

## INDIAN METALS & FERRO ALLOYS LIMITED

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CIN: L27101OR1961PLC000428

(Rs. in Crore)

PART I : STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER, 2022						
Particulars	Quarter ended			Nine Months ended		Year ended
	31-Dec-2022 (Unaudited)	30-Sept-2022 (Unaudited)	31-Dec-2021 (Unaudited)	31-Dec-2022 (Unaudited)	31-Dec-2021 (Unaudited)	31-Mar-2022 (Audited)
<b>1. Income</b>						
(a) Revenue from Operations	623.62	672.45	655.22	2,039.49	1,846.24	2,602.95
(b) Other Income	7.96	6.18	2.95	20.97	13.39	18.06
<b>Total Income</b>	<b>631.58</b>	<b>678.63</b>	<b>658.17</b>	<b>2,060.46</b>	<b>1,859.63</b>	<b>2,621.01</b>
<b>2. Expenses</b>						
(a) Cost of Materials Consumed	355.27	391.32	309.52	1,117.78	797.62	1,108.48
(b) Changes in Inventories of Finished Goods and Work-in-Progress	49.82	11.00	(36.41)	11.41	(55.93)	(11.49)
(c) Employee Benefits Expense	42.96	44.57	47.31	139.59	137.93	206.71
(d) Finance Costs						
- Interest on borrowing including other finance costs	8.60	8.77	16.48	23.06	43.97	55.13
- Loss/(Gain) on foreign currency transactions and translations on borrowing	5.37	14.51	(1.23)	35.69	1.36	6.42
(e) Depreciation and Amortisation Expense	27.60	25.78	25.73	78.25	74.79	110.22
(f) Loss/(Gain) on foreign currency transactions and translations including mark to market valuation (net)	2.18	7.48	(5.70)	20.23	(8.39)	(7.18)
(g) Impairment loss of trade receivables and other financial assets	(0.06)	0.65	0.18	2.87	0.18	0.74
(h) Other Expenses	114.39	144.43	128.40	397.71	353.34	494.92
<b>Total Expenses</b>	<b>606.13</b>	<b>648.51</b>	<b>484.28</b>	<b>1,826.59</b>	<b>1,344.87</b>	<b>1,963.95</b>
<b>3. Profit/(Loss) before Exceptional Items and tax (1-2)</b>	<b>25.45</b>	<b>30.12</b>	<b>173.89</b>	<b>233.87</b>	<b>514.76</b>	<b>657.06</b>
4. Exceptional Items - (Income)/Expense (Net) (refer note 7)	9.50	-	-	9.50	-	-
<b>5. Profit/(Loss) before tax (3-4)</b>	<b>15.95</b>	<b>30.12</b>	<b>173.89</b>	<b>224.37</b>	<b>514.76</b>	<b>657.06</b>
6. Tax Expense :						
- Current Tax	15.96	14.21	52.65	79.21	153.23	177.78
- Earlier year Tax	0.58	-	-	0.58	-	(0.38)
- Deferred Tax	(11.02)	(1.91)	(0.50)	(17.50)	(3.71)	(28.21)
<b>7. Profit/(Loss) after tax (5-6)</b>	<b>10.43</b>	<b>17.82</b>	<b>121.74</b>	<b>162.08</b>	<b>365.24</b>	<b>507.87</b>
8. Other Comprehensive Income/(Expense)						
Items that will not be reclassified to profit or loss (net of tax)						
- Remeasurements of defined benefit plan	(0.61)	0.08	0.31	0.13	(0.02)	(1.78)
- Income tax relating to items that will not be reclassified to profit or loss	0.16	(0.02)	(0.11)	(0.03)	0.01	0.45
<b>9. Total Comprehensive Income/(Expense) after tax (7+8)</b>	<b>9.98</b>	<b>17.88</b>	<b>121.94</b>	<b>162.18</b>	<b>365.23</b>	<b>506.54</b>
10. Paid-up Equity Share Capital (Face Value ₹10/- each)	53.96	53.96	26.98	53.96	26.98	53.96
11. Other Equity excluding Revaluation Reserves						1,646.90
<b>12. Earnings per share-Basic &amp; Diluted (in Rupees)* (refer note 9)</b>	<b>*1.93</b>	<b>*3.30</b>	<b>*22.56</b>	<b>*30.04</b>	<b>*67.69</b>	<b>94.13</b>

\* EPS is not annualised for the quarter ended and nine months ended December 31, 2022, the quarter ended September 30, 2022 and the quarter ended and nine months ended December 31, 2021.

