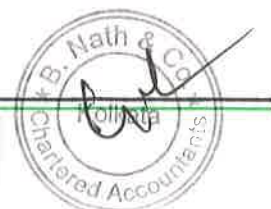




Limited Review Report on Unaudited Standalone Financial Results of Balasore Alloys Limited for the quarter and half year ended 30th September, 2021 pursuant to Regulation 33 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, as amended.

To
The Board of Directors of
Balasore Alloys Limited

1. We have reviewed the accompanying statement of unaudited standalone financial results of **Balasore Alloys Limited** (the 'Company') for the quarter and half year ended 30th September, 2021 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulation").
2. The preparation of the Statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting (Ind AS 34) prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued there under and other accounting principles generally accepted in India, is the responsibility of the Company's management and has been approved by the Board of Directors of the Company on April 26, 2023. Our responsibility is to issue a conclusion on the financial results based on our review.
3. We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity issued by the Institute of Chartered Accountants of India, specified under Section 143(10) of the Companies Act, 2013. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. We draw attention to the following matters:
 - a) We draw attention to Note No.5 of the standalone financial results regarding slow implementation of underground mining project at its captive mines situated at Sukinda, Odisha. As represented by the management, since substantial pre-development activities have been completed and considering the revision in design of underground mining which shall be funded by mix of internal accruals, promoters contribution and financial tie-ups and will be completed in due course. Hence no adjustment has been carried out for carrying value of capital work in progress of ₹ 10,075.79 Lakhs and advances to vendors amounting to ₹15,503.08 Lacs given in earlier years at this stage.
 - b) We draw attention to Note No.6 of the standalone financial results which indicates that the Company has incurred operating losses as on March 31, 2021 and continued during quarter ended September 30, 2021, disconnection of power by NESCO, shut down of plant, and Company's current liabilities exceeds its current assets. These conditions, along with other matters as stated in said note indicate that a material uncertainty existed as on September 30, 2021 that may cast significant doubt on the Company's ability to continue as a going concern. However as mentioned in Note 7 of the financial results, before signing of this report, significant events took place like funds have been infused in the company, power being restored in plant and plant production being started, hence accounts have been prepared on going concern basis.
 - c) We draw attention to note no 2 of the financial results which states that the, post declaration of COVID-19 as a pandemic by the World Health Organization, the Government in India and across the world have taken significant measures to curtail the widespread of virus, including countrywide lockdown and restriction in economic activities. In continuance of such lockdown



and restrictions being imposed by government, operations of the Company have been remained adversely impacted.

- d) We draw attention to Note No.4 of the standalone financial results regarding certain advances of ₹7,949.66 Lakhs which are outstanding for more than one year on account of supply against materials and services. For the reasons stated therein, management is confident of getting supplies or refund and therefore, there is no need to make any adjustment at this stage.
- e) We draw attention to Note No.8 of the standalone financial results regarding trade receivable of ₹4,977.39 Lakhs which are outstanding for more than one year from its due date. For the reasons stated therein, management is confident of realizing the amount and therefore, no adjustment has been made in the financial statements.
- f) The Company in earlier years had invested in 12,17,200 nos of 9% unsecured redeemable non-convertible debentures of a body corporate amounting to ₹1,217.20 Lakhs, however the company has not accounted for accrued interest on said debentures.
- g) The confirmations of trade receivables, trade payables and advances to suppliers and advances from customers' are subject to confirmation and reconciliation. Hence any material impact as on the reporting date cannot be ascertained.
- h) We draw attention to the fact that the Company had given loan to a body corporate amounting to ₹1,746.68 Lakhs in earlier years, however during the quarter and six months ended September 30, 2021, interest amounting to ₹39.30 Lakhs and ₹ 78.60 has not been charged by the Company on said loan. As per information and explanation given to us, due to Covid Pandemic outbreak all over the world, the said body corporate has requested the Company to waive off the interest. Hence no interest has been booked in the current quarter.

Our opinion is not modified in respect of above matters.

- 5. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the applicable Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013, as amended read with relevant rules issued there under and other recognized accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material mismanagement.



For **B Nath & Co**
Chartered Accountants
Firm Registration No: 307057E


Gaurav More

Partner

Membership No.:306466

UDIN-23301466BGJAHZ3107

Place: Kolkata

Date: April 26, 2023

Balasore Alloys Limited
Registered Office : Balgopalpur 756020, Dist. Balasore, Odisha
CIN : L27101OR1984PLC001354

Tel : +91-6782-27581-85, Fax: +91-6782-275724, Website : www.balasorealloys.com, e-mail : mail@balasorealloys.com
Unaudited Standalone Statement of Financial Results for the Quarter and Half Year ended September 30, 2021

