

INDIAN METALS & FERRO ALLOYS LIMITED

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CIN: L27101OR1961PLC000428

(Rs. in Crores)

STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER, 2021						
Particulars	Standalone			Standalone		Standalone
	Quarter ended			Half Year ended		Year ended
	30-Sep-2021 (Unaudited)	30-Jun-2021 (Unaudited)	30-Sep-2020 (Unaudited)	30-Sep-2021 (Unaudited)	30-Sep-2020 (Unaudited)	31-Mar-2021 (Audited)
1. Income						
(a) Revenue from Operations	653.16	537.86	437.58	1,191.02	842.66	1,844.23
(b) Other Income	6.48	3.96	17.76	10.44	34.89	51.30
Total Income	659.64	541.82	455.34	1,201.46	877.55	1,895.53
2. Expenses						
(a) Cost of Materials Consumed	256.92	231.18	232.09	488.10	435.11	908.34
(b) Changes in Inventories of Finished Goods and Work-in-Progress	(11.36)	(8.16)	2.57	(19.52)	16.17	27.00
(c) Employee Benefits Expense	50.05	40.57	37.55	90.62	71.47	166.28
(d) Finance Costs						
- Interest on borrowing including other finance costs	13.71	13.78	16.93	27.49	33.24	63.59
- Loss/(Gain) on foreign currency transactions and translations on borrowing	(0.56)	3.15	(5.99)	2.59	(5.27)	(6.17)
(e) Depreciation and Amortisation Expense	24.94	24.12	26.03	49.06	51.43	104.22
(f) Loss/(Gain) on foreign currency transactions and translations including mark to market valuation (net)	(3.17)	0.48	(5.29)	(2.69)	(7.28)	(9.04)
(g) Impairment loss of trade receivables and other financial assets	-	-	0.25	-	0.26	0.26
(h) Other Expenses	124.20	100.74	93.39	224.94	186.97	413.66
Total Expenses	454.73	405.86	397.53	860.59	782.10	1,668.14
3. Profit/(Loss) before tax (1-2)	204.91	135.96	57.81	340.87	95.45	227.39
4. Tax Expense :						
- Current Tax	62.37	38.21	9.97	100.58	16.27	46.41
- Deferred Tax	(2.39)	(0.82)	3.05	(3.21)	10.09	14.23
5. Profit/(Loss) after tax (3-4)	144.93	98.57	44.79	243.50	69.09	166.75
6. Other Comprehensive Income/(Expense)						
Items that will not be reclassified to profit or loss (net of tax)						
- Remeasurements of defined benefit plan	1.07	(1.40)	2.89	(0.33)	0.69	(0.70)
- Income tax relating to items that will not be reclassified to profit or loss	(0.37)	0.49	(1.01)	0.12	(0.24)	0.25
7. Total Comprehensive Income/(Expense) after tax (5+6)	145.63	97.66	46.67	243.29	69.54	166.30
8. Paid-up Equity Share Capital (Face Value ₹10/- each)	26.98	26.98	26.98	26.98	26.98	26.98
9. Other Equity excluding Revaluation Reserves						1,199.71
10. Earnings per share-Basic & Diluted (in Rupees) (*not annualised)	*53.72	*36.54	*16.60	*90.26	*25.61	61.81

BALANCE SHEET

(Rs. in Crores)