Part II : Segment wise Revenue, Results, Assets and Liabilities

(Rs. in Crore)

Particulars	Standalone Quarter ended			Standalone Nine Months ended		Standalone Year ended
	31-Dec-2022 (Unaudited)	30-Sept-2022 (Unaudited)	31-Dec-2021 (Unaudited)	31-Dec-2022 (Unaudited)	31-Dec-2021 (Unaudited)	31-Mar-2022 (Audited)
<b>1. Segment Revenue</b>						
a) Ferro Alloys	613.92	662.38	644.87	2,008.47	1,819.48	2,563.82
b) Power	136.28	150.94	124.66	445.64	332.58	472.12
c) Mining	81.81	96.50	63.38	288.05	209.80	316.98
d) Others	0.21	0.26	0.32	0.79	0.86	1.18
<b>Total</b>	<b>832.22</b>	<b>910.08</b>	<b>833.23</b>	<b>2,742.95</b>	<b>2,362.72</b>	<b>3,354.10</b>
Less: Inter Segment Revenue	218.10	247.47	188.06	733.76	542.42	789.18
<b>Net Income from Operations</b>	<b>614.12</b>	<b>662.61</b>	<b>645.17</b>	<b>2,009.19</b>	<b>1,820.30</b>	<b>2,564.92</b>
<b>2. Segment Results</b>						
a) Ferro Alloys	29.93	81.57	208.15	320.76	585.03	745.09
b) Power	(1.92)	(1.35)	(1.38)	(3.92)	(4.70)	(6.21)
c) Mining	(0.26)	(6.82)	(6.87)	(7.45)	(13.11)	(11.65)
d) Others	(0.21)	(0.22)	(0.39)	(0.62)	(1.00)	(0.75)
<b>Total</b>	<b>27.54</b>	<b>73.18</b>	<b>199.51</b>	<b>308.77</b>	<b>566.22</b>	<b>726.48</b>
Less: Finance Costs	13.97	23.28	15.23	58.75	45.31	61.55
Less: Other Un-allocable Expenditure net of Un-allocable Income	(2.38)	19.78	10.39	25.65	6.15	7.87
<b>Total Profit/(Loss) before Tax</b>	<b>15.95</b>	<b>30.12</b>	<b>173.89</b>	<b>224.37</b>	<b>514.76</b>	<b>657.06</b>
<b>3. Segment Assets</b>						
a) Ferro Alloys	1,140.38	1,163.98	1,037.35	1,140.38	1,037.35	1,161.01
b) Power	901.08	876.24	745.01	901.08	745.01	769.40
c) Mining	242.57	224.72	191.35	242.57	191.35	281.06
d) Others	33.91	33.92	39.97	33.91	39.97	39.93
e) Unallocated	555.26	566.70	669.93	555.26	669.93	553.18
<b>Total Segment Assets</b>	<b>2,873.20</b>	<b>2,865.56</b>	<b>2,683.61</b>	<b>2,873.20</b>	<b>2,683.61</b>	<b>2,804.58</b>
<b>4. Segment Liabilities</b>						
a) Ferro Alloys	282.22	201.88	187.79	282.22	187.79	162.41
b) Power	250.56	243.27	270.85	250.56	270.85	244.36
c) Mining	63.94	62.89	36.04	63.94	36.04	67.54
d) Others	2.37	2.87	1.79	2.37	1.79	1.41
e) Unallocated	74.05	72.89	110.80	74.05	110.80	110.96
<b>Total Segment Liabilities</b>	<b>673.14</b>	<b>583.80</b>	<b>607.27</b>	<b>673.14</b>	<b>607.27</b>	<b>586.68</b>
Other Liabilities including borrowings and Leases	404.47	469.17	516.88	404.47	516.88	517.04
<b>Total Liabilities</b>	<b>1,077.61</b>	<b>1,052.97</b>	<b>1,124.15</b>	<b>1,077.61</b>	<b>1,124.15</b>	<b>1,103.72</b>

