



Impex Ferro Tech Limited

CIN No. : L27101WB1995PLC071996

Corporate & Communication Office :

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West Bengal

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30th March, 2023

To
The Listing Department
BSE Limited
P. J. Towers, 25th floor
Dalal Street,
Mumbai - 400 001

Ref: Scrip Code 532614

To
The Listing Department
National Stock Exchange of India Limited
Exchange Plaza
Bandra Kurla Complex
Mumbai - 400 051

Ref: Scrip Symbol - IMPEXFERO

Sub: Outcome of Board Meeting

Dear Sir,

Pursuant to Regulation 30 and 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please be informed that in the meeting of the Board of Directors of the Company held today i.e. Thursday, 30th March, 2023, the following matters were decided interalia. The meeting commenced at 20:00 hrs and concluded at 21.00 hrs

1. Approved the Un-audited Financial Results of the Company for the quarter and six months ended 30th September, 2022 in the specified format along with the Independent Auditor's Review Report pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
2. Approved the Un-audited Financial Results of the Company for the quarter and nine months ended 31st December, 2022 in the specified format along with the Independent Auditor's Review Report pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

This is for your information. Kindly take the same on your record.

Thanking You,
Yours faithfully,

For Impex Ferro Tech Limited

Richa Lath

Richa Lath
(Company Secretary & Compliance Officer)
Encl: As Above

R Kothari & Co LLP

CHARTERED ACCOUNTANTS

KOLKATA, NEW DELHI

INDEPENDENT AUDITOR'S REVIEW REPORT ON UNAUDITED FINANCIAL RESULTS

**TO
THE BOARD OF DIRECTORS
IMPEX FERRO TECH LIMITED**

**Limited Review Report of the Unaudited Financial Results for the quarter and nine months
ended 31st December, 2022**

Qualified Conclusion

1. We have reviewed accompanying Unaudited Financial Results of **IMPEX FERRO TECH LIMITED** (the 'Company') for the quarter and nine months ended 31st December, 2022, being submitted by the Company pursuant to the requirement of Regulations 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ('Listing Regulations') as amended.
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 (Ind AS) for Interim Financial Reporting ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with relevant rules issued there under and other accounting principles generally accepted in India and in compliance with Regulation 33 of Listing Regulations. Our responsibility is to issue a report on these Financial Statements based on our review.
3. We conducted our review of the statement in accordance with the Standard on Review Engagement (SRE) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures, applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.



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Website : www.rkothari.in, Web-mail:kolkata@rkothari.in**

R Kothari & Co (a partnership firm with FRN-307069E) converted into R Kothari & Co LLP, (a Limited Liability Partnership with LLP Identification No.AAS-5294 w.e.f 3rd June,2020)

4. Based on our review conducted as above, except for the possible effects of the matter described in the paragraph 5 below "Basis for qualified conclusion" and read with our comments in paragraph 6 & 7 below, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with the applicable Ind AS as prescribed under Section 133 of the Act read with relevant rules issued there under and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, read with the Circular, including the manner in which it is to be disclosed, or that it contains any material misstatement.

5. **Basis for Qualified Conclusion**

We draw your attention to Note No. 2 of the accompanying Financial Statements regarding non provision of interest expense on the borrowings of the Company amounting to Rs.1370.44 lakhs for the quarter ended 31stDecember, 2022 (Cumulative Non Provisioning of Rs. 25,738.17lakhs till 31.12.2022) and penal interest and charges thereof (amount remaining unascertained) which is not in accordance with the requirements of Ind AS 23: Borrowing Costs read with Ind AS 109: Financial Instruments.

In view of pending finalization of restructuring plan with Rare Asset Reconstruction Limited, the financial impact any pursuant to assignment agreement remain unascertained and not provided for in the financial result which might have consequential impact on the reported figures for the quarter as well as for earlier periods.

