Sales / Income from Operations	2,968.55	2,149.84	2,774.49	10,552.32	22,389.03	12,468.38	25,819.28
2	Segment Results Profit / (Loss) Before Finance Cost and Tax							
	(a) Engineering and Projects Division	(326.56)	(40.40)	82.49	(252.28)	116.74	(252.28)	116.74
	(b) Special Steel Division	(320.29)	(248.67)	(862.73)	(1,157.77)	(3,138.01)	(1,157.77)	(3,138.01)
	(c) Electric Vehicle Division	(12.89)	(19.65)	(227.72)	(113.02)	(388.99)	(113.02)	(388.99)
	(d) Others	-	-	-	-	-	(65.92)	(236.27)
	Total	(659.74)	(308.72)	(1,007.96)	(1,523.07)	(3,410.26)	(1,588.99)	(3,646.53)
	Less: (i) Finance Costs	534.10	49.99	(73.17)	1,015.46	4,740.34	1,068.59	5,026.77
	Less: (ii) Other Unallocable Expense net of Unallocable Income	-	-	-	-	-	-	-
	Total Profit Before Tax	(1,193.84)	(358.71)	(934.79)	(2,538.53)	(8,150.60)	(2,657.58)	(8,673.30)
3	Capital employed (Segment Assets less Segment Liabilities)							
	(a) Engineering and Projects Division	1,139.59	1,690.70	3,006.46	1,139.59	3,006.46	1,139.59	3,006.46
	(b) Special Steel Division	(1,732.14)	300.85	(90.63)	(1,732.14)	(90.63)	(1,732.14)	(90.63)
	(c) Electric Vehicle Division	503.99	474.21	583.20	503.99	583.20	503.99	583.20
	(d) Others	-	-	-	-	-	650.27	2,111.20
	Total	(88.56)	2,465.76	3,499.03	(88.56)	3,499.03	561.70	5,610.23
Notes:								
1	The above Audited Financial Results were reviewed by the Audit Committee. The Board of Directors at its meeting held on 22 nd November, 2013 has approved the above results and its release.							
2	Various Banks / Creditors have initiated legal actions in the nature of winding up petitions, debt recovery proceedings, criminal complaints etc. against the company and its directors / officers for outstanding dues and the same are pending with various courts / authorities with some interim orders / directions. The Company is contesting against the said legal actions.							
3	The Company has approached the lenders to restructure the entire debt of the Company. In accordance to the guidelines for Corporate Debt Restructuring (CDR) issued by Reserve Bank of India, the flash report of the Company was discussed at CDR Empowered Group (EG) meeting and the reference for restructuring of the debt of the Company was admitted with CDR Cell on August 23/24, 2012 with cutoff date as January 1, 2012. But the scheme could not be finalized due to unavoidable circumstances. Bank of India the referring institution submitted a Memorandum dated July 20, 2013 for re-entry of the company in CDR, the flash cum final report of the company with revised cutoff date (i.e. March 31, 2013) was submitted to CDR Cell in accordance with the guidelines for Corporate Debt Restructuring issued by the Reserve Bank of India. The final scheme had been discussed at the CDR EG Meeting and the reference to restructuring of the debt of the Company was readmitted on August 23, 2013. The final CDR package will be approved by CDR EG soon.							
4	Many bank accounts of the Company were classified as Non Performing Assets and therefore provision for Interest (other than upfront charges) on Corporate Loan and Working Capital Loans amounting to Rs. 4588.25 Millions has not been provided in the books of accounts and to that extent loss and bankers loan liability has been understated.							
5	In the opinion of the management, the current assets and liabilities, loans and advances are approximately of the value stated, if realised in the ordinary course of business.							
6	Extra ordinary items for the 18 months period ending on September 30, 2012 comprises of deferred tax liability of Rs. 865.12 millions written back to Statement of Profit & Loss.							
7	The figures of current financial year are of 12 (Twelve) months ended on 30/09/2013 and the figures of previous financial period are of 18 (Eighteen) months ended on 30/09/2012 and hence the same are not comparable. Figures of the previous financial period have been re-arranged / regrouped / reclassified / re-casted wherever necessary.							
8	The figures for the quarter ended September 30, 2013 represent the derived figure between the audited figure in respect of the financial year ended on September 30, 2013 and the published year to date figure upto June 30, 2013 being the date of the end of the 3 rd Quarter of the Current Financial Year which was subject to the limited review.							