**NOTES:**

1. The above standalone results have been reviewed and recommended by the Audit Committee and subsequently approved by the Board of Directors of the Company at their respective meetings held on 30th January, 2023.
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), an SPV which was allotted the Utkal 'C' coal block that was subsequently cancelled by the virtue of an order of the Hon'ble Supreme Court. Litigation pertaining to compensation for leased land was dropped after the Central Government reinitiated the auction process, and the Company then filed a petition in the Hon'ble Delhi High Court in March 2020 praying for early determination and payment of compensation. Meanwhile, Utkal 'C' coal block has been reallocated to a Public Limited Company in the last auction (13th tranche) and vesting order dated 10.10.2022 has already been issued in favour of the said company. Further, UCL has received the compensation of Rs. 20.69 crore towards reimbursement of statutory expenses from Ministry of Coal on 14.12.2022. 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 31st December, 2022 amounting to Rs. 111.42 crore equity and Rs. 242.78 crore unsecured loan.
4. In view of the circumstances detailed above in Note 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. Pursuant to the order of Hon'ble Orissa High Court dated 21st April, 2005, the Company was paying electricity duty @ 6 paise per unit to the Government of Orissa and keeping the differential duty @ 14 paise per unit in a separate 'no lien account' till final disposal of it's writ petition. The Hon'ble Orissa High Court disposed of the said writ petition vide judgment dated 6th May, 2010 by directing the Company to deposit the differential amount of duty lying in no lien account with the State Exchequer. The Company preferred an appeal before the Hon'ble Supreme Court of India against the judgment of Orissa High Court. The Hon'ble Supreme Court vide its order dated 7th February, 2011 directed the company to continue the payment in the same manner but to deposit the differential amount of 14 paise per unit in an Escrow account instead of 'no lien account' till final disposal of the appeal. Accordingly, the Company paid the balance 14 paise per unit in an escrow account (non interest bearing current account) with State Bank of India from January, 2011. Subsequently, based on a direction received on 9th January, 2015 from Government of Odisha, the Company kept the Escrow amount in an interest bearing fixed deposit linked to escrow current account with effect from 21st March, 2015. On the principles of prudence, the Company fully provided for Electricity Duty @ 20 paise per unit in it's books of account, on accrual basis till September, 2015. Subsequent to the Department of Energy, Government of Odisha's Notification No. 8309 dated 1st October, 2015, wherein the amended rate of Electricity Duty for a Captive Power Generator was specified at par with that of a Licensee, the Company is paying the applicable duty @ 30 paise per unit to the Government of Odisha with effect from October, 2015. Further, Department of Energy, Government of Odisha vide notification No. 3442 dated 12th May, 2017 has enhanced the rate of Electricity Duty from 30 paise to 55 paise per unit for a Captive Power Generator and the Company continues to pay the enhanced duty. The Department of Energy, Government of Odisha vide resolution No. ENG-BUD-ED-0005-2019/11797 dtd. 30.11.2022 has announced an One Time Settlement (OTS) scheme for arrear electricity duty and interest in respect of consumers who generate energy for their own use or consumption (Captive Consumption). The Company has opted for the said OTS scheme. According to the operational guidelines of OTS, the Company has provided for the differential interest on electricity duty amounting to Rs.45.91 crore in the current quarter.
6. The Company has arrived at an out of Court settlement in a long pending arbitration matter and related legal proceedings pertaining to a conversion contract where it was to produce ferro chrome for a third party. The Settlement Agreement has been signed and the Company has received an amount of Rs 42.36 crore against a net receivable of Rs.5.95 crore. Pursuant to the agreement, a Joint Settlement Petition has also been signed and vide order dated 16.11.2022, the matter is disposed of in terms of the said settlement.
7. Exceptional Items for the quarter ended and nine months ended 31st December, 2022 consist of:
  - i) Interest on electricity duty amounting to Rs. 45.91 crore provided in the current quarter for details refer above Note 5.
  - ii) Income received against out of court settlement amounting to Rs. 36.41 crore as detailed above in Note 6.
8. 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.
9. Pursuant to the approval of the shareholders, through postal ballot and e-voting on 30th December, 2021 the Company, on 11th January, 2022 allotted 2,69,77,053 Ordinary shares of 10/- each, as fully paid-up Bonus shares in the proportion of 1 (one) Bonus share of 10/- each for every existing 1 (one) Ordinary shares of 10/- each held as on the record date i.e 10th January, 2022. Consequently to the above the Earnings per share (Basic & Diluted) have been adjusted for all the period presented.
- 10 Previous years/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 : New Delhi  
Date : 30th January, 2023