Particulars	Standalone	Standalone
	As at 30-Sep-21 (Unaudited)	As at 31-Mar-21 (Audited)
A ASSETS		
1 Non - Current Assets		
(a) Property, Plant and Equipment	875.04	902.63
(b) Right of Use Assets	46.96	49.77
(c) Capital Work-in-Progress	51.81	54.72
(d) Investment Property	18.02	10.09
(e) Financial Assets		
(i) Investments in Subsidiaries and Associate	113.72	113.72
(ii) Other Investments	0.35	0.35
(iii) Other Financial Assets	13.36	13.50
(f) Non-Current Tax Assets (Net)	9.85	18.20
(g) Other Non-Current Assets	210.32	205.39
Total Non-Current Assets	1,339.43	1,368.37
2 Current Assets		
(a) Inventories	518.01	445.33
(b) Financial Assets		
(i) Investments	169.83	113.48
(ii) Trade Receivables	112.60	92.20
(iii) Cash and Cash Equivalents	65.30	6.65
(iv) Bank balances other than (iii) above	9.23	42.81
(v) Loans	262.96	262.88
(vi) Other Financial Assets	4.20	2.36
(c) Other Current Assets	154.17	190.55
Total Current Assets	1,296.30	1,156.26
Assets classified as held for sale	0.06	0.05
TOTAL ASSETS	2,635.79	2,524.68
B EQUITY AND LIABILITIES		
1 Equity		
(a) Equity Share Capital	26.98	26.98
(b) Other Equity	1,424.01	1,199.71
Total Equity	1,450.99	1,226.69
2 Non-Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	218.85	293.59
(ii) Lease Liabilities	40.22	41.16
(iii) Other Financial Liabilities	133.43	132.84
(b) Provisions	12.84	13.33
(c) Deferred Tax Liabilities (Net)	71.70	75.02
Total Non-Current Liabilities	477.04	555.94
3 Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	422.86	370.75
(ii) Trade Payables		
a) total outstanding dues of micro enterprises and small enterprises	5.85	10.96
b) total outstanding dues of creditors other than micro enterprises and small enterprises	89.73	178.70
(iii) Lease Liabilities	2.69	2.87
(iv) Other Financial Liabilities	165.79	157.21
(b) Other Current Liabilities	14.31	12.44
(c) Provisions	6.53	9.12
Total Current Liabilities	707.76	742.05
TOTAL EQUITY AND LIABILITIES	2,635.79	2,524.68

STATEMENT OF CASH FLOWS		
Particulars	(Rs. in Crores)	
	Half Year ended 30th Sept, 2021 (Unaudited)	Half Year ended 30th Sept, 2020 (Unaudited)
A. Cash Flow from Operating Activities		
Profit/(Loss) before tax	340.87	95.45
Adjustments for:		
Depreciation and Amortisation Expense	49.06	51.43
Loss/(Profit) on sale/disposal of Property, Plant and Equipment (Net)	2.24	(0.11)
Impairment on Property, Plant and Equipment	(0.05)	-
Profit on sale of Current Investments	(5.18)	(0.97)
Loss on fair valuation of Current Investments	(0.75)	(0.23)
Unrealised foreign exchange loss	(1.84)	4.25
Interest Income	(0.96)	(2.03)
Dividend Income	(1.73)	(1.73)
Finance Costs	30.08	27.97
Impairment loss of trade receivables and other financial assets	-	0.26
Liabilities no longer required written back	(0.10)	(0.17)
Operating Profit before Working Capital Changes	411.64	174.12
Adjustments for:		
(Increase) / decrease in Trade and other receivables	40.59	(58.26)
(Increase) / decrease in Inventories	(72.68)	36.51
Increase / (decrease) in Trade payables and other liabilities	(72.01)	(3.73)
Cash Generated from Operations	307.54	148.64
Direct Taxes paid/ (refund)	(93.55)	0.48
Net Cash Generated from Operating Activities	213.99	149.12
B. Cash Flow from Investing Activities		
Purchase of Property, Plant and Equipment and Addition in Capital Work-in-Progress	(25.87)	(8.70)
Proceeds from sale of Property, Plant and Equipment	0.05	-
Purchase of Current Investments	(345.70)	(264.94)
Sale of Current Investments	295.28	178.18
Loan to Subsidiaries	(0.08)	(0.08)
(Increase)/decrease in fixed deposits with bank	0.14	0.51
Dividend received	1.73	1.73
Interest received	0.96	1.46
Net Cash Used in Investing Activities	(73.49)	(91.84)
C. Cash Flow from Financing Activities		
Proceeds from Non-current borrowings	6.85	-
Repayment of Non-current borrowings	(91.73)	(2.64)
Proceeds from/(Repayment) of Current borrowings (Net)	53.24	(11.04)
Repayment of lease liabilities	(0.93)	(1.33)
Interest and financing charges paid	(28.35)	(26.82)
Interest on lease paid	(2.05)	(2.10)
Dividend paid	(18.88)	-
Net Cash Used in Financing Activities	(81.85)	(43.93)
Net increase/(decrease) in Cash and Cash Equivalents (A+B+C)	58.65	13.35
Cash and Cash Equivalents at the beginning of the year	6.65	4.53
Cash and Cash Equivalents at the end of the period	65.30	17.88
	Half Year ended 30th Sept, 2021 (Unaudited)	Half Year ended 30th Sept, 2020 (Unaudited)
Cash and Cash Equivalents at the end of the period comprises of:		
Cash on hand	0.67	0.57
Balance with Banks:		
- In Current Accounts	64.63	17.31
Total	65.30	17.88