Had the aforesaid interest expense been recognized, the finance cost for the quarter ended 31st December 2022 would have been Rs. 1,371.57 lakhs instead of Rs.1.13 lakhs. The total expenses for the quarter ended 31stDecember 2022 would have been Rs. 2343.94 lakhs instead of Rs. 973.50lakhs. The Net loss after tax for the quarter ended 31st December 2022 would have been Rs. 1775.59 lakhs instead of loss of Rs. 405.15 lakhs. Total comprehensive Loss for the quarter ended 31st December 2022 would have been Rs. 1776.59 lakhs instead of reported amount of Loss of Rs. 406.15 lakhs.

The above reported interest has been calculated using Simple Interest rate.

6. **Material Uncertainty Related to Going Concern**

We draw your attention to **Note No.3** of the financial results regarding preparation of the financial statements on going concern basis, for the reason mentioned therein. The company has accumulated losses as on 31.12.2022. As on date the company's current liabilities are substantially higher than its current assets and net worth has also been fully eroded. These conditions indicate the existence of a material uncertainty that may cast significant doubt on the company's ability to continue as going concern. The appropriateness of assumption of going concern is critically dependent upon market scenario, the debt resolution of the company, the company's ability to raise requisite finance, generation of cash flows in future to meet its obligation and to earn profit in future. Our opinion is not modified in respect of this matter.



7. **Emphasis of Matter**

- i. *"Trade Receivables", "Trade payables", "Advances from Customer", "Advances Recoverable In Cash or Kind" and "Advance to Suppliers and Other Parties" etc includes balances remaining outstanding for a substantial period. The balances are subject to confirmation/reconciliation. The reported Financials might have consequential impact which remains unascertained.*
- ii. *The company has not deposited undisputed statutory dues to appropriate authority in time and deposit was delayed. Undisputed Statutory dues amounting to Rs. 117.03 lakhs was in arrears as at 31stDecember, 2022 for a period of more than six months.*
- iii. *With reference to Note 6 of the financial result regarding non provision of arrear bills of Rs. 968.54 lakhs (electricity charges) demanded by Damodar Valley Corporation (DVC) pertaining to F.Y. 2017-18 to 2019-20, which has been challenged and pending before Hon'ble Appellate Tribunal for Electricity (APTEL) and the aforesaid liability has neither considered as expenses nor provision is made in the financial result for the quarter and nine months ended 31st December, 2022.*
- iv. *With reference to Note 7 to the financial result, the Hon'ble National Company Law Tribunal (NCLT), Kolkata Bench has initiated Corporate Insolvency Resolution Process (CIRP) against the Company (Impex Ferro Tech Limited) based on the application filed by the financial creditor Punjab National Bank and by virtue of order dated 2nd March, 2023 issued by Hon'ble NCLT, Kolkata Bench, the application bearing CP(IB)/1068/KB) 2018 is dismissed as withdrawn since settlement has been arrived at between the parties. Accordingly, the IRP is discharged from his all responsibility and duties and the company is restored to its original position as existing before the CIRP.*

Further, pending NOC from Punjab National Bank w.r.t to settlement of dues, necessary adjustment has not been made in books and same might have consequential impact on financial result for the quarter and nine months ended 31st December 2022.



8. Other Matter

- i) *With reference to Note 4 to the financial result the manufacturing operation of the plant of the company situated at Kalyanesheri, West Bengal has been temporarily shut down since October, 2022 due to disconnection of power supply by the Damodar Valley Corporation (DVC) and the same has been intimated to the stock exchange.*

Our conclusion is not modified in respect of this matter.

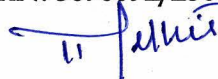
Date: 30/03/2023

Place: Kolkata

UDIN : 23064308BGXWRB7375



For R Kothari & Co LLP
Chartered Accountants
FRN: 307069E/E300266


CA. Manoj Kumar Sethia
Partner
Membership No: 064308

IMPEX FERRO TECH LIMITED

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CIN - L27101WB1995PLC071996

STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER, 2022

(₹ In Lacs)