Subhrakant Panda  
Managing Director  
DIN - 00171845

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(Rs. in Crore)

## PART I : STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER, 2022

Particulars	Quarter ended			Nine Months ended		Year ended
	31-Dec-2022 (Unaudited)	30-Sep-2022 (Unaudited)	31-Dec-2021 (Unaudited)	31-Dec-2022 (Unaudited)	31-Dec-2021 (Unaudited)	31-Mar-2022 (Audited)
<b>1. Income</b>						
(a) Revenue from Operations	623.62	672.45	655.22	2,039.49	1,846.24	2,602.95
(b) Other Income	8.22	4.43	2.99	19.50	11.85	16.60
<b>Total Income</b>	<b>631.84</b>	<b>676.88</b>	<b>658.21</b>	<b>2,058.99</b>	<b>1,858.09</b>	<b>2,619.55</b>
<b>2. Expenses</b>						
(a) Cost of Materials Consumed	355.27	391.32	309.52	1,117.78	797.62	1,108.48
(b) Changes in Inventories of Finished Goods and Work-in-Progress	49.82	11.00	(36.41)	11.41	(55.93)	(11.49)
(c) Employee Benefits Expense	42.85	44.64	47.33	139.59	138.00	207.40
(d) Finance Costs						
- Interest on borrowing including other finance costs	7.98	8.13	15.84	21.17	42.03	52.55
- Loss/(Gain) on foreign currency transactions and translations on borrowing	5.37	14.51	(1.23)	35.69	1.36	6.42
(e) Depreciation and Amortisation Expense	27.60	25.78	25.73	78.25	74.79	110.22
(f) Loss/(Gain) on foreign currency transactions and translations including mark to market valuation (net)	2.19	7.47	(5.70)	20.23	(8.39)	(7.18)
(g) Impairment loss of trade receivables and other financial assets	-	0.66	-	2.95	-	1.00
(h) Other Expenses	114.53	144.47	128.55	397.97	353.59	494.50
<b>Total Expenses</b>	<b>605.61</b>	<b>647.98</b>	<b>483.63</b>	<b>1,825.04</b>	<b>1,343.07</b>	<b>1,961.90</b>
<b>3. Profit/(Loss) before exceptional items and tax (1-2)</b>	<b>26.23</b>	<b>28.90</b>	<b>174.58</b>	<b>233.95</b>	<b>515.02</b>	<b>657.65</b>
4. Exceptional Items - (Income)/Expense (Net) (Refer note 9)	9.50	-	-	9.50	-	-
<b>5. Profit/(Loss) before tax (3-4)</b>	<b>16.73</b>	<b>28.90</b>	<b>174.58</b>	<b>224.45</b>	<b>515.02</b>	<b>657.65</b>
6. Tax Expense :						
- Current Tax	16.12	14.41	52.83	79.75	153.77	178.52
- Earlier year Tax	0.58	-	-	0.58	-	(0.38)
- Deferred Tax	(11.01)	(1.91)	(0.49)	(17.49)	(3.79)	(28.19)
<b>7. Profit/(Loss) after tax (5-6)</b>	<b>11.04</b>	<b>16.40</b>	<b>122.24</b>	<b>161.61</b>	<b>365.04</b>	<b>507.70</b>
<b>8. Other Comprehensive Income/(Expense)</b>						
Items that will not be reclassified to profit or loss (net of tax)						
- Remeasurements of defined benefit plan	(0.61)	0.08	0.31	0.13	(0.02)	(1.78)
- Income tax relating to items that will not be reclassified to profit or loss	0.16	(0.02)	(0.11)	(0.03)	0.01	0.45
Items that will be reclassified to profit or loss						
- Exchange differences in translating the financial Statements of a foreign operation	(0.00)	(0.01)	(0.01)	(0.01)	0.03	(0.01)
<b>9. Total Comprehensive Income/(Expense) after tax (7+8)</b>	<b>10.59</b>	<b>16.45</b>	<b>122.43</b>	<b>161.70</b>	<b>365.06</b>	<b>506.36</b>
<b>10. Profit/(Loss) attributable to :</b>						
(a) Owners of the Parent	10.87	16.30	122.12	161.24	364.66	507.24
(b) Non-controlling interest	0.17	0.10	0.12	0.37	0.38	0.46
<b>11. Other Comprehensive Income/(Expense) (net of tax) attributable to :</b>						
(a) Owners of the Parent	(0.45)	0.05	0.19	0.09	0.02	(1.34)
(b) Non-controlling interest	-	-	-	-	-	-
<b>12. Total Comprehensive Income/(Expense) for the period attributable to : (10+11)</b>						
(a) Owners of the Parent	10.42	16.35	122.31	161.33	364.68	505.90
(b) Non-controlling interest	0.17	0.10	0.12	0.37	0.38	0.46
<b>13. Paid-up Equity Share Capital (Face Value ₹10/- each)</b>	<b>53.96</b>	<b>53.96</b>	<b>26.98</b>	<b>53.96</b>	<b>26.98</b>	<b>53.96</b>
<b>14. Other Equity excluding Revaluation Reserves</b>				-		1,661.40
<b>15. Earnings per share-Basic &amp; Diluted (in Rupees) *</b> (Refer note 11)	<b>*2.01</b>	<b>*3.02</b>	<b>*22.66</b>	<b>*29.89</b>	<b>*67.66</b>	<b>94.01</b>