Particulars		Quarter Ended			Half Year Ended		Year Ended
		30-09-2021 (Unaudited)	30-06-2021 (Unaudited)	30-09-2020 (Unaudited)	30-09-2021 (Unaudited)	30-09-2020 (Unaudited)	31-03-2021 (Audited)
1	Income						
	a. Revenue from Operations	4,627.39	2,770.75	2,077.61	7,398.13	9,607.81	10,017.47
	b. Other Income	26.79	3.45	119.43	30.24	218.72	538.98
	Total Income 1(a)+1(b)	4,654.18	2,774.19	2,197.04	7,428.38	9,826.53	10,556.44
2	Expenses						
	a. Cost of Material Consumed	22.90	-	1,750.62	22.90	1,899.96	1,956.60
	b. Purchase of Stock -in- Trade	3,461.57	2,595.67	484.39	6,057.24	3,625.76	3,625.76
	c. Change in inventories of finished goods and work in progress	-	(5.51)	(12,881.96)	(5.51)	(11,713.27)	(11,448.87)
	d. Power	7.84	17.80	1,618.36	25.64	3,794.24	5,728.59
	e. Employee benefits expense	128.32	137.84	1,081.37	266.15	2,279.35	3,801.53
	f. Finance Cost (Net)	732.67	701.21	967.11	1,433.88	1,740.88	3,776.00
	g. Depreciation and amortisation expense	657.39	657.39	722.75	1,314.78	1,487.96	2,867.04
	h. Other expenses	140.61	501.43	3,505.10	642.04	4,819.02	5,625.01
	Total Expense 2(a) to 2(h)	5,151.31	4,605.92	(2,752.32)	9,757.13	7,933.90	16,926.45
3	Profit from operations before exceptional item 1-3	(497.12)	(1,831.63)	4,949.36	(2,328.75)	1,892.62	(5,370.19)
4	Exceptional Item						
5	Profit from operations before exceptional item and before tax 3-4	(497.12)	(1,831.63)	4,949.36	(2,328.75)	1,892.62	(5,370.19)
6	Tax Expense	(121.15)	(444.32)	1,205.17	(565.47)	460.85	(1,308.37)
7	Net Profit/Loss for the period 5-6	(375.98)	(1,387.31)	3,744.19	(1,763.28)	1,431.77	(4,061.82)
8	Other Comprehensive Income						
	FVTOCI of Employee Benefit Obligation	-	-	-	-	-	785.46
9	Total Comprehensive Income 7+8	(375.98)	(1,387.31)	3,744.19	(1,763.28)	1,431.77	(3,276.36)
10	Paid up Equity Share Capital (Face value of ₹ 5/- each)	4,666.27	4,666.27	4,666.27	4,666.27	4,666.27	4,666.27
11	Earnings per Share (Face value of ₹ 5/- each)	(0.40)	(1.49)	4.01	(1.89)	1.53	(4.35)
	- Basic & diluted (not annualised)						



Unaudited Standalone Statement of Assets and Liabilities as on 30th September, 2021

(₹ in Lacs)

Particulars	Year Ended	
	As at September 30, 2021	As at March 31, 2021
ASSETS		
Non-Current Assets		
(a) Property, plant and equipment		
(c) Intangible Assets	81,420.69	82,445.42
(d) Capital Work in Progress	4,599.65	4,909.33
(e) Financial Assets	11,748.38	11,748.39
(i) Investments		
(ii) Other Financial Assets	1,618.01	1,713.01
(f) Deferred Tax Assets (Net)	788.33	810.73
(g) Other Non Current Assets	2,247.43	2,577.15
	16,129.78	15,767.03
Total Non-Current Assets	1,18,552.27	1,19,971.06
Current Assets		
(a) Inventories	25,025.55	27,759.38
(b) Financial assets:		
(i) Trade Receivables	8,453.87	5,330.29
(ii) Cash and Cash Equivalants	271.04	197.49
(iii) Bank balance other than above	801.69	824.73
(iv) Loans	1,757.28	1,856.14
(v) Other Financial Assets	3,814.07	3,665.54
(C) Other Current Assets	19,071.87	16,694.64
Total Current Assets	59,195.38	56,328.21
Total Assets	1,77,747.65	1,76,299.27
EQUITY AND LIABILITIES		
Equity		
(a) Equity Share capital	4,666.27	4,666.27
(b) Other Equity	71,685.42	74,014.16
Total Equity	76,351.69	78,680.43
Liabilities		
Non Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	-	-
(i) Trade Payables	-	-
- Total outstanding dues of micro enterprises and small enterprises;	-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises	22,705.17	22,705.17
(b) Long Term Provision	1,278.70	1,229.41
Current liabilities		
(a) Financial liabilities:		
(i) Borrowings	21,292.93	20,031.40
(ii) Trade Payables		
- Total outstanding dues of micro enterprises and small enterprises;	71.25	71.40
- Total outstanding dues of creditors other than micro enterprises and small enterprises	20,877.73	21,821.72
(ii) Other financial Liabilities	6,827.74	4,324.72
(b) Other current liabilities	15,961.88	14,734.38
(c) Short Term Provision	12,380.57	12,700.65
Total Current Liabilities	1,01,395.96	97,618.84
Total Equity and Liabilities	1,77,747.65	1,76,299.27