Standalone / Consolidated Statement of Assets and Liabilities					
Statement of Assets and Liabilities		Standalone		Consolidated	
		Year ended (12 months)	Year ended (18 months)	Year ended (12 months)	Year ended (18 months)
		30/09/2013 Audited	30/09/2012 Audited	30/09/2013 Audited	30/09/2012 Audited
A	EQUITY AND LIABILITIES				
1	Shareholders' funds				
	(a) Share Capital	234.76	234.76	234.76	234.76
	(b) Reserves and Surplus	(2,737.92)	(167.22)	(2,828.38)	(62.21)
	(c) Money received against share warrants	-	-	-	-
	Sub-Total - Shareholders' funds	(2,503.16)	67.54	(2,593.62)	172.55
2	Share Application Money pending allotment	-	-	24.19	13.76
3	Minority Interest	-	-	77.72	79.18
4	Non-current Liabilities				
	(a) Long Term borrowings	2,693.66	5,019.90	3,315.92	5,550.31
	(b) Deferred tax liabilities (net)	-	-	41.78	42.46
	(c) Other long term liabilities	-	-	-	-
	(d) Long term provisions	53.68	75.53	54.96	79.82
	Sub-Total - Non-current Liabilities	2,747.34	5,095.43	3,412.66	5,672.59
5	Current Liabilities				
	(a) Short term borrowings	28,529.95	25,604.36	29,148.15	26,207.58
	(b) Trade payables	2,006.26	2,155.20	2,259.13	2,501.53
	(c) Other current liabilities	2,121.01	1,267.59	2,147.34	1,344.87
	(d) Short term provisions	42.47	42.54	42.50	42.56
	Sub-Total - Current Liabilities	32,699.69	29,069.69	33,597.12	30,096.54
	TOTAL - EQUITY AND LIABILITIES	32,943.87	34,232.66	34,518.07	36,034.62
B	ASSETS				
1	Non-current Assets				
	(a) Fixed Assets	14,917.46	16,310.88	17,014.96	18,501.37
	(b) Goodwill on consolidation	-	-	-	-
	(c) Non-current investments	1,273.87	1,223.95	0.91	1.11
	(d) Deferred tax assets (net)	-	-	-	-
	(e) Long term loans and advances	202.47	227.65	221.58	246.08
	(f) Other non-current assets	332.67	292.72	359.25	327.86
	Sub-Total - Non-current Assets	16,726.47	18,055.20	17,596.70	19,076.42
2	Current Assets				
	(a) Current investments	-	-	-	-
	(b) Inventories	6,509.38	6,942.88	7,096.98	7,621.78
	(c) Trade receivables	4,656.52	4,459.35	4,742.01	4,564.54
	(d) Cash and Bank Balance	270.13	440.62	293.16	497.29
	(e) Short term loans and advances	4,775.14	4,313.84	4,769.84	4,251.60
	(f) Other current assets	6.23	20.77	19.38	22.99
	Sub-Total - Current Assets	16,217.40	16,177.46	16,921.37	16,958.20
	TOTAL - ASSETS	32,943.87	34,232.66	34,518.07	36,034.62
		For and on behalf of Board of Directors			
Place: Ahmedabad Date: 22nd November, 2013		 			
		Shailesh Bhandari Managing Director			



To,
The Board of Directors
Electrotherm (India) Limited.