\* EPS is not annualised for the quarter ended and nine months ended December 31, 2022, the quarter ended September 30, 2022 and the quarter ended and nine months ended December 31, 2021.

## Part II : Segment wise Revenue, Results, Assets and Liabilities

(Rs. in Crore)

Particulars	Consolidated Quarter ended			Consolidated Nine Months ended		Consolidated Year ended
	31-Dec-2022 (Unaudited)	30-Sep-2022 (Unaudited)	31-Dec-2021 (Unaudited)	31-Dec-2022 (Unaudited)	31-Dec-2021 (Unaudited)	31-Mar-2022 (Audited)
<b>1. Segment Revenue</b>						
a) Ferro Alloys	613.92	662.38	644.87	2,008.47	1,819.48	2,563.82
b) Power	136.28	150.94	124.66	445.64	332.58	472.12
c) Mining	81.81	96.50	63.38	288.05	209.80	316.98
d) Others	0.21	0.26	0.32	0.79	0.86	1.18
<b>Total</b>	<b>832.22</b>	<b>910.08</b>	<b>833.23</b>	<b>2,742.95</b>	<b>2,362.72</b>	<b>3,354.10</b>
Less: Inter Segment Revenue	218.10	247.47	188.06	733.76	542.42	789.18
<b>Net Income from Operations</b>	<b>614.12</b>	<b>662.61</b>	<b>645.17</b>	<b>2,009.19</b>	<b>1,820.30</b>	<b>2,564.92</b>
<b>2. Segment Results</b>						
a) Ferro Alloys	29.93	81.57	208.15	320.76	585.03	745.07
b) Power	(1.92)	(1.35)	(1.38)	(3.92)	(4.70)	(6.21)
c) Mining	(0.12)	(6.93)	(6.91)	(7.51)	(13.25)	(11.87)
d) Others	(0.21)	(0.22)	(0.39)	(0.62)	(1.00)	(0.75)
<b>Total</b>	<b>27.68</b>	<b>73.07</b>	<b>199.47</b>	<b>308.71</b>	<b>566.08</b>	<b>726.24</b>
Less: Finance Costs	13.35	22.64	14.59	56.86	43.37	58.97
Less: Other Un-allocable Expenditure net of Un-allocable Income	(2.40)	21.53	10.30	27.40	7.69	9.62
<b>Total Profit/(Loss) Before Tax</b>	<b>16.73</b>	<b>28.90</b>	<b>174.58</b>	<b>224.45</b>	<b>515.02</b>	<b>657.65</b>
<b>3. Segment Assets</b>						
a) Ferro Alloys	1,140.38	1,163.98	1,037.35	1,140.38	1,037.35	1,160.70
b) Power	901.08	876.24	745.01	901.08	745.01	769.22
c) Mining	588.55	591.21	558.10	588.55	558.10	497.85
d) Others	33.91	33.92	39.98	33.91	39.98	39.94
e) Unallocated	225.61	215.61	319.60	225.61	319.60	353.78
<b>Total Segment Assets</b>	<b>2,889.53</b>	<b>2,880.96</b>	<b>2,700.04</b>	<b>2,889.53</b>	<b>2,700.04</b>	<b>2,821.49</b>
<b>4. Segment Liabilities</b>						
a) Ferro Alloys	282.22	201.88	187.79	282.22	187.79	162.41
b) Power	250.56	243.27	270.85	250.56	270.85	244.36
c) Mining	64.01	62.94	33.92	64.01	33.92	65.48
d) Others	2.37	2.87	1.79	2.37	1.79	1.41
e) Unallocated	73.95	72.71	110.77	73.95	110.77	112.69
<b>Total Segment Liabilities</b>	<b>673.11</b>	<b>583.67</b>	<b>605.12</b>	<b>673.11</b>	<b>605.12</b>	<b>586.35</b>
Other Liabilities including borrowings and Leases	376.86	441.34	490.74	376.86	490.74	489.38
<b>Total Liabilities</b>	<b>1,049.97</b>	<b>1,025.01</b>	<b>1,095.86</b>	<b>1,049.97</b>	<b>1,095.86</b>	<b>1,075.73</b>