Unaudited Standalone Statement of Cash Flow as on 30th September, 2021

Particulars	Half Year Ended September 30, 2021		Half Year Ended September 30, 2020	
		(in Lacs)		
A. CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit/(Loss) before tax				
Adjustments for :		(2,328.75)		1,892.62
Depreciation & Amortization Expense				
Loss on Sale of Plant, Property and Equipment (Net)	1,314.78		1,487.96	
Unrealised Foreign Exchange Gain/Loss				
Unspent Liabilities no Longer Required Written Back				
Fair Value of Investment				
Loss on Sale of Investment (Net)				
Valuation of Inventory - Tailings (Refer Note 44)	(18.67)			
Irrecoverable Debts, Deposits & Advances Written Off				
Provision for Doubtful Debts/Advances				
Interest Expenses				
Interest Income	1,433.88		1,740.88	
Proceeds from sale of fixed assets	(7.24)			
Dividend Income			(178.63)	
Operating Profit before Working Capital Changes		2,722.75		3,050.21
Adjustments for:		394.00		4,942.83
(Increase)/Decrease in Trade Receivable				
(Increase)/Decrease in Inventories	(3,123.58)		43.51	
(Increase)/Decrease in Other Current Financial Assets	2,733.83		(12,903.06)	
(Increase)/Decrease in Other Non Current Financial Assets	(2,403.87)		2,060.09	
(Increase)/Decrease in Trade Payable	(10.64)		2,249.84	
Increase/(Decrease) in Other Current Financial Liabilities	(944.14)		(3,701.43)	
Increase/(Decrease) in Other Current Liabilities	3,410.43		1,167.84	
Cash Generated from Operations	49.29	(288.67)	8,946.19	(2,137.02)
Tax Paid		105.33		2,805.81
Net Cash (Outflow)/Inflow from Operating Activities		105.33		2,805.81
B. CASH FLOW FROM INVESTING ACTIVITIES				
Proceeds from Sale of Fixed Assets				
Purchase of Plant, Property and Equipment	19.64		178.63	
Sale of Investment	-		(23.17)	
Maturity of/(Investment) in Fixed Deposit	-			
Interest Received	-			
Acquisition of Capital work in Progress	7.24			
Sale of Investments	0.01		(45.71)	
	113.67	140.57		109.75
Net Cash (Outflow)/Inflow from Investing Activities		140.57		109.75
C. CASH FLOW FROM FINANCING ACTIVITIES				
Repayment of Borrowings				
Dividend Paid on Equity Shares (Including Dividend Distribution Tax)	1,261.53		(1,321.93)	
Net Movement in Short Term Borrowings	-			
Interest and Other Finance charges paid	(1,433.88)	(172.35)	(1,740.88)	(3,062.81)
Net Cash Inflow/(Out flow) from Financing Activities		(172.35)		(3,062.81)
Net Increase/ (Decrease) in Cash & Cash Equivalents (A + B + C)		73.55		(147.25)
Cash & Cash Equivalents as at Opening		197.49		361.52
Cash & Cash Equivalents as at Closing		271.04		214.28



Notes:

- 1 The above results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 26th April, 2023. The results for the Half Year ended September 30, 2021 has been subjected to Limited Review by the Statutory Auditors.
- 2 Post declaration of COVID-19 as a pandemic by the World Health Organization, the Government in India and across the world have taken significant measures to curtail the widespread of virus, including countrywide lockdown and restriction in economic activities. In continuance of such lockdown and restrictions being imposed by government, operations of the Company have been remained adversely impacted.
- 3 The Company is mainly engaged in the Manufacturing of Ferro Chrome. As such there are no separate reportable segments as per the Ind-AS 108 Segment Reporting.
- 4 Advances under Other Assets include ₹ 7,949.66 Lacs which are outstanding for more than a year on account of supply against materials and services. Balance in respect of these customers are subject to confirmation/reconciliation but however, based on various discussions with vendors, management is confident of getting the supplies or refund in near future. Considering the above factors no adjustments to the carrying value of advances is considered.
- 5 Company started incurring cost for development of underground mines at Sukinda to secure the raw materials for its ferro chrome plants. As at September 30, 2021 company has incurred cost of ₹ 10,075.79 lacs for development of underground mines which has been shown as Capital work in progress and has also advanced ₹ 15,503.08 lacs to vendors which has been shown under advances to vendors for equipment and services for aforesaid project, of which substantial vendors have confirmed that materials will be supplied as and when required by the company.

