

**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, 2012

(Rs. in Millions)

Sr. No.	Particulars	Standalone					Consolidated	
		Quarter ended	Quarter ended	Quarter ended	Year ended (18 months)	Year ended (12 months)	Year ended (18 months)	Year ended (12 months)
		30/09/2012	30/06/2012	30/09/2011	30/09/2012	31/03/2011	30/09/2012	31/03/2011
		Audited	Unaudited	Unaudited	Audited	Audited	Audited	Audited
<b>PART I</b>								
<b>1</b>	<b>Income from operations</b>							
	(a) Net Sales / Income from Operations (Net of excise duty)	2,774.48	3,159.62	4,049.14	22,389.03	22,968.93	25,747.73	
	(b) Other operating income							
	<b>Total Income from operations (net)</b>	<b>2,774.48</b>	<b>3,159.62</b>	<b>4,049.14</b>	<b>22,389.03</b>	<b>22,968.93</b>	<b>25,747.73</b>	
<b>2</b>	<b>Expenses</b>							
	(a) Cost of materials consumed (Includes Purchases of stock-in-trade)	2,047.65	2,260.45	3,187.95	16,580.78	19,797.90	18,483.12	
	(b) Changes in inventories of finished goods, work-in-progress and stock-in-trade	724.97	136.14	180.82	1,606.56	(4,827.38)	1,706.65	
	(c) Employee benefits expenses	241.69	178.56	219.68	1,215.05	645.93	1,432.06	
	(d) Depreciation and amortisation expenses	98.85	398.38	376.80	1,991.83	1,077.76	2,062.35	
	(e) Other expenses	784.95	609.47	835.87	4,721.49	4,107.06	6,039.60	
	<b>Total Expenses</b>	<b>3,898.12</b>	<b>3,583.00</b>	<b>4,801.12</b>	<b>26,115.71</b>	<b>20,801.26</b>	<b>29,723.80</b>	
<b>3</b>	<b>Profit / (Loss) from operations before other income, finance costs &amp; exceptional items (1-2)</b>	<b>(1,123.64)</b>	<b>(423.38)</b>	<b>(751.98)</b>	<b>(3,726.68)</b>	<b>2,167.66</b>	<b>(3,976.07)</b>	
<b>4</b>	<b>Other Income</b>	<b>115.67</b>	<b>29.48</b>	<b>42.79</b>	<b>316.42</b>	<b>163.90</b>	<b>327.93</b>	
<b>5</b>	<b>Profit / (Loss) from ordinary activities before finance costs and exceptional items (3+4)</b>	<b>(1,007.97)</b>	<b>(393.90)</b>	<b>(709.19)</b>	<b>(3,410.26)</b>	<b>2,331.57</b>	<b>(3,648.14)</b>	
<b>6</b>	<b>Finance Costs</b>	<b>(73.17)</b>	<b>1,243.13</b>	<b>820.75</b>	<b>4,740.34</b>	<b>1,921.96</b>	<b>5,025.16</b>	
<b>7</b>	<b>Profit / (Loss) from ordinary activities after finance costs but before exceptional items (5-6)</b>	<b>(934.79)</b>	<b>(1,637.03)</b>	<b>(1,529.94)</b>	<b>(8,150.59)</b>	<b>409.61</b>	<b>(8,673.30)</b>	
<b>8</b>	<b>Exceptional Items</b>							
<b>9</b>	<b>Profit / (Loss) from ordinary activities before tax (7-8)</b>	<b>(934.79)</b>	<b>(1,637.03)</b>	<b>(1,529.94)</b>	<b>(8,150.59)</b>	<b>409.61</b>	<b>(8,673.30)</b>	
<b>10</b>	<b>Tax expense</b>	<b>0.23</b>	<b>-</b>	<b>-</b>	<b>0.23</b>	<b>126.77</b>	<b>126.99</b>	
<b>11</b>	<b>Net Profit / (Loss) from ordinary activities after Tax (9-10)</b>	<b>(935.02)</b>	<b>(1,637.03)</b>	<b>(1,529.94)</b>	<b>(8,150.82)</b>	<b>282.84</b>	<b>(8,673.30)</b>	
<b>12</b>	<b>Extra Ordinary Items (Net of Tax Expense)</b>	<b>20.14</b>	<b>0.83</b>	<b>-</b>	<b>858.30</b>	<b>5.41</b>	<b>854.16</b>	
<b>13</b>	<b>Net Profit / (Loss) for the period (11+12)</b>	<b>(914.88)</b>	<b>(1,636.20)</b>	<b>(1,529.94)</b>	<b>(7,292.53)</b>	<b>288.25</b>	<b>(7,819.14)</b>	
<b>14</b>	<b>Share of profit / (loss) of associates</b>							
<b>15</b>	<b>Minority Interest</b>					<b>2.85</b>	<b>1.14</b>	
<b>16</b>	<b>Net Profit / (Loss) after taxes, minority interest and share of profit / (loss) of associates (13 - 14 - 15)</b>	<b>(914.88)</b>	<b>(1,636.20)</b>	<b>(1,529.94)</b>	<b>(7,292.53)</b>	<b>288.25</b>	<b>(7,816.29)</b>	
<b>17</b>	<b>Paid up Equity Share Capital (Face value of Rs. 10 each)</b>	<b>114.76</b>	<b>114.76</b>	<b>114.76</b>	<b>114.76</b>	<b>114.76</b>	<b>114.76</b>	
<b>18</b>	<b>Reserves excluding revaluation reserves</b>							
<b>19.i</b>	<b>Earning per share (not annualized)</b>							
	<b>(a) Before extra ordinary items</b>							
	(i) Basic	(81.48)	(142.65)	(133.32)	(710.25)	24.65	(755.78)	
	(ii) Diluted	(81.48)	(142.65)	(133.32)	(710.25)	24.65	(755.78)	
	<b>(b) After extra ordinary items</b>							
	(i) Basic	(79.72)	(142.58)	(133.32)	(635.46)	25.12	(681.35)	
	(ii) Diluted	(79.72)	(142.58)	(133.32)	(635.46)	25.12	(681.35)	
<b>PART II</b>								
<b>A PARTICULARS OF SHAREHOLDING</b>								
<b>1</b>	<b>Public Share holding</b>							
	(a) No of Shares	7708299	7708299	7708299	7708299	7708299	7708299	
	(b) Percentage of shareholding	67.17	67.17	67.17	67.17	67.17	67.17	
<b>2</b>	<b>Promoters and Promoter group shareholding</b>							
	<b>(a) Pledged / Encumbered</b>							
	(i) Number of shares	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	
	(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	
	<b>(b) Non-encumbered</b>							
	(i) Number of shares	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	
	(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	
<b>B The Status of Investor grievances for the quarter ended on 30th September, 2012 :</b>								
	Pending at the beginning of the quarter				0			
	Received during the quarter				1			
	Disposed off during the quarter				1			
	Remaining unresolved at the end of the quarter				0			