**NOTES:**

1. The above consolidated results have been reviewed and recommended by the Audit Committee and subsequently approved by the Board of Directors of the Parent Company at their respective meetings held on 30th January, 2023.
2. The consolidated financial results include the results of the Parent Company and four subsidiaries. The Parent Company together with its subsidiaries is herein referred to as the Group.
3. Based on the "management approach" as defined in Ind AS 108 - Operating Segments, the Chief Operating Decision Maker evaluates the Group'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).
4. The Parent Company had initiated arbitration proceedings against the Government of Indonesia under a Bilateral Investment Protection Treaty as a coal mining concession held by Indmet Mining Pte Ltd ('Indmet', a wholly owned subsidiary of the Company incorporated in Singapore), through a subsidiary PT Sumber Rahayu Indah ('SRI'), could not be operationalised. Consequent to rejection of claim filed by the Parent Company in 2018-19, the Board of Directors of Indmet and SRI have initiated the process for striking-off of the name of the Company.
5. The Parent Company holds 79.2% equity in Utkal Coal Ltd (UCL), an SPV which was allotted the Utkal 'C' coal block that was subsequently cancelled by the virtue of an order of the Hon'ble Supreme Court. Litigation pertaining to compensation for leased land was dropped after the Central Government reinitiated the auction process, and the Parent Company then filed a petition in the Hon'ble Delhi High Court in March 2020 praying for early determination and payment of compensation. Meanwhile, Utkal 'C' coal block has been reallocated to a Public Limited Company in the last auction (13th tranche) and vesting order dated 10.10.2022 has already been issued in favour of the said company. Further, UCL has received the compensation of Rs. 20.69 crore towards reimbursement of statutory expenses from Ministry of Coal on 14.12.2022. 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 Parent Company's net exposure in UCL as at 31st December, 2022 amounting to Rs. 111.42 crore equity and Rs. 242.78 crore unsecured loan.
6. In view of the circumstances detailed above in Note 5 and considering the probability that the Parent Company will collect the consideration to which it is entitled to, with effect from 1st October, 2014 the Parent 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.
7. Pursuant to the order of Hon'ble Orissa High Court dated 21st April, 2005, the Parent Company was paying electricity duty @ 6 paise per unit to the Government of Orissa and keeping the differential duty @ 14 paise per unit in a separate 'no lien account' till final disposal of its writ petition. The Hon'ble Orissa High Court disposed of the said writ petition vide judgment dated 6th May, 2010 by directing the Parent Company to deposit the differential amount of duty lying in no lien account with the State Exchequer. The Parent Company preferred an appeal before the Hon'ble Supreme Court of India against the judgment of Orissa High Court. The Hon'ble Supreme Court vide its order dated 7th February, 2011 directed the Parent Company to continue the payment in the same manner but to deposit the differential amount of 14 paise per unit in an Escrow account instead of 'no lien account' till final disposal of the appeal. Accordingly, the Parent Company paid the balance 14 paise per unit in an escrow