Looking into current affair and situation of the Company and in order to secure the minerals to have uninterrupted production, company has reworked its Underground Mining Plan as compared to earlier plan and now decided to start decline at +45mRL, which is cost effective and less time consuming and can be funded through mix of internal accruals, equity/quasi equity from promoter group and other financial tie-ups.

Since majority of expenditure has been incurred towards pre-development activities and substantial advances have been given to vendors for supplying of equipment, Management is confident that they would succeed in same and will be able to extract Chrome Ore through Underground mechanism before fully exhausting Chrome Ore from Open Cast/Boundary Pillar Mining Method in coming years.

Considering the above factors no adjustments to the carrying value of capital work in progress and advances relating to project is considered.
- 6 The Company has incurred losses during the year and its current liabilities exceed current assets that may create uncertainties. Due to same cash flow mismatch has arisen which further led to non-payment of statutory liabilities, salaries overdue, working capital deficiencies and subsequent to shut down of plant operations due to disconnection of power by NESCO in September 2020.

However, various cost saving initiatives undertaken by the Company in addition to optimize revenue opportunities and realization from its non-core assets is expected to result in improved operating performance.

Further, Company's continued thrust to improve operational efficiency and unconditional support from its Promoters' Group by way of infusion of funds into Company in FY 2022-23 before signing of the standalone financial results for the quarter ended September 30, 2021 have resulted in increased cash flows to address uncertainties and restoration of power supply by TPNODL (erstwhile NESCO). Accordingly, the financial statements continue to be prepared on a going concern basis.
- 7 **Event Occurring after Balance Sheet Date**
 - a) The Company has entered into outstanding dues settlement with TP Northern Odisha Distribution Limited ("TPNODL") wherein outstanding dues were frozen and detailed payment schedule was worked out where upfront payment was to be made by the Company and the remaining balance be divided into an equal number of agreed installements. Subsequent to upfront payment, Power was restored at Balasore Plant and operations were resumed in the month of December, 2022. Accordingly, outstanding of TPNODL has been reclassified into current and non-current liability based on an agreed schedule.
 - b) Promoter group entities has infused long term funds amounting to ₹ 52,831.41 lacs into the company which was used for resuming plant operations both at Balasore and Sukinda by way of making payments to TPNODL for power restoration, for plant overhauling, to critical vendors, repayment of overdue banks borrowings etc. Company management is in the process of complying with applicable laws and regulations in respect of said infusion of funds.
 - c) During the year, the Company encountered difficulties in meeting its obligations to Banks and financial institutions, resulting in default on repayments. As a consequence of non-payment of interest and principal on time, the Company's Working Capital Loan was classified as a Non-Performing Asset (NPA) effective from November 28, 2020. However, from February 2022 until April 24, 2023, prior to the signing of this standalone financial statement, the Company has successfully paid off the entire loan amount, including interest, to Indian Bank, amounting to ₹ 4204.26 Lacs, and obtained a No Objection Certificate (NOC) from them. Additionally, the Company has also made a payment of ₹ 15,585.59 Lacs to State Bank of India on account of outstanding dues.
 - d) In relation to Statutory Stage-II forest clearance, where the DDM, Jajpur on 06.06.2022 issued letter to suspend mining operations, the Company has filed I.A. No.8591/2022 to direct the Opp.Parties/ State to permit transportation of excavated ore from mines site to factory and also has filed I.A. No. 10918/2022 for addition of Dept. of Steel & Mines and Director of Mines, Odisha as Opp. Parties to the writ petition. Further, the Company has submitted the compliances report as per the terms of Stage-I clearance and submitted the application for Stage-II Clearance, before the DFO, subsequently approved by PCCF vide letter dated 08.12.2022, which is under process at the Central Govt/ MoEF level.
- 8 Trade Receivable includes ₹ 4,977.39 Lacs which are outstanding for more than one year from its due date. Balance in respect of these customers are subject to confirmation/reconciliation. However, based on various discussion with the customers, management is confident of recovering these dues in near future. Considering the above factors no adjustments to the carrying value of receivables is considered.
- 9 Previous year/ period figures have been rearranged / regrouped wherever necessary to make them comparable with current period figures.

Place: Kolkata
Date: 26th April 2023



For Balasore Alloys Limited



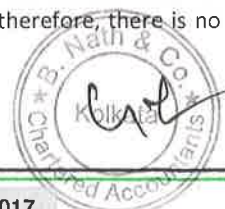
Akula Nagendra Kumar
Managing Director
DIN:08462253



Limited Review Report on Unaudited Consolidated Financial Results of Balasore Alloys Limited for the quarter and half year ended 30th September, 2021 pursuant to Regulation 33 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, as amended.