1. We have audited the statement of Standalone and Consolidated financial results of **Electrotherm (India) Limited** ('the Company') for the year ended September 30, 2013, attached herewith, being submitted by the Company pursuant to the requirement of Clause 41 of the Listing Agreement, except for the disclosures regarding 'Public Shareholding' and 'Promoter And Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been audited by us. The financial results for the quarter ended September 30, 2013 have been prepared on the basis of the financial results for the nine-month period ended on June 30, 2013, the audited annual financial statement for the year ended September 30, 2013 and the relevant requirements of Clause 41 of the Listing Agreement are the responsibility of the Company's management and have been approved by the Board of Directors of the Company. Our responsibility is to express an opinion on these financial results based on our review of the financial results for the nine-month period ended June 30, 2013 which was prepared in accordance with the recognition and measurement principles laid down in Accounting Standards (AS) 25, Interim Financial Reporting, issued pursuant to the Companies (Accounting Standards) Rules, 2006, (as amended) as per Section 211(3C) of the Companies Act, 1956 and other accounting principles generally accepted in India; our audit of the annual financial statements as at and for the year ended September 30, 2013; and the relevant requirements of Clause 41 of the Listing Agreement.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.
3. The statement includes Consolidated Financial Results and Consolidated Financial Information of the following entities:-
 - a) Jinhua Indus Enterprises Limited,
 - b) Jinhua Jahari Enterprises Limited subsidiary of Jinhua Indus Enterprises Limited,
 - c) Bhaskarpara Coal Company Limited,
 - d) ET Elec-Trans Limited,
 - e) Shree Ram Electrocast Limited,
 - f) Hans Ispat Limited,
 - g) Shree Hans Papers Limited and
 - h) Electrotherm Mali SARL



4. In our opinion and to the best of our information and according to the explanations given to us these quarterly financial results as well as the year to date results:
- As presented in accordance with the requirements of clause 41 of Listing Agreement in this regard; and
 - Give a true and fair view of the net **Loss** and other financial information for the quarter ended September 30, 2013 and for the year from October 1, 2012 to September 30, 2013 subject to following major emphasis:-
 - We draw attention in respect of winding up petition and recovery cases against the company and restructuring of the debt of the company affecting the going concern concept of the company.*
 - We draw attention in respect to the non provision of long disputed advances, obsolete old stock, doubtful trade receivables, claim/liability against the company*
 - We draw attention in respect of third party balance confirmation and its classification, non provision of interest on NPA accounts of the bank and other issues.*
 - We draw attention in respect to heavy losses incurred by the company which has exceeded the net worth of the company.*
 - We draw attention in respect to indication of impairment of the capital work in progress which has not commenced since long.*
5. The consolidated financial statements, which have been either audited by other auditor or are un-audited, which constitute total assets of Rs. 2464.96 Million and net assets (amount including minority's interest) of Rs. 533.98 Million as at 30th September 2013, total revenue (Sales and other Income) of Rs. 2691.38 Million, net loss Rs. 118.82 Million and net cash outflows amounting to Rs. 66.42 Million for the year then ended. These financial statements and other financial information have been audited by other auditors whose reports have been furnished to us, and our opinion on the consolidated financial statements to the extent they have been derived from such financial statements is based solely on the report of such other auditors.
6. *We have relied on the unaudited financial statements of six subsidiaries* wherein the group's shares of loss aggregate Rs 111.51 Million. These unaudited financial statement as approved by the respective Boards of Directors of there companies have been furnished to us by the management and our report in so far as it relates to the amounts included in respect to the associates is based solely on such approval unaudited financial statements
7. Further, read with paragraph 1 above, we report that the figures for the quarter ended September 30, 2013 represent the derived figures between the audited figures in respect of the financial year ended September 30, 2013 and the published year to date figures up to June 30, 2013, being the date of the end of the third quarter of the current financial year, which were subject to a limited review as stated in paragraph 1 above as required under Clause 41(1)(d) of the Listing Agreement.
8. Further, read with paragraph 1 above, we also report that we have, on the basis of books of account and other records and information and explanations given to us by the management, also verified the number of shares as well as percentage of shareholdings in respect of aggregate amount of public shareholdings, as furnished by the company in terms of clause 35 of the Listing Agreement and found the same to be correct.



For, MEHTA LODHA & CO
(Firm Regd No.:- 106250W)
Chartered Accountants

P. D. Shah
Prakash D Shah
Partner
Membership No. 34363

Date:- 22nd November 2013
Place:- Ahmedabad