account (non interest bearing current account) with State Bank of India from January, 2011. Subsequently, based on a direction received on 9th January, 2015 from Government of Odisha, the Parent Company kept the Escrow amount in an interest bearing fixed deposit linked to escrow current account with effect from 21st March, 2015. On the principles of prudence, the Parent Company fully provided for Electricity Duty @ 20 paise per unit in its books of account, on accrual basis till September, 2015. Subsequent to the Department of Energy, Government of Odisha's Notification No. 8309 dated 1st October, 2015, wherein the amended rate of Electricity Duty for a Captive Power Generator was specified at par with that of a Licensee, the Parent Company is paying the applicable duty @ 30 paise per unit to the Government of Odisha with effect from October, 2015. Further, Department of Energy, Government of Odisha vide notification No. 3442 dated 12th May, 2017 has enhanced the rate of Electricity Duty from 30 paise to 55 paise per unit for a Captive Power Generator and the Parent Company continues to pay the enhanced duty. The Department of Energy, Government of Odisha vide resolution No. ENG-BUD-ED-0005-2019/11797 dtd. 30.11.2022 has announced an One Time Settlement (OTS) scheme for arrear electricity duty and interest in respect of consumers who generate energy for their own use or consumption (Captive Consumption). The Parent Company has opted for the said OTS scheme. According to the operational guidelines of OTS, the Parent Company has provided for the differential interest on electricity duty amounting to Rs.45.91 crore in the current quarter.
8. The Parent Company has arrived at an out of Court settlement in a long pending arbitration matter and related legal proceedings pertaining to a conversion contract where it was to produce ferro chrome for a third party. The Settlement Agreement has been signed and the Company has received an amount of Rs 42.36 crore against a net receivable of Rs.5.95 crore. Pursuant to the agreement, a Joint Settlement Petition has also been signed and vide order dated 16.11.2022, the matter is disposed of in terms of the said settlement.
9. Exceptional Items for the quarter ended and nine months ended 31st December, 2022 consist of:
  - i) Interest on electricity duty amounting to Rs. 45.91 crore provided in the current quarter for details refer above Note 7.
  - ii) Income received against out of court settlement amounting to Rs. 36.41 crore as detailed above in Note 8.
10. The Parliament of India has approved the Code of Social Security, 2020 (the Code) which may impact the contributions by the Group 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 and its Indian subsidiaries 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.
11. Pursuant to the approval of the shareholders, through postal ballot and e-voting on 30th December, 2021 the Parent Company, on 11th January, 2022 allotted 2,69,77,053 Ordinary shares of 10/- each, as fully paid-up Bonus shares in the proportion of 1 (one) Bonus share of 10/- each for every existing 1 (one) Ordinary shares of 10/- each held as on the record date i.e 10th January, 2022. Consequently to the above the Earnings per share (Basic & Diluted) have been adjusted for all the period presented.
12. Previous years/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: New Delhi  
Date: 30th January, 2023

Subhrakant Panda  
Managing Director  
DIN - 00171845