To
The Board of Directors of
Balasore Alloys Limited

1. We have reviewed the accompanying statement of unaudited consolidated financial results of **Balasore Alloys Limited** (the 'Company') for the quarter and half year ended 30th September, 2021 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulation").
2. The preparation of the Statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting (Ind AS 34) prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued there under and other accounting principles generally accepted in India, is the responsibility of the Company's management and has been approved by the Board of Directors of the Company on April 26, 2023. Our responsibility is to issue a conclusion on the financial results based on our review.
3. We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity issued by the Institute of Chartered Accountants of India, specified under Section 143(10) of the Companies Act, 2013. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. We draw attention to the following matters:
 - a) We draw attention to Note No.5 of the consolidated financial results regarding slow implementation of underground mining project at its captive mines situated at Sukinda, Odisha. As represented by the management, since substantial pre-development activities have been completed and considering the revision in design of underground mining which shall be funded by mix of internal accruals, promoters contribution and financial tie-ups and will be completed in due course. Hence no adjustment has been carried out for carrying value of capital work in progress of ₹ 10,075.79 Lakhs and advances to vendors amounting to ₹ 15,503.08 Lacs given in earlier years at this stage.
 - b) We draw attention to Note No.6 of the consolidated financial results which indicates that the Company has incurred operating losses as on March 31, 2021 and continued during quarter ended September 30, 2021, disconnection of power by NESCO, shut down of plant, and Company's current liabilities exceeds its current assets. These conditions, along with other matters as stated in said note indicate that a material uncertainty existed as on September 30, 2021 that may cast significant doubt on the Company's ability to continue as a going concern. However as mentioned in Note 7 of the financial results, before signing of this report, significant events took place like funds have been infused in the company, power being restored in plant and plant production being started, hence accounts have been prepared on going concern basis.
 - c) We draw attention to note no 2 of the financial results which states that the, post declaration of COVID-19 as a pandemic by the World Health Organization, the Government in India and across the world have taken significant measures to curtail the widespread of virus, including countrywide lockdown and restriction in economic activities. In continuance of such lockdown and restrictions being imposed by government, operations of the Company have been remained adversely impacted.
 - d) We draw attention to Note No.4 of the consolidated financial results regarding certain advances of ₹ 7,949.66 Lakhs which are outstanding for more than one year on account of supply against materials and services. For the reasons stated therein, management is confident of getting supplies or refund and therefore, there is no need to make any adjustment at this stage.



- e) We draw attention to Note No.8 of the consolidated financial results regarding trade receivable of ₹ 4,977.39 Lakhs which are outstanding for more than one year from its due date. For the reasons stated therein, management is confident of realizing the amount and therefore, no adjustment has been made in the financial statements.
- f) The Company in earlier years had invested in 12,17,200 nos of 9% unsecured redeemable non-convertible debentures of a body corporate amounting to ₹1,217.20 Lakhs, however the company has not accounted for accrued interest on said debentures.
- g) The confirmations of trade receivables, trade payables and advances to suppliers and advances from customers' are subject to confirmation and reconciliation. Hence any material impact as on the reporting date cannot be ascertained.
- h) We draw attention to the fact that the Company had given loan to a body corporate amounting to ₹1,746.68 Lakhs in earlier years, however during the quarter and six months ended September 30, 2021, interest amounting to ₹ 39.30 Lakhs and ₹ 78.60 has not been charged by the Company on said loan. As per information and explanation given to us, due to Covid Pandemic outbreak all over the world, the said body corporate has requested the Company to waive off the interest. Hence no interest has been booked in the current quarter.

Our opinion is not modified in respect of above matters.

5. We did not audit the financial results of two subsidiaries whose financial reflects total assets of ₹ (172.35 lakhs) as at September 30, 2021, total revenue of ₹ Nil lakhs, total net loss after tax of ₹ (2.79 lacs) and total comprehensive loss of ₹ (2.79 lakhs) and net cash flow of ₹ NIL lakhs for the quarter ended September 30, 2021, as considered in Consolidated Financial Results. These unaudited financial results have been furnished to us by the management. Our opinion on the Consolidated Financial results, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on such unaudited financial statements certified by the management.

The consolidated financial results include the Group's share of net loss of ` Nil Lacs for the quarter ended September 30, 2021 as considered in the consolidated financial results, in respect of one associate, whose financial statement has not been audited by us. This financial statements have been furnished to us by the management. Our opinion on the Consolidated Financial Results, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on such unaudited financial results certified by the management and our report in terms of sub sections (3) of Section 143 of the Act, in so far as it relates to the associate, is based solely on report of other auditor.

6. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the applicable Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013, as amended read with relevant rules issued there under and other recognized accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material mismanagement.



