

INDIAN METALS & FERRO ALLOYS LIMITED

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CIN: L27101OR1961PLC000428

(Rs.in Crores)

STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER, 2016

Particulars	Quarter ended			Nine Months ended	
	31-Dec-2016 Unaudited	30-Sep-2016 Unaudited	31-Dec-2015 Unaudited	31-Dec-2016 Unaudited	31-Dec-2015 Unaudited
1. Income from Operations					
(a) Sales/Income from Operations	452.17	375.54	325.62	1,072.75	978.28
(b) Other Operating Income	9.83	12.04	9.73	30.12	40.74
Total Income from Operations	462.00	387.58	335.35	1,102.87	1,019.02
2. Expenses					
(a) Cost of Materials Consumed	194.56	182.46	182.56	521.35	555.19
(b) Changes in Inventories of Finished Goods	0.50	2.12	14.74	11.80	(6.80)
(c) Employee Benefits Expense	40.25	38.18	35.05	114.73	102.42
(d) Depreciation and Amortisation	27.24	26.90	28.10	80.96	83.16
(e) Other Expenses	83.79	65.24	64.92	212.69	227.54
Total Expenses	346.34	314.90	325.37	941.53	961.51
3. Profit/(Loss) from operations before other income, finance costs and exceptional items (1-2)	115.66	72.68	9.98	161.34	57.51
4. Other Income	(2.34)	12.18	2.22	12.80	13.35
5. Profit/(Loss) from ordinary activities before finance costs and exceptional items (3+4)	113.32	84.86	12.20	174.14	70.86
6. Finance Costs	26.82	20.90	19.29	69.59	63.20
7. Profit/(Loss) from ordinary activities after finance costs but before exceptional items (5-6)	86.50	63.96	(7.09)	104.55	7.66
8. Exceptional Items	-	-	(5.56)	-	19.59
9. Profit/(Loss) from ordinary activities before tax (7-8)	86.50	63.96	(1.53)	104.55	(11.93)
10. Tax Expense	22.63	21.65	(4.28)	28.72	(4.49)
11. Net Profit/(Loss) from ordinary activities after tax (9-10)	63.87	42.31	2.75	75.83	(7.44)
12. Extraordinary Items	-	-	-	-	-
13. Net Profit/(Loss) for the period after taxes (11-12)	63.87	42.31	2.75	75.83	(7.44)
14. Other Comprehensive Income (net of tax)	(1.00)	2.41	0.35	0.39	(1.54)
15. Total Comprehensive Income after tax (13+14)	62.87	44.72	3.10	76.22	(8.98)
16. Paid-up Equity Share Capital (Face Value Rs. 10/- each)	26.98	25.98	25.98	26.98	25.98
17. Earnings per share-Basic & Diluted (in Rupees) (*not annualised)	*24.51	*16.29	*1.06	*29.10	*(2.86)

Segment wise Revenue, Results, Assets and Liabilities

(Rs.in Crores)

Particulars	Unaudited			Unaudited	
	Quarter ended			Nine Months ended	
	31-Dec-2016 Unaudited	30-Sep-2016 Unaudited	31-Dec-2015 Unaudited	31-Dec-2016 Unaudited	31-Dec-2015 Unaudited
1. Segment Revenue					
a) Ferro Alloys	451.94	375.35	325.12	1,071.88	976.58
b) Power	112.94	106.09	99.98	309.62	314.67
c) Mining	39.47	43.14	34.26	118.79	94.91
d) Others	0.27	0.29	0.96	1.13	2.63
Total	604.62	524.87	460.32	1,501.42	1,388.79
Less: Inter Segment Revenue	152.45	149.33	134.70	428.67	410.51
Net Income from Operations	452.17	375.54	325.62	1,072.75	978.28
2. Segment Results					
a) Ferro Alloys	127.73	67.59	23.35	183.89	111.41
b) Power	(3.32)	(1.43)	(2.99)	(6.32)	(9.20)
c) Mining	(4.30)	(0.25)	(2.99)	(4.27)	(3.62)
d) Others	(2.41)	(2.34)	(2.26)	(7.00)	(7.30)
Total	117.70	63.57	15.11	166.30	91.29
Less: i) Finance Costs	26.82	20.90	19.29	69.59	63.20
ii) Other Un-allocable Expenditure (net)	4.38	(21.29)	(2.65)	(7.84)	40.02
Total Profit/(Loss) Before Tax	86.50	63.96	(1.53)	104.55	(11.93)
3. Segment Assets					
a) Ferro Alloys	641.65	619.84	685.66	641.65	685.66
b) Power	895.25	911.46	934.21	895.25	934.21
c) Mining	64.03	63.64	61.97	64.03	61.97
d) Others	68.80	70.72	75.99	68.80	75.99
e) Unallocated	660.11	590.74	607.56	660.11	607.56
Total Segment Assets	2,329.84	2,256.40	2,365.39	2,329.84	2,365.39
4. Segment Liabilities					
a) Ferro Alloys	149.53	127.10	138.49	149.53	138.49
b) Power	194.89	201.43	199.42	194.89	199.42
c) Mining	39.79	36.76	28.55	39.79	28.55
d) Others	0.92	0.59	0.91	0.92	0.91
e) Unallocated	147.96	124.92	148.25	147.96	148.25
Total Segment Liabilities	533.09	490.80	515.62	533.09	515.62

