



Impex Ferro Tech Limited

CIN No. : L27101WB1995PLC071996

Corporate & Communication Office :

SKP HOUSE

132A, S.P. Mukherjee Road, Kolkata - 700 026

Telephone : +91 33 4016 8000/8100,

Fax : +91 33 4016 8107

E-mail : info@impexferrotech.com

Web : www.impexferrotech.com

Works :

Kadavita Dendua Road, P.O. Kalyaneshwari,

P.S. Kulti, Dist.: Burdwan, Pin - 713 369

West Bengal

Ph : (0341) 2522 248 (3 lines)

Fax : (0341) 2522 961

13th February, 2024

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 find enclosed herewith the Un-audited Financial Results of the Company for the quarter and nine months ended 31st December, 2023 in the specified format, along with the Statutory Auditors Report as considered and approved by the Board of Directors of the Company at its meeting held today, i.e. Tuesday, 13th February, 2024 commenced at 4:00 P.M and concluded at 11.30 P.M.

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

Thanking You,

Yours faithfully,

For Impex Ferro Tech Limited

Richa Lath
(Company Secretary)
Encl: As Above

J. B. S. & Company

Phone : (033) 2282 6809

CHARTERED ACCOUNTANTS

60, BENTINCK STREET, 4TH FLOOR

KOLKATA - 700 069

E-mail : jbs_company@rediffmail.com

INDEPENDENT AUDITOR'S LIMITED 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, 2023.

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, 2023, being submitted by the Company pursuant to the requirement of Regulations 33 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.



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. 1,525.77 lakhs for the quarter ended 31st December, 2023 (Cumulative Non Provisioning of Rs. 31,556.07 lakhs till 31.12.2023) 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.

Had the aforesaid interest expense been recognized, the finance cost for the quarter ended 31st December 2023 would have been Rs. 1,526.65 lakhs instead of Rs. 0.88 lakhs. The total expenses for the quarter ended 31st December 2023 would have been Rs. 1,935.91 lakhs instead of Rs. 410.14 lakhs. The Net loss after tax for the quarter ended 31st December 2023 would have been Rs. 1878.72 lakhs instead of loss of Rs. 352.95 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 31.12.2023. 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. With reference to note 8 to the financial result, "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. 430.25 lakhs was in arrears as at 31st December, 2023 for a period of more than Six months.
- iii. With reference to Note 5 to the financial result Aroma Coke Ltd a operational creditor has filed an application before National Company Law Tribunal (NCLT), Kolkata Bench against the company and currently the matter in sub judicial and not yet admitted.

8. **Other Matter**

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).

Our conclusion is not modified in respect of this matter.

Date : 13.02.2023

Place: Kolkata

UDIN : 24063711BKfCPW6526



For J.B.S. & Company
Chartered Accountants

ERN: 323734E

CA. Gouranga Paul
Partner

Membership No: 063711

IMPEX FERRO TECH LIMITED

Registered Office : 35, Chittaranjan Avenue, Kolkata 700012

Contact- +91-33-40168000, Fax No: +91-33-40168191 E-mail:ld-cs@impexferrotech.com