For B Nath & Co
Chartered Accountants
Firm Registration No: 307057E


Gaurav More

Partner

Membership No.: 306466

UDIN-23306466B6SAID5223

Place: Kolkata

Date: April 26, 2023

Balasore Alloys Limited

Registered Office : Balgopalpur 756020, Dist. Balasore, Odisha

CIN : L27101OR1984PLC001354

Tel : +91-6782-27581-85, Fax: +91-6782-275724, Website : www.balasorealloys.com, e-mail : mail@balasorealloys.com

Unaudited Consolidated Statement of Financial Results for the Quarter and Half Year ended September 30, 2021

Particulars		Quarter Ended			Half Year Ended		Year Ended
		30-09-2021 (Unaudited)	30-06-2021 (Unaudited)	30-09-2020 (Unaudited)	30-09-2021 (Unaudited)	30-09-2020 (Unaudited)	31-03-2021 (Audited)
(₹ in Lacs)							
1	Income						
	a. Revenue from Operations	4,627.39	2,770.75	2,077.61	7,398.13	9,607.81	10,017.47
	b. Other Income	26.79	3.45	119.43	30.24	218.72	538.98
	Total Income {1(a)+1(b)}	4,654.18	2,774.19	2,197.04	7,428.38	9,826.53	10,556.44
2	Expenses						
	a. Cost of Material Consumed	22.90	-	1,750.62	22.90	1,899.96	1,956.60
	b. Purchase of Stock -in- Trade	3,461.57	2,595.67	484.39	6,057.24	3,625.76	3,625.76
	c. Change in inventories of finished goods and work in progress	-	(5.51)	(12,881.96)	(5.51)	(11,713.27)	(11,448.87)
	d. Power	7.84	17.80	1,618.30	25.64	3,794.24	5,728.59
	e. Employee benefits expense	128.32	137.84	1,081.37	266.15	2,279.35	3,801.53
	f. Finance Cost (Net)	732.67	701.21	967.11	1,433.88	1,740.88	3,776.00
	g. Depreciation and amortisation expense	657.39	657.39	722.75	1,314.78	1,487.96	2,862.04
	h. Other expenses	143.40	504.22	3,505.10	647.62	4,819.02	5,635.67
	Total Expense {2(a) to 2(h)}	5,154.10	4,608.61	(2,752.32)	9,762.71	7,933.90	15,937.30
3	Profit from operations before exceptional item (1-2)	(499.91)	(1,834.42)	4,949.36	(2,334.33)	1,892.62	(5,380.86)
4	Exceptional Item	-	-	-	-	-	-
5	Profit from operations before exceptional item and before tax (3-4)	(499.91)	(1,834.42)	4,949.36	(2,334.33)	1,892.62	(5,380.85)
6	Tax Expense	(121.83)	(447.05)	1,206.47	(568.88)	460.85	(1,308.37)
7	Net Profit/Loss for the period (5-6)	(378.09)	(1,387.37)	3,742.89	(1,765.45)	1,431.77	(4,072.48)
8	Other Comprehensive Income						
	FVTOCI of Employee Benefit Obligation	-	-	-	-	-	785.46
9	Total Comprehensive Income (7+8)	(378.09)	(1,387.37)	3,742.89	(1,765.45)	1,431.77	(3,287.02)
10	Paid up Equity Share Capital (Face value of ₹ 5/- each)	4,666.27	4,666.27	4,666.27	4,666.27	4,666.27	4,666.27
11	Earnings per Share (Face value of ₹ 5/- each)						
	- Basic & diluted (not annualised)	(0.41)	(1.49)	4.01	(1.89)	1.53	(4.36)



Unaudited Consolidated Statement of Assets and Liabilities as on 30th September, 2021

(₹ in Lacs)

Particulars	Year Ended	
	As at September 30, 2021	As at March 31, 2021
ASSETS		
Non-Current Assets		
(a) Property, plant and equipment	81,420.69	82,445.42
(c) Intangible Assets	4,599.65	4,909.33
(d) Capital Work in Progress	11,748.38	11,748.39
(e) Financial Assets		
(i) Investments	1,618.01	1,713.01
(ii) Other Financial Assets	788.33	810.73
(f) Deferred Tax Assets (Net)	2,247.43	2,577.15
(g) Other Non Current Assets	16,129.78	15,767.03
Total Non-Current Assets	1,18,552.27	1,19,971.06
Current Assets		
(a) Inventories	25,025.55	27,759.38
(b) Financial assets:		
(i) Trade Receivables	8,453.87	5,330.29
(ii) Cash and Cash Equivalants	271.19	197.63
(iii) Bank balance other than above	801.69	824.73
(iii) Loans	1,757.28	1,856.14
(iv) Other Financial Assets	3,814.07	3,665.54
(C) Other Current Assets	19,071.87	16,694.65
Total Current Assets	59,195.53	56,328.36
Total Assets	1,77,747.80	1,76,299.42
EQUITY AND LIABILITIES		
Equity		
(a) Equity Share capital	4,666.27	4,666.27
(b) Other Equity	71,681.14	74,011.64
Total Equity	76,347.41	78,677.91
Liabilities		
Non Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	-	-
(i) Trade Payables	-	-
- Total outstanding dues of micro enterprises and small enterprises;	-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises	22,705.17	22,705.17
(b) Long Term Provision	1,278.70	1,229.41
	23,983.87	23,934.58
Current liabilities		
(a) Financial liabilities:		
(i) Borrowings	21,292.93	20,031.40
(ii) Trade Payables		
- Total outstanding dues of micro enterprises and small enterprises;	71.25	71.40
- Total outstanding dues of creditors other than micro enterprises and small enterprises	20,882.16	21,821.72
(ii) Other financial Liabilities	6,827.74	4,324.72
(b) Other current liabilities	15,961.88	14,737.05
(c) Short Term Provision	12,380.57	12,700.65
Total Current Liabilities	77,416.52	73,686.93
Total Equity and Liabilities	1,77,747.80	1,76,299.42