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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	Year ended	Year ended	Year ended
		30/09/2012	30/06/2012	30/09/2011	30/09/2012	31/03/2011	30/09/2012	31/03/2011
	Audited	Unaudited	Unaudited	Audited	Audited	Audited	Audited	
<b>1</b>	<b>Segment Revenue</b>							
	(a) Engineering and Projects Division	1,081.22	787.12	777.17	4,977.82	2,589.98	4,977.82	2,589.98
	(b) Special Steel Division	1,641.68	2,315.65	3,143.20	16,896.23	20,238.80	16,896.23	20,238.80
	(c) Electric Vehicle Division	78.41	68.33	128.77	583.34	252.00	583.34	252.00
	(d) Others						3,358.70	863.66
	<b>Total</b>	<b>2,801.31</b>	<b>3,171.10</b>	<b>4,049.14</b>	<b>22,457.39</b>	<b>23,080.78</b>	<b>25,816.09</b>	<b>23,944.44</b>
	Less: Inter Segment Revenue	26.82	11.48	-	68.36	111.85	68.36	111.85
	<b>Net Sales / Income from Operations</b>	<b>2,774.49</b>	<b>3,159.62</b>	<b>4,049.14</b>	<b>22,389.03</b>	<b>22,968.93</b>	<b>25,747.73</b>	<b>23,832.59</b>
<b>2</b>	<b>Segment Results Profit / (Loss) Before Finance Cost and Tax</b>							
	(a) Engineering and Projects Division	82.49	81.79	1.48	116.74	275.28	116.74	275.28
	(b) Special Steel Division	(862.73)	(436.97)	(693.95)	(3,138.01)	2,185.57	(3,138.01)	2,185.57
	(c) Electric Vehicle Division	(227.72)	(38.73)	(16.72)	(388.99)	(129.28)	(388.99)	(129.28)
	(d) Others						(237.88)	(96.31)
	<b>Total</b>	<b>(1,007.96)</b>	<b>(393.91)</b>	<b>(709.19)</b>	<b>(3,410.25)</b>	<b>2,331.57</b>	<b>(3,648.13)</b>	<b>2,235.26</b>
	Less: (i) Finance Costs	(73.17)	1,243.13	820.75	4,740.34	1,921.96	5,025.16	2,025.28
	Less: (ii) Other Unallocable Expense net of Unallocable income							
	<b>Total Profit Before Tax</b>	<b>(934.79)</b>	<b>(1,637.04)</b>	<b>(1,529.94)</b>	<b>(8,150.59)</b>	<b>409.61</b>	<b>(8,673.29)</b>	<b>209.98</b>
<b>3</b>	<b>Capital employed (Segment Assets less Segment Liabilities)</b>							
	(a) Engineering and Projects Division	3,006.46	3,940.16	1,171.85	3,006.46	1,428.52	3,006.46	1,428.52
	(b) Special Steel Division	(90.63)	16,993.01	20,742.38	(90.63)	15,102.04	(90.63)	15,102.04
	(c) Electric Vehicle Division	583.20	787.24	785.60	583.20	709.55	583.20	709.55
	(d) Others						1,860.90	977.07
	<b>Total</b>	<b>3,499.03</b>	<b>21,720.41</b>	<b>22,699.83</b>	<b>3,499.03</b>	<b>17,240.11</b>	<b>5,359.93</b>	<b>18,217.18</b>

