June 05, 2025

Corporate Relationship Department,
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001

Dear Sir / Madam,

Subject: **Statement on Impact of Audit Qualifications**

This refers to the Audited Consolidated Financial Results of the Company for the quarter and year ended 31st March, 2025.

In this regard, please find attached herewith a statement on impact of audit qualifications for the said financial results.

This is for your information and records.

Yours faithfully,

For Facor Alloys Limited

SACHIN KUMAR GUPTA Digitally signed by SACHIN KUMAR GUPTA Date: 2025.06.05 11:18:03 +05'30'

Sachin Kumar Gupta
Company Secretary
ACS 22874

Encl: As above

FACOR ALLOYS LIMITED

CIN No. L27101AP2004PLC043252

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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

Facor Alloys Limited

Consolidated Statement on Impact of Audit Qualifications for the quarter and year ended 31st March, 2025 [See Regulation 33/52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

I.	Sl. No	Particulars	Consolidated Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (Audited figures after adjusting for qualifications) *
			Rs. in Lakhs	Rs. in Lakhs
	1.	Turnover / Total income	1058.3	1058.3
	2.	Total Expenditure	1675.57	1675.57
	3.	Net Profit/(Loss) After Tax	- 5021.43	- 5021.43
	4.	Earnings Per Share	-2.57	-2.57
	5	Total Assets	18499.5	18499.5
	6.	Total Liabilities	18499.5	18499.5
	7.	Net Worth	10037.09	10037.09
	8.	Any other financial item(s) (as felt appropriate by the management)	-	-
	*Not Quantified by the auditor			

II. Audit Qualification (each audit qualification separately):

a) Details of Audit Qualification: (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.

b) Type of Audit Qualification: Disclaimer of Opinion

c) Frequency of qualification: Appeared First time

d) For Audit Qualification(s) where the impact is quantified by the auditor,

Management's Views: Not applicable

e) For Audit Qualification(s) where the impact is not quantified by the auditor, Management's Views:

(i) Management's estimation on the impact of audit qualification:

<table>
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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.

(ii) If management is unable to estimate the impact, reasons for the same:

Not Ascertainable

Auditors' Comments on (i) to (ii) above:

As described in the Basis for Disclaimer of Opinion section of our report, we were unable to obtain sufficient appropriate audit evidence regarding the financial results of one overseas subsidiary excluded from consolidation. Due to the significance of the matter described, 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 Results.
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<tr><td>iii</td><td>
Signatories:

• Executive Director (Whole-time Director)
(Ashish Santosh Agrawal)
Nagpur
ASHISH SANTOSH AGRAWAL
Digitally signed by ASHISH SANTOSH AGRAWAL
DN: c=IN, postalCode=441912, st=MAHARASHTRA, street=BHANDARA,RAMKRUSHN NAGAR TUMSAR ,441912, l=BHANDARA, o=Personal, serialNumber=33be9d90d511cf9748cf5eb24f0eea9483aa5b0f4e00adb61df5feb1b650a0a2, pseudonym=5e71849348604d618f2b8d38b4605a56, 2.5.4.20=f302273aeac129c75a489c62f0ba402e7625d129c0d57cadd10e18b4716d88bd, email=JANIT84951@CIRONEX.COM, cn=ASHISH SANTOSH AGRAWAL
Date: 2025.06.04 15:02:41 +05'30'

• Chief Financial Officer
(Mohammed Asim Quraishi)
Nagpur
Mohammad Asim Quraishi
Digitally signed by Mohammad Asim Quraishi
Date: 2025.06.03 19:07:00 +05'30'

• Audit Committee Chairman
(Muralidhar Rambhatla)
Nagpur
MURALIDHAR RAMBHATLA
Digitally signed by MURALIDHAR RAMBHATLA
Date: 2025.06.04 15:28:21 +05'30'

• Statutory Auditor
(Ashwin Mankeshwar)
K.K. Mankeshwar & Co.
Nagpur
ASHWIN MANKESHWAR
Digitally signed by ASHWIN MANKESHWAR
Date: 2025.06.04 20:20:03 +05'30'

20th May, 2025
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