

# INDIAN METALS & FERRO ALLOYS LIMITED

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CIN: L27101OR1961PLC000428

(Rs. in Crores)

PART I : STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER, 2014						
Particulars	Quarter ended			Half Year ended		Year ended
	30-Sep-2014 Unaudited	30-Jun-2014 Unaudited	30-Sep-2013 Unaudited	30-Sep-2014 Unaudited	30-Sep-2013 Unaudited	31-Mar-2014 Audited
<b>1. Income from Operations</b>						
(a) Income from Operations (Net of Excise Duty)	332.33	285.79	302.92	618.12	596.19	1,243.34
(b) Other Operating Income	15.70	15.52	19.75	31.22	33.44	74.51
<b>Total Income from Operations (Net)</b>	<b>348.03</b>	<b>301.31</b>	<b>322.67</b>	<b>649.34</b>	<b>629.63</b>	<b>1,317.85</b>
<b>2. Expenses</b>						
(a) Cost of Materials Consumed	115.27	177.50	165.21	292.77	321.20	689.48
(b) Changes in Inventories of Finished Goods	79.81	(29.68)	(6.60)	50.13	(25.11)	(65.45)
(c) Employee Benefits Expense	30.45	31.04	28.60	61.49	57.42	118.46
(d) Depreciation and Amortisation	29.22	29.00	38.11	58.22	69.56	149.02
(e) Other Expenses	62.33	64.81	56.55	127.14	119.65	276.70
<b>Total Expenses</b>	<b>317.08</b>	<b>272.67</b>	<b>281.87</b>	<b>589.75</b>	<b>542.72</b>	<b>1,168.21</b>
<b>3. Profit from operations before other income, finance costs &amp; exceptional items (1-2)</b>	<b>30.95</b>	<b>28.64</b>	<b>40.80</b>	<b>59.59</b>	<b>86.91</b>	<b>149.64</b>
4. Other Income	5.66	6.54	8.32	12.20	11.31	22.03
<b>5. Profit from ordinary activities before finance costs &amp; exceptional items (3+4)</b>	<b>36.61</b>	<b>35.18</b>	<b>49.12</b>	<b>71.79</b>	<b>98.22</b>	<b>171.67</b>
6. Finance Costs	27.66	30.86	45.17	58.52	68.18	118.56
<b>7. Profit from ordinary activities before exceptional items (5-6)</b>	<b>8.95</b>	<b>4.32</b>	<b>3.95</b>	<b>13.27</b>	<b>30.04</b>	<b>53.11</b>
8. Exceptional Items (Refer Note 3 )	5.22	-	-	5.22	-	-
<b>9. Profit from ordinary activities before tax (7-8)</b>	<b>3.73</b>	<b>4.32</b>	<b>3.95</b>	<b>8.05</b>	<b>30.04</b>	<b>53.11</b>
<b>10. Tax Expense</b>						
Current Tax & Deferred Tax	4.03	3.48	1.19	7.51	17.21	36.45
MAT Credit Entitlement (including earlier years)	(0.87)	(1.16)	(11.36)	(2.03)	(11.36)	(22.65)
Adjustment in respect of earlier year	-	-	-	-	-	0.19
<b>11. Net Profit from ordinary activities after tax (9-10)</b>	<b>0.57</b>	<b>2.00</b>	<b>14.12</b>	<b>2.57</b>	<b>24.19</b>	<b>39.12</b>
12. Extraordinary Items	-	-	-	-	-	-
<b>13. Net Profit for the Period/Year (11-12)</b>	<b>0.57</b>	<b>2.00</b>	<b>14.12</b>	<b>2.57</b>	<b>24.19</b>	<b>39.12</b>
14. Paid-up Equity Share Capital (Face Value Rs. 10/- each)	25.98	25.98	25.98	25.98	25.98	25.98
15. Reserves excluding Revaluation Reserves						829.62
<b>16. Earnings per share-Basic &amp; Diluted (in Rupees) (*not annualised)</b>	<b>0.22</b>	<b>0.77</b>	<b>5.43</b>	<b>0.99</b>	<b>9.31</b>	<b>15.06</b>

## PART-II : SELECT INFORMATION FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER, 2014

A. Particulars of Shareholding						
<b>1. Public Shareholding</b>						
- Number of Shares	11498935	11498935	11499185	11498935	11499185	11498935
- Percentage of Shareholding	44.27	44.27	44.27	44.27	44.27	44.27
<b>2. Promoters and Promoter Group Shareholding</b>						
<b>a) Pledged / Encumbered</b>						
- Number of Shares	-	832290	832290	-	832290	832290
- % of Shares (to total shareholding of promoters and promoter group)	-	5.75	5.75	-	5.75	5.75
- % of Shares (to total share capital of the Company)	-	3.20	3.20	-	3.20	3.20
<b>b) Non-encumbered</b>						
- Number of Shares	14478118	13645828	13645578	14478118	13645578	13645828
- % of Shares (to total shareholding of promoters and promoter group)	100	94.25	94.25	100	94.25	94.25
- % of Shares (to total share capital of the Company)	55.73	52.53	52.53	55.73	52.53	52.53