NOTES:

1. The above unaudited results have been reviewed by the Audit Committee and approved by the Board of Directors of the Company at their respective meetings held on 07th February, 2017. The Statutory Auditors of the Company have reviewed the said results which are in compliance with Indian Accounting Standards (Ind AS) notified by the Ministry of Corporate Affairs.
2. The Board has declared an interim dividend of Rs 10 per share of Rs 10/- each. The record date for the payment of interim dividend is 15th February, 2017.
3. Reconciliation of results between previous Indian GAAP and Ind AS is as follows:-

Particulars	(Rs. in Crores)	
	Quarter ended 31-Dec-15	Nine months ended 31-Dec-15
Net Profit / (Loss) as per previous Indian GAAP (published)	1.11	(4.81)
Ancillary borrowing costs' treatment as per the Effective Interest Rate method	0.74	(0.59)
Fair valuation of Derivative Financial Instruments	2.47	(0.68)
Actuarial remeasurements of Defined Benefit Obligations	(0.83)	(2.24)
Fair valuation of Current Investments	0.01	0.01
Amortisation of Leasehold Land	(0.11)	(0.32)
Others	(0.03)	(0.05)
Deferred Tax adjustments (net) on above	(0.61)	1.24
Net Profit / (Loss) before OCI as per Ind AS	2.75	(7.44)

4. The entire operations of the Company relate to three broad operating segments viz. "Ferro Alloys", "Power" and "Mining".
5. Pending final order from the Hon'ble High Court of Delhi on a writ petition filed in February 2015 by Utkal Coal Ltd. ('UCL', a subsidiary of the Company) in connection with matters emanating from the cancellation of allocation of its coal block by the Hon'ble Supreme Court of India, no accounting adjustments have been made by UCL in its books of account and no provision is deemed necessary against the Company's net exposure in UCL as at 31st December, 2016 amounting to Rs 111.95 crores invested as equity, Rs 197.63 crores given as an unsecured loan and Rs 62.18 crores provided as a guarantee to a financial institution for loan availed by UCL.
6. In view of the circumstances detailed above and considering the probability of economic benefits associated with the transaction flowing to the Company, as envisaged in paragraph 29 of Ind AS 18 on "Revenue", with effect from 1st October, 2014 the Company has postponed recognition of income from interest on unsecured loan given to UCL. Due to this, profit before tax for the quarter and nine months ended 31st December, 2016 is lower by Rs 7.11 crore and Rs 19.97 crore respectively. The interest income would be considered as revenue of the period in which it is properly recognised.
7. The Company had issued and allotted 10,00,000 Fully Convertible Equity Warrants to some of the Promoter Group Entities on a preferential basis on 5th August, 2016 on receipt of 25% of the issue price amounting to Rs 4.13 crore, entitling them to obtain equivalent number of equity shares of Rs 10 each (including premium of Rs 155/- per share).
Pursuant to exercise of option by the warrant holder(s) the Company has allotted 10,00,000 Equity Shares of Rs 10 each at a premium of Rs 155 per share on 9th December, 2016 on receipt of balance 75% of the issue price amounting to Rs 12.37 crore.
8. Previous periods' figures have been rearranged/regrouped/reclassified, wherever necessary, to make them comparable with those of current period.

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

New Delhi
Date : 07th February, 2017

Subhrakant Panda
Managing Director