Unaudited Consolidated Statement of Cash Flow as on 30th September, 2021

(₹ in Lacs)

Particulars	Half Year Ended September 30, 2021		Half Year Ended September 30, 2020	
A. CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit/(Loss) before tax		(2,334.33)		1,887.28
Adjustments for :				
Depreciation & Amortization Expense	1,314.78		1,487.96	
Loss on Sale of Plant, Property and Equipment (Net)				
Unrealised Foreign Exchange Gain/Loss				
Unspent Liabilities no Longer Required Written Back				
Fair Value of Investment				
Loss on Sale of Investment (Net)	(18.67)			
Valuation of Inventory - Tallings (Refer Note 44)				
Irrecoverable Debts , Deposits & Advances Written Off				
Provision for Doubtful Debts/Advances				
Interest Expenses	1,433.88		1,740.88	
Interest Income	(7.24)			
Proceeds from sale of fixed assets			(178.63)	
Dividend Income		2,722.75		3,050.21
Operating Profit before Working Capital Changes		388.42		4,937.49
Adjustments for:				
(Increase)/Decrease In Trade Receivable	(3,123.58)		43.51	
(Increase)/Decrease In Inventories	2,733.83		(12,903.06)	
(Increase)/Decrease In Other Current Financial Assets	(2,400.04)		2,060.09	
(Increase)/Decrease In Other Non Current Financial Assets	(10.64)		2,249.84	
(Increase)/Decrease In Trade Payable	(939.71)		(3,759.24)	
Increase/(Decrease) In Other Current Financial Liabilities	3,407.77		1,231.00	
Increase/(Decrease) In Other Current Liabilities	49.29	(283.08)	8,946.19	(2,131.67)
Cash Generated from Operations		105.34		2,805.84
Tax Paid		-		-
Net Cash (Outflow)/Inflow from Operating Activities		105.34		2,805.86
B. CASH FLOW FROM INVESTING ACTIVITIES				
Proceeds from Sale of Fixed Assets	19.64		178.63	
Purchase of Plant,Property and Equipment	-		(23.17)	
Sale of Investment	-			
Maturity of/(Investment) In Fixed Deposit	-			
Interest Received	7.24			
Aquisition of Capital work In Progress	0.01		(45.71)	
Sale of Investments	113.67	140.57		109.75
Net Cash (Outflow)/Inflow from Investing Activities		140.57		109.75
C. CASH FLOW FROM FINANCING ACTIVITIES				
Repayment of Borrowings	1,261.53		(1,321.96)	
Dividend Paid on Equity Shares (Including Dividend Distribution Tax)	-		-	
Net Movement In Short Term Borrowings	-		-	
Interest and Other Finance charges paid	(1,433.88)	(172.35)	(1,740.88)	(3,062.84)
Net Cash Inflow/(Out flow) from Financing Activities		(172.35)		(3,062.84)
Net Increase/ (Decrease) in Cash & Cash Equivalents (A + B + C)		73.56		(147.23)
Cash & Cash Equivalents as at Opening		197.63		361.66
Cash & Cash Equivalents as at Closing		271.19		214.43



Notes:

- 1 The above results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 26th April, 2023. The results for the Half Year ended September 30, 2021 has been subjected to Limited Review by the Statutory Auditors.
- 2 Post declaration of COVID-19 as a pandemic by the World Health Organization, the Government in India and across the world have taken significant measures to curtail the widespread of virus, including countrywide lockdown and restriction in economic activities. In continuance of such lockdown and restrictions being imposed by government, operations of the Company have been remained adversely impacted.
- 3 The Company is mainly engaged in the Manufacturing of Ferro Chrome. As such there are no separate reportable segments as per the Ind-AS 108 Segment Reporting.
- 4 Advances under Other Assets include ₹ 7,949.66 Lacs which are outstanding for more than a year on account of supply against materials and services. Balance in respect of these customers are subject to confirmation/reconciliation but however, based on various discussions with vendors, management is confident of getting the supplies or refund in near future. Considering the above factors no adjustments to the carrying value of advances is considered.
- 5 Company started incurring cost for development of underground mines at Sukinda to secure the raw materials for its ferro chrome plants. As at September 30, 2021 company has incurred cost of ₹ 10,075.79 lacs for development of underground mines which has been shown as Capital work in progress and has also advanced ₹ 15,503.08 lacs to vendors which has been shown under advances to vendors for equipment and services for aforesaid project, of which substantial vendors have confirmed that materials will be supplied as and when required by the company.