B. Investor Complaints	Quarter ended 30-Sep-14
- Pending at the beginning of the quarter	Nil
- Received during the quarter	82
- Disposed during the quarter	80
- Remaining unresolved at the end of the quarter	2*

\* Resolved subsequently

### Statement of Assets & Liabilities

(Rs. In Crores)

Particulars	As at	As at
	30-Sep-2014 (Unaudited)	31-Mar-2014 (Audited)
<b>A EQUITY AND LIABILITIES</b>		
<b>1. Shareholders' Funds</b>		
(a) Share Capital	25.98	25.98
(b) Reserve & Surplus	832.19	829.62
<b>Sub-total : Shareholders' Funds</b>	<b>858.17</b>	<b>855.60</b>
<b>2. Non-Current Liabilities</b>		
(a) Long-Term Borrowings	706.49	795.05
(b) Deferred Tax Liabilities(Net)	83.71	78.39
(c) Other Long-Term Liabilities	114.70	110.47
(d) Long-Term Provisions	5.24	4.37
<b>Sub-total : Non - Current Liabilities</b>	<b>910.14</b>	<b>988.28</b>
<b>3. Current Liabilities</b>		
(a) Short-Term Borrowings	169.27	160.46
(b) Trade Payables	175.49	163.55
(c) Other Current Liabilities	188.42	197.39
(d) Short-Term Provisions	4.56	18.58
<b>Sub-total : Current Liabilities</b>	<b>537.74</b>	<b>539.98</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>2,306.05</b>	<b>2,383.86</b>

(Rs. In Crores)

Particulars	As at	As at
	30-Sep-2014 (Unaudited)	31-Mar-2014 (Audited)
<b>B ASSETS</b>		
<b>1. Non-Current Assets</b>		
(a) Fixed Assets	1,171.44	1,189.94
(b) Non-Current Investment	167.37	167.37
(c) Long-Term Loans & Advances	107.87	113.14
(d) Other Non-Current Assets	16.47	-
<b>Sub-total : Non-Current Assets</b>	<b>1,463.15</b>	<b>1,470.45</b>
<b>2. Current Assets</b>		
(a) Current Investments	-	12.09
(b) Inventories	327.25	372.66
(c) Trade Receivables	101.66	56.78
(d) Cash and Cash Equivalents*	14.01	19.84
(e) Short-Term Loans & Advances	396.71	450.49
(f) Other Current Assets	3.27	1.55
<b>Sub-total : Current Assets</b>	<b>842.90</b>	<b>913.41</b>
<b>TOTAL ASSETS</b>	<b>2,306.05</b>	<b>2,383.86</b>

\* Cash and Cash Equivalents represents Cash and Bank Balances.

## Segment wise Revenue, Results and Capital Employed as per Clause 41 of Listing Agreement

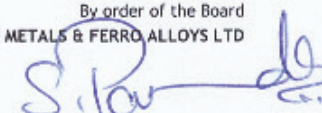
(Rs. in Crores)

Particulars	Quarter ended			Half Year ended		Year ended
	30-Sep-2014 Unaudited	30-Jun-2014 Unaudited	30-Sep-2013 Unaudited	30-Sep-2014 Unaudited	30-Sep-2013 Unaudited	31-Mar-2014 Audited
<b>1. Segment Revenue</b>						
a) Ferro Alloys	332.15	281.10	300.14	613.25	591.11	1,230.09
b) Power	78.23	106.41	107.09	184.64	197.93	446.15
c) Others	0.35	0.58	0.29	0.93	0.38	1.96
<b>Total</b>	<b>410.73</b>	<b>388.09</b>	<b>407.52</b>	<b>798.82</b>	<b>789.42</b>	<b>1,678.20</b>
Less: Inter Segment Revenue	78.40	102.30	104.60	180.70	193.23	434.86
<b>Net Income from Operations</b>	<b>332.33</b>	<b>285.79</b>	<b>302.92</b>	<b>618.12</b>	<b>596.19</b>	<b>1,243.34</b>
<b>2. Segment Results</b>						
a) Ferro Alloys	55.05	50.63	64.83	105.68	140.27	267.00
b) Power	(1.45)	(6.55)	(3.89)	(8.00)	(5.86)	(19.32)
c) Others	(0.23)	(0.29)	(0.18)	(0.52)	(0.28)	(0.53)
<b>Total</b>	<b>53.37</b>	<b>43.79</b>	<b>60.76</b>	<b>97.16</b>	<b>134.13</b>	<b>247.15</b>
Less: i) Finance Costs	27.66	30.86	45.17	58.52	68.18	118.56
ii) Other Un-allocable Expenditure (net)	21.98	8.61	11.64	30.59	35.91	75.48
iii) Un-allocable Income	-	-	-	-	-	-
<b>Total Profit Before Tax</b>	<b>3.73</b>	<b>4.32</b>	<b>3.95</b>	<b>8.05</b>	<b>30.04</b>	<b>53.11</b>
<b>3. Capital Employed</b> (Segment Assets-Segment Liabilities)						
a) Ferro Alloys	632.55	651.52	639.91	632.55	639.91	667.39
b) Power	746.96	754.34	815.38	746.96	815.38	775.16
c) Others	75.45	70.91	51.13	75.45	51.13	69.74
d) Unallocated	409.54	391.82	318.90	409.54	318.90	436.54
<b>Total</b>	<b>1,864.50</b>	<b>1,868.59</b>	<b>1,825.32</b>	<b>1,864.50</b>	<b>1,825.32</b>	<b>1,948.83</b>