Particulars	Quarter Ended			Nine Months Ended		Year Ended
	31-Dec-22	30-Sep-22	31-Dec-21	31-Dec-22	31-Dec-21	31-Mar-22
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1 Revenue from Operations	513.46	4,581.31	9,447.07	14,004.42	18,868.22	29,847.17
2 Other Income	54.89	2.52	14.99	60.01	25.47	594.81
3 Total Income (1+2)	568.35	4,583.83	9,462.06	14,064.43	18,893.69	30,441.98
4 Expenses						
(a) Cost of materials consumed *	550.35	3,924.09	5,370.15	10,544.96	11,913.20	17,379.16
(b) Changes in inventories of finished goods and work-in-progress	19.93	969.94	(167.04)	1,161.95	(52.72)	381.93
(c) Purchase of Traded Goods	7.83	112.34	266.09	120.17	722.10	1,176.98
(d) Employee benefits expense	6.96	11.25	8.80	30.11	25.74	32.26
(e) Finance Cost	1.13	0.15	3.59	1.64	9.61	13.24
(f) Depreciation and Amortization expenses	168.00	168.17	165.50	496.94	493.81	656.62
(g) Power cost	138.24	2,137.73	2,945.69	4,749.48	4,788.10	8,060.39
(h) Other expenses	81.06	538.27	493.90	1,230.29	1,262.08	2,152.35
Total Expenses	973.50	7,861.94	9,086.68	18,335.54	19,161.92	29,852.93
5 Profit / Loss from operations before exceptional items and tax (3-4)	(405.15)	(3,278.11)	375.38	(4,271.11)	(268.23)	589.05
6 Exceptional items (Expense)	-	-	-	-	-	2,265.26
7 Profit/(Loss) before tax (5-6)	(405.15)	(3,278.11)	375.38	(4,271.11)	(268.23)	(1,676.21)
8 Tax Expense	-	-	-	-	-	-
9 Net Profit/(Loss) for the period (7-8)	(405.15)	(3,278.11)	375.38	(4,271.11)	(268.23)	(1,676.21)
10 Other Comprehensive Income/(loss)						
A (i) Items that will not be reclassified to profit or loss	(1.00)	(2.00)	6.60	(3.00)	56.21	32.59
(ii) Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-	-	-
B (i) Items that will be reclassified to profit or loss	-	-	-	-	-	-
(ii) Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-	-	-
11 Total Comprehensive Income /(Loss) for the period (9+10)	(406.15)	(3,280.11)	381.98	(4,274.11)	(212.02)	(1,643.62)
12 Paid-up equity share capital (Face Value ₹ 10 per share)	8,793.16	8,793.16	8,793.16	8,793.16	8,793.16	8,793.16
13 Earnings per share (Face Value of Rs 10 per share):						
a) Basic (In ₹)	(0.46)	(3.73)	0.43	(4.86)	(0.31)	(1.91)
b) Diluted (In ₹)	(0.46)	(3.73)	0.43	(4.86)	(0.31)	(1.91)

* Cost of Material Consumed includes cost of Raw Material sold.

Notes:

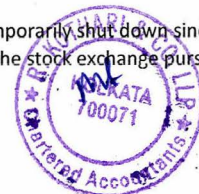
1) The above results for the quarter and half year ended 31st December, 2022 have been prepared in accordance with Indian Accounting Standard (Ind AS) notified under section 133 of the companies Act 2013 read together with the Companies (Indian Accounting Standards) Rules, 2015 and have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 30th March 2023.

2) Various credit facilities availed from United Bank of India (UBI), Bank of Baroda (BOB) and State Bank of India (SBI) have been assigned in favour of Rare Asset Reconstruction Ltd under assignment agreements between banks and Rare Asset Reconstruction Ltd. In absence of information about the terms of assignments, the company is carrying the various credit facilities as appearing in the books as per the previous terms with the respective banks.