Notes:

- The above Audited Financial Results were reviewed by the Audit Committee. The Board of Directors at its meeting held on 27th November, 2012 has approved the above results and its release.
- Various Banks / Creditors has 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. The Company is contesting against the said legal actions.
- During the 18 months period ending on September 30, 2012, the Company could not service interest and installments obligation on due dates. The Company has approached to all its lender 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 the debt of the Company was admitted with CDR Cell as per meeting of the CDR EG held on August 23/24, 2012 with cutoff date as January 1, 2012.
- 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. 1437.06 Millions has not been provided in the books of accounts and to that extent loss and bankers loan liability has been understated.
- In the opinion of the management, the current assets, loans and advances are approximately of the value stated, if realised in the ordinary course of business.
- Extra ordinary items comprises of deferred tax liability of Rs. 865.12 millions written back to Statement of Profit & Loss during the 18 months period ending on September 30, 2012.
- The Registrar of Companies, Gujarat, Dadra and Nagar Haveli has approved the extension of financial year of the Company upto 30<sup>th</sup> September, 2012 by letter dated 4<sup>th</sup> July, 2012 and as such figures for this financial period are of 18 (eighteen) months ended on 30/09/2012 and previous year is of 12 (twelve) months ended on 31/03/2011 and hence the same are not comparable. Figures of the previous year have been re-arranged / regrouped / reclassified / re-casted wherever necessary.
- The figures for the quarter ended on 30/09/2012 are balancing figures between audited figures in respect of the full financial year of 18 months ended on 30/09/2012 and the published year to date unaudited figures upto the fifth quarter of fifteen months ended on 30/06/2012.
- Standalone / Consolidated Statement of Assets and Liabilities