Website: www.impexferrotech.com

CIN - L27101WB1995PLC071996

STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER, 2023

Particulars		(Rs.in lacs)					
		Quarter Ended			Nine Months ended		Year Ended
		31-Dec-23	30-Sep-23	31-Dec-22	31-Dec-23	31-Dec-22	31-Mar-23
		Unaudited	Audited	Unaudited	Unaudited	Unaudited	Audited
1	Revenue from Operations	54.67	217.18	513.46	303.68	14,004.42	14,338.17
2	Other Income	2.52	2.52	54.89	7.55	60.01	165.22
3	Total Income (1+2)	57.19	219.70	568.35	311.23	14,064.43	14,503.39
4	Expenses						
	(a) Cost of materials consumed *	32.37	109.96	550.35	161.42	10,544.96	10,868.94
	(b) Changes in inventories of finished goods and work-in-progress	29.70	146.83	19.93	339.35	1,161.95	1,200.22
	(c) Purchase of Traded Goods	-	-	7.83	-	120.17	120.17
	(d) Employee benefits expense	7.03	7.03	6.96	21.11	30.11	57.05
	(e) Finance Cost	0.88	0.09	1.13	1.16	1.64	0.96
	(f) Depreciation and Amortization expenses	156.30	164.92	168.00	486.42	496.94	660.95
	(g) Power cost	-	-	138.24	-	4,749.48	4,892.62
	(h) Other expenses	183.86	25.13	81.06	239.09	1,230.29	1,271.63
	Total Expenses	410.14	453.96	973.50	1,248.55	18,335.54	19,072.55
5	Profit / Loss from operations before exceptional items and tax (3-4)	(352.95)	(234.26)	(405.15)	(937.32)	(4,271.11)	(4,569.15)
6	Exceptional items Expense/(Income)	-	-	-	-	-	(1,209.37)
7	Profit/(Loss) before tax (5-6)	(352.95)	(234.26)	(405.15)	(937.32)	(4,271.11)	(3,359.78)
8	Tax Expense	-	-	-	-	-	-
9	Net Profit/(Loss) for the period (7-8)	(352.95)	(234.26)	(405.15)	(937.32)	(4,271.11)	(3,359.78)
10	Other Comprehensive Income/(loss)						
	A) (i) Items that will not be reclassified to profit or loss	-	-	(1.00)	-	(3.00)	(7.80)
	(ii) Income tax relating to items that will not be reclassified to	-	-	-	-	-	-
	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)	(352.95)	(234.26)	(406.15)	(937.32)	(4,274.11)	(3,367.58)
12	Paid-up equity share capital (Face Value Rs.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 Rs.)	(0.40)	(0.27)	(0.46)	(1.07)	(4.86)	(3.82)
	b) Diluted (In Rs.)	(0.40)	(0.27)	(0.46)	(1.07)	(4.86)	(3.82)

** Cost of material consumed represent cost of RM sold.



Notes:

- 1) The above results for the quarter and nine months ended 31st December, 2023 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 13th February, 2024.
- 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 Rs. 1525.77 Lacs for the quarter ended 31st December, 2023, and penal interest and charges thereof (amount remaining unascertained) has not been provided for. The unprovided liability in respect of interest till 31st December, 2023, amounted to Rs. 31,556.07 Lacs. The same may have consequential impact on the reported financial for the quarter and nine months ended 31st December, 2023 as well as earlier periods.
- 3) The company has incurred loss of Rs. 352.95 Lacs for quarter ended 31st December, 2023. The accumulated loss as on 31st December, 2023 is Rs. 42,957.80 Lacs which is in excess of the entire net worth of the company. The management is in discussion with the Rare Asset Reconstruction Limited for restructuring of debts and improvement in market scenario & other factors, it is expected that overall financial health would improve considerably. Considering the above 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. The security deposit with DVC in the form of bank guarantee amounting to Rs. 950 lakhs has been invoked and other deposit of Rs. 748 lakhs lying with DVC also adjusted during previous year (F.Y. 2022-23). Further, the Captive Power Plant of the Company could not be running due to non feasibility, considering the technical and other issues in this regard.
- 5) An operational creditor has filed an application before National Company Law Tribunal (NCLT), Kolkata Bench against the company and currently the matter is sub judicial and not admitted.
- 6) With reference to non payment of arrear bills of Rs. 968.54 lakhs (electricity charges) in the F.Y. 2022-23, 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, 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 in the F.Y. 2022-23 and not provided for in the financial result for the quarter and nine months ended 31st Dec, 2023.
- 7) In view of litigation and demand by the creditors an amount of Rs. 174.66 Lacs which has written back in earlier years as no longer payable has been restored and included in other expenses.
- 8) 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 impact once the confirmation are recieved and reconciliation if any is made.'
- 9) Insurance coverage of Fixed Assets and Plant & Machinery (Including Stocks), has been expired on 13/06/2023 and the same is under process of renewal.
- 10) As the company's business activity falls within a single significant primary segment i.e, "Ferro Alloys", no separate segment information is disclosed.
- 11) Figures for the previous period/year have been regrouped and /or reclassified to confirm to the classification of current period/year wherever necessary.

On behalf of Board of Directors

Subham Bhagat

Chariman cum Managing Director

Place: Kolkata

Dated: 13th February' 2024