In view of pending finalization of the restructuring plan with Rare Asset Reconstruction Limited, the company has not provided accrued interest in its books as the account has been declared NPA by the respective banks. The amount of interest has been recognised in the books of account to the extent the amount charged/realised by the banks only. The amount of interest not so provided stands at ₹ 1370.44 Lacs for the quarter and half year ended 31st December, 2022; and penal interest and charges thereof (amount remaining unascertained) has not been provided for. The unprovided liability in respect of interest till 31st December, 2022, amounted to ₹ 25738.17 Lacs. The same may have consequential impact on the reported figures of this quarter as well as earlier periods.

3) The company has incurred loss of ₹ 405.15 Lacs for quarter ended 31st December, 2022. The accumulated loss as on 31st December, 2022 is ₹ 42931.82 Lacs which is in excess of the entire net worth of the company. With the substantial improvement in raw material availability, improvement in market scenario with notification of Minimum Import Price on steel, it is expected that the overall financial health would improve considerably. Considering the above developments and favourable impact thereof on the Company's operations and financials, the company has prepared the financial results on the basis of Going Concern assumption.

4) The manufacturing operation of the plant of the company situated at Kalyanesheri, West Bengal has been temporarily shut down since October, 2022 due to disconnection of power supply by the Damodar Vally Corporation (DVC) and the same has been intimated to the stock exchange pursuant to Regulations 30 the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.



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- 5) The balance of "Trade Receivables", "Trade Payables", "Advances from Customers", "Advances Recoverable in cash or Kind" and Advance to Suppliers and Other Parties" includes balances remaining outstanding for a substantial period. The balances are subject to confirmations and reconciliations. The Balance with revenue authorities are subject to final assesment order and/or submission of returns. The reported financials might have consequential impoact once the confirmation are recieved and reconciliation if any is made.
- 6) With reference to non payment of arrear bills of ₹ 968.54 lakhs (electricity charges) computed by Damodar Vally Corporation (DVC) in terms of Tariff Order issued by West Bengal Electricity Regulatory Commission (WBERC) pertaining to F.Y. 2017-18 to 2019-20. In this regard Damodar Vally Corporation Consumer's Association on behalf of its members, has challenged the said Tariff Order before the Hon'ble Appellate Tribunal for Electricity (APTEL). The Hon'ble APTEL vide its order dated 21st June , 2022 has granted a interim stay on payment of arrears being demanded in terms of Tariff Order of the WBREC. Accordingly, the aforesaid demand has not been considered as expenses and not provided for in the financial result for the quarter and nine months ended 30th December, 2022.
- 7) The Hon'ble National Company Law Tribunal (NCLT), Kolkata Bench vide its order dated 28th October, 2022 has initiated Corporate Insolvency Resolution Process (CIRP) against the Company (Impex Ferro Tech Limited) under Section 7 of the Insolvency and Bankruptcy Code, 2016 (IBC), based on the application filed the financial creditor Punjab National Bank and Mr. Sanjay Kumar Agarwal, (IP Registration No. IBBI/IPA-001/IP-P00062/2017-18/10140 has been appointed as Interim Resolution Professional (IRP). In the meantime the corporate debtors (Impex Ferro Tech Limited) has settled its liability with the bank under One Time Settlement (OTS).
- Further, by virtue of order dated 2nd March, 2023 issued by Hon'ble NCLT, Kolkata Bench, the CP(IB)/1068/KB) 2018 along with pending IA(IBC)153KB)2022 and IA(IBC)/231/(KB)2013 is dismissed as withdrawn since settlement has been arrived at between the parties. Accordingly, the IRP is discharged from his all responsibility and duties and the company is restored to its original position as existing before the CIRP.
- Pending NOC With respect to settlement of dues with Punjab National Bank the necessary adjustment in repect thereof has not been made in books and same might have consequential impact on the reported financial result for the quarter and nine months ended 31st December, 2022.
- 8) As the company's business activity falls within a single significant primary segment i.e, "Ferro Alloys", no separate segment information is disclosed.
- 9) Figures for the previous period/year have been regrouped and /or reclassified to confirm to the classification of current period/year wherever necessary.

For and on behalf of the Board of Director



Subham Bhagat

Subham Bhagat
Managing Director
(DIN: 09070773)

Place: Kolkata
Dated: 30.03.2023