Statement of Assets and Liabilities	Standalone		Consolidated	
	Year ended (18 months)	Year ended (12 months)	Year ended (18 months)	Year ended (12 months)
	30/09/2012	31/03/2011	30/09/2012	31/03/2011
	Audited	Audited	Audited	Audited
<b>A EQUITY AND LIABILITIES</b>				
<b>1 Shareholders' funds</b>				
(a) Share Capital	234.76	234.76	234.76	234.76
(b) Reserves and Surplus	(167.23)	7,059.90	(62.21)	7,800.99
<b>Sub-Total - Shareholders' funds</b>	<b>67.54</b>	<b>7,294.66</b>	<b>172.56</b>	<b>8,035.76</b>
2 Share Application Money pending allotment			13.76	-
3 Minority Interest			79.18	81.58
<b>4 Non-current Liabilities</b>				
(a) Long Term borrowings	5,019.90	4,947.06	5,550.31	5,001.80
(b) Deferred tax liabilities (net)	-	865.13	42.48	907.15
(c) Long term provisions	75.10	45.34	79.40	47.15
<b>Sub-Total - Non-current Liabilities</b>	<b>5,095.00</b>	<b>5,857.52</b>	<b>5,672.19</b>	<b>5,956.10</b>
<b>5 Current Liabilities</b>				
(a) Trade payables	21,594.08	19,206.66	22,090.85	20,220.95
(b) Trade payables	598.94	1,863.76	962.43	2,284.70
(c) Other current liabilities	5,362.99	2,778.11	5,544.01	2,891.01
(d) Short term provisions	22.72	15.51	22.73	15.51
<b>Sub-Total - Current Liabilities</b>	<b>27,578.73</b>	<b>23,864.03</b>	<b>28,620.03</b>	<b>25,412.17</b>
<b>TOTAL - EQUITY AND LIABILITIES</b>	<b>32,741.27</b>	<b>37,016.21</b>	<b>34,557.69</b>	<b>39,485.60</b>
<b>B ASSETS</b>				
<b>1 Non-current Assets</b>				
(a) Fixed Assets	16,310.88	18,066.74	17,754.35	19,668.77
(b) Goodwill on consolidation			747.01	709.34
(c) Non-current investments	1,223.95	1,083.87	1.12	1.12
(d) Deferred tax assets (net)				
(e) Long term loans and advances	227.59	184.91	245.92	244.20
(f) Other non-current assets	292.72	342.20	327.86	383.79
<b>Sub-Total - Non-current Assets</b>	<b>18,055.14</b>	<b>19,677.72</b>	<b>19,078.26</b>	<b>21,007.22</b>
<b>2 Current Assets</b>				
(a) Current investments				
(b) Inventories	6,942.88	8,527.60	7,621.78	9,429.76
(c) Trade receivables	4,459.35	5,101.92	4,564.26	5,191.83
(d) Cash and cash equivalents	516.51	1,180.32	573.18	1,237.77
(e) Short term loans and advances	2,746.62	2,518.78	2,699.22	2,606.35
(f) Other current assets	20.77	9.88	22.99	12.68
<b>Sub-Total - Current Assets</b>	<b>14,686.14</b>	<b>17,338.49</b>	<b>15,481.44</b>	<b>18,478.39</b>
<b>TOTAL - ASSETS</b>	<b>32,741.27</b>	<b>37,016.21</b>	<b>34,557.69</b>	<b>39,485.60</b>

For and on behalf of Board of Directors

Place: Ahmedabad  
Date: 27<sup>th</sup> November, 2012



*(Signature)*  
Ajayash Bhandari  
Joint Managing Director