PART II - Segment wise Revenue, Results, Assets and Liabilities

(Rs. in Crores)

Particulars	Standalone Quarter ended			Standalone Half Year ended		Standalone Year ended
	30-Sep-2021 (Unaudited)	30-Jun-2021 (Unaudited)	30-Sep-2020 (Unaudited)	30-Sep-2021 (Unaudited)	30-Sep-2020 (Unaudited)	31-Mar-2021 (Audited)
1. Segment Revenue						
a) Ferro Alloys	645.31	529.30	426.79	1,174.61	821.00	1,806.23
b) Power	106.33	101.59	104.59	207.92	188.24	408.43
c) Mining	56.32	90.10	50.75	146.42	97.61	225.03
d) Others	0.11	0.43	0.19	0.54	0.30	1.74
Total	808.07	721.42	582.32	1,529.49	1,107.15	2,441.43
Less: Inter Segment Revenue	162.66	191.70	155.40	354.36	285.91	633.70
Net Income from Operations	645.41	529.72	426.92	1,175.13	821.24	1,807.73
2. Segment Results						
a) Ferro Alloys	213.91	162.97	61.16	376.88	101.71	264.18
b) Power	(1.58)	(1.74)	(1.56)	(3.32)	(2.35)	(5.92)
c) Mining	2.21	(8.45)	(8.28)	(6.24)	(7.32)	(10.53)
d) Others	0.35	(0.96)	(1.74)	(0.61)	(3.56)	(7.12)
Total	214.89	151.82	49.58	366.71	88.48	240.61
Less: Finance Costs	13.15	16.93	10.94	30.08	27.97	57.42
Less: Other Un-allocable Expenditure net of Un-allocable Income	(3.17)	(1.07)	(19.17)	(4.24)	(34.94)	(44.20)
Total Profit/(Loss) Before Tax	204.91	135.96	57.81	340.87	95.45	227.39
3. Segment Assets						
a) Ferro Alloys	984.64	976.03	772.97	984.64	772.97	866.47
b) Power	745.78	826.22	805.34	745.78	805.34	830.82
c) Mining	176.62	116.40	111.71	176.62	111.71	129.81
d) Others	39.78	41.55	46.16	39.78	46.16	43.35
e) Unallocated	688.97	642.29	721.93	688.97	721.93	654.23
Total Segment Assets	2,635.79	2,602.49	2,458.11	2,635.79	2,458.11	2,524.68
4. Segment Liabilities						
a) Ferro Alloys	123.07	183.37	194.08	123.07	194.08	188.79
b) Power	235.77	237.61	257.33	235.77	257.33	245.55
c) Mining	36.78	40.85	33.41	36.78	33.41	41.96
d) Others	3.01	1.08	1.57	3.01	1.57	2.05
e) Unallocated	101.55	111.98	102.14	101.55	102.14	111.27
Total Segment Liabilities	500.18	574.89	588.53	500.18	588.53	589.62
Other Liabilities including borrowings and Leases	684.62	703.32	731.57	684.62	731.57	708.37
Total Liabilities	1,184.80	1,278.21	1,320.10	1,184.80	1,320.10	1,297.99