## NOTES:

- The above unaudited financial results have been reviewed by the Audit Committee and approved by the Board of Directors of the Company at their respective meetings held on 29th October, 2014. The Statutory Auditors of the Company have reviewed the said results.
- The entire operations of the Company relate to two broad segments viz. 'Ferro Alloys' and 'Power'.
- In accordance with the requirements of Schedule II to the Companies Act, 2013, the Company reassessed the remaining useful lives of tangible fixed assets with effect from April 1, 2014, based on internal technical evaluation. Accordingly, their carrying values as on that date, net of residual values, are depreciated over their revised remaining useful lives. As a result of this change, the depreciation charge for the quarter and six months ended September 30, 2014 was lower by Rs. 7.72 crores and Rs. 13.90 crores respectively. In terms of MCA notification dated 29th August, 2014 amending Schedule II, the carrying amount of assets (after retaining the residual value), whose remaining useful lives have been reassessed to be nil as at April 1, 2014, has been recognised in the Statement of Profit and Loss as an exceptional item, which was earlier adjusted with the balance of retained earnings as on 01.04.2014 during the quarter ended 30th June, 2014.
- The Hon'ble Supreme Court of India vide its Order dated September 24th, 2014 cancelled a number of coal blocks allotted to various companies including 'Utkal C' block held by Utkal Coal Ltd (UCL), an SPV in which the Company holds 79.2% equity as at September 30th, 2014. As on that date the Company had exposure to UCL by way of Rs 110.88 crores invested as equity, Rs 134.96 crores given as unsecured loan and Rs 93 crores as guarantee to a financial institution for loan availed by UCL; however, mining activity had not yet started in the coal block. Subsequently, on October 21st, 2014, The Coal Mines (Special Provisions) Ordinance, 2014 was promulgated to facilitate auction of coal blocks which, inter alia, provides for compensation to a prior allottee. On review of the said ordinance, the Management is of the opinion that presently no provision is required to be made by the Company against its aforesaid exposure in UCL.
- Figures pertaining to the previous year / period have been regrouped / rearranged, reclassified and restated, wherever considered necessary, to make them comparable with those of current period.

By order of the Board  
For INDIAN METALS & FERRO ALLOYS LTD



Subhrakant Panda  
Managing Director

Bhubaneswar  
Date : 29th October, 2014

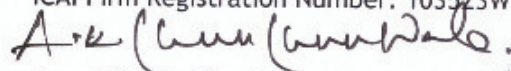
## Limited Review Report

Review Report to,  
The Board of Directors,  
Indian Metals and Ferro Alloys Limited

1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Results ('the Statement') of Indian Metals and Ferro Alloys Limited ('the Company'), for the quarter and half year ended September 30, 2014, except for the disclosures in Part II with respect to 'Particulars of Shareholding' & 'Investor Complaints', which have been traced from the details furnished by the Company's Management. This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review 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 Results 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.
3. Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with applicable Accounting Standards as specified under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies, has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement, including the manner in which it is to be disclosed, or that it contains any material misstatement.
4. We draw attention to Note 4 to the Statement regarding the Hon'ble Supreme Court of India's Order dated September 24<sup>th</sup>, 2014 cancelling, inter alia, the allotment of 'Utkal C' coal block being held by Utkal Coal Limited (UCL), a subsidiary of the Company. The Management is of the opinion that presently no provision is required to be made by the Company against its exposure in UCL.

Our report is not qualified in respect of this matter.

For Haribhakti & Co. LLP  
Chartered Accountants  
ICAI Firm Registration Number: 103523W



Anand Kumar Jhunjhunwala  
Partner  
Membership No.: 056613



Bhubaneswar, September 29, 2014