Looking into current affair and situation of the Company and in order to secure the minerals to have uninterrupted production, company has reworked its Underground Mining Plan as compared to earlier plan and now decided to start decline at +45mRL which is cost effective and less time consuming and can be funded through mix of internal accruals, equity/quasi equity from promoter group and other financial tie-ups.

Since majority of expenditure has been incurred towards pre-development activities and substantial advances have been given to vendors for supplying of equipment, Management is confident that they would succeed in same and will be able to extract Chrome Ore through Underground mechanism before fully exhausting Chrome Ore from Open Cast/Boundary Pillar Mining Method in coming years.

Considering the above factors no adjustments to the carrying value of capital work in progress and advances relating to project is considered.
- 6 The Company has incurred losses during the year and its current liabilities exceed current assets that may create uncertainties. Due to same cash flow mismatch has arisen which further led to non-payment of statutory liabilities, salaries overdue, working capital deficiencies and subsequent to shut down of plant operations due to disconnection of power by NESCO in September 2020.

However, various cost saving initiatives undertaken by the Company in addition to optimize revenue opportunities and realization from its non-core assets is expected to result in improved operating performance.

Further, Company's continued thrust to improve operational efficiency and unconditional support from its Promoters' Group by way of infusion of funds into Company in FY 2022-23 before signing of the consolidated financial results for the quarter ended September 30, 2021 have resulted in increased cash flows to address uncertainties and restoration of power supply by TPNODL (erstwhile NESCO). Accordingly, the financial statements continue to be prepared on a going concern basis.
- 7 **Event Occurring after Balance Sheet Date**
 - a) The Company has entered into outstanding dues settlement with TP Northern Odisha Distribution Limited ("TPNODL") wherein outstanding dues were freezed and detailed payment schedule was worked out where upfront payment was to be made by the Company and the remaining balance be divided into an equal number of agreed installements. Subsequent to upfront payment, Power was restored at Balasore Plant and operations were resumed in the month of December, 2022. Accordingly, outstanding of TPNODL has been reclassified into current and non-current liability based on an agreed schedule.
 - b) Promoter group entities has infused long term funds amounting to ₹ 52,831.41 lacs into the company which was used for resuming plant operations both at Balasore and Sukinda by way of making payments to TPNODL for power restoration, for plant overhauling, to critical vendors, repayment of overdue banks borrowings etc..Company management is in the process of complying with applicable laws and regulations in respect of said infusion of funds.
 - c) During the year, the Company encountered difficulties in meeting its obligations to Banks and financial Institutions, resulting in default on repayments. As a consequence of non-payment of Interest and principal on time, the Company's Working Capital Loan was classified as a Non-Performing Asset (NPA) effective from November 28, 2020. However, from February 2022 until April 24, 2023, prior to the signing of this standalone financial statement, the Company has successfully paid off the entire loan amount, including interest, to Indian Bank, amounting to ₹ 4204.26 Lacs, and obtained a No Objection Certificate (NOC) from them. Additionally, the Company has also made a payment of ₹ 15,585.59 Lacs to State Bank of India on account of outstanding dues.
 - d) In relation to Statutory Stage-II forest clearance, where the DDM, Jajpur on 06.06.2022 issued letter to suspend mining operations, the Company has filed I.A. No.8591/2022 to direct the Opp.Parties/ State to permit transportation of excavated ore from mines site to factory and also has filed I.A. No. 10918/2022 for addition of Dept. of Steel & Mines and Director of Mines, Odisha as Opp. Parties to the writ petition. Further, the Company has submitted the compliances report as per the terms of Stage-I clearance and submitted the application for Stage-II Clearance, before the DFO, subsequently approved by PCCF vide letter dated 08.12.2022, which is under process at the Central Govt/ MoEF level.
- 8 Trade Receivable includes ₹ 4,977.39 Lacs which are outstanding for more than one year from its due date. Balance in respect of these customers are subject to confirmation/reconciliation. However, based on various discussion with the customers, management is confident of recovering these dues in near future. Considering the above factors no adjustments to the carrying value of receivables is considered.
- 9 Previous year/ period figures have been rearranged / regrouped wherever necessary to make them comparable with current period figures.

Place: Kolkata
Date: 26 April 2023



For Balasore Alloys Limited

Akula Nagendra Kumar
Managing Director
DIN: 08462253