NOTES:

1. The above standalone results have been reviewed by the Audit Committee and subsequently approved by the Board of Directors of the Company at their respective meetings held on 26th October, 2021.
2. Based on the "management approach" as defined in Ind AS 108 - Operating Segments, the Chief Operating Decision Maker evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segments. Accordingly, information has been presented along these business segments viz. "Ferro Alloys", "Power" and "Mining". The accounting principles used in the preparation of these financial results are consistently applied to record revenue and expenditure in individual segments (refer PART II).
3. The Company holds 79.2% equity in Utkal Coal Ltd (UCL), as SPV which was allotted the Utkal 'C' coal block that was subsequently cancelled by virtue of an order of the Hon'ble Supreme Court. Earlier litigation pertaining to compensation for leased land was finally dropped after the Central Government reinitiated the auction process. However, the allotment to a State PSU was annulled after it failed to execute the pertinent agreement. The coal block has been considered for fresh auction once again as per the latest list issued by Nominated Authority. Meanwhile, the Company has filed a petition in the Hon'ble Delhi High Court in March 2020 praying for early determination and payment of compensation which is being heard. Hence, UCL is hopeful of receiving compensation amount pending which no accounting adjustments have been made in its books of accounts; therefore, no provision is considered necessary against the Company's net exposure in UCL as at 30th September 2021 amounting to Rs 111.42 crores equity and Rs 262.96 crores unsecured loan.
4. In view of the circumstances detailed above in Note No. 3 and considering the probability that the Company will collect the consideration to which it is entitled to, with effect from 1st October, 2014 the Company had postponed recognition of income from interest on unsecured loan given to UCL. The interest income would be considered as revenue in the year of settlement of compensation.
5. The Company has considered the possible effects that may result from COVID-19 on the carrying amounts of financial assets, inventory, receivables, loans and advances, property plant and equipment, intangibles etc. as well as liabilities accrued. The Company has further evaluated the impact of COVID-19 resulting from (i) the possibility of constraints to fulfil its performance obligations under the contract with customers and (ii) termination or deferment of contracts by customers. In developing the assumptions relating to the possible future uncertainties in the economic conditions because of this pandemic, the Company has used internal and external information. Having reviewed the underlying data and based on current estimates, the Company does not expect any material impact on the carrying amount of these assets and liabilities. Due to the nature of the pandemic, the Company will continue to monitor developments to identify significant uncertainties relating to revenue in future periods. The impact of COVID-19 on the Company's financial statements may differ from that estimated as at the date of approval of these financial statements and the Company will continue to closely monitor any material changes to future economic conditions. The Company has also evaluated the impact of the same on the aforementioned risks i.e. credit risk, liquidity risk, market risk, currency risk and interest risk and does not foresee any material impact on account of the same. However, the Company is closely monitoring the situation for any future impact.
6. The Parliament of India has approved the Code of Social Security, 2020 (the Code) which may impact the contributions by the company towards provident fund, gratuity and ESIC. The Code has been published in the Gazette of India however, the effective date has not yet been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective, if any.
7. The MCA vide notification dated 24th March, 2021 has amended Schedule III to the Companies Act, 2013 in respect of certain disclosures. Amendments are applicable from 1st April 2021. The Company has incorporated the changes as per the said amendment in the above results and has also changed comparative numbers wherever it is applicable.
8. The Board of Directors of the Company has declared interim dividend of Rs. 5/- per share (face value of Rs. 10/- each) for the financial year 2021-22 in its meeting held on 26th October 2021.
9. Previous periods' figures have been rearranged/regrouped, wherever considered necessary, to make them comparable with those of current year/period.

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

Place : Bhubaneswar
Date : 26th October, 2021

Subhrakant Panda
Managing Director
DIN - 00171845