

# 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 ENDED 30TH JUNE, 2020         |                            |                          |                            |                          |
|--|----------------------------|--------------------------|----------------------------|--------------------------|
| Particulars  | Quarter ended              |                          |                            | Year ended               |
|  | 30-Jun-2020<br>(Unaudited) | 31-Mar-2020<br>(Audited) | 30-Jun-2019<br>(Unaudited) | 31-Mar-2020<br>(Audited) |
| <b>1. Income</b>   |                            |                          |                            |                          |
| (a) Revenue from Operations  | 405.08                     | 379.04                   | 445.93                     | 1,611.94                 |
| (b) Other Income (refer Note No. 3)  | 17.13                      | 1.94                     | 6.61                       | 21.98                    |
| <b>Total Income</b>  | <b>422.21</b>              | <b>380.98</b>            | <b>452.54</b>              | <b>1,633.92</b>          |
| <b>2. Expenses</b>   |                            |                          |                            |                          |
| (a) Cost of Materials Consumed   | 203.02                     | 242.22                   | 206.29                     | 939.84                   |
| (b) Changes in Inventories of Finished Goods & Work-in-Progress  | 13.60                      | (15.00)                  | 26.64                      | 0.35                     |
| (c) Employee Benefits Expense  | 34.34                      | 32.06                    | 43.46                      | 154.80                   |
| (d) Finance Costs  |                            |                          |                            |                          |
| - Interest on borrowing including other finance costs  | 16.31                      | 15.97                    | 19.45                      | 72.36                    |
| - Loss/(Gain) on foreign currency transactions and translations on borrowing                               | 0.72                       | 18.47                    | (0.56)                     | 27.02                    |
| (e) Depreciation and Amortisation Expense  | 25.40                      | 29.31                    | 24.10                      | 104.21                   |
| (f) Loss/(Gain) on foreign currency transactions and translations including mark to market valuation (net) | (1.99)                     | 13.25                    | 0.45                       | 18.98                    |
| (g) Impairment loss of trade receivables and other financial assets  | 0.01                       | 4.53                     | (0.24)                     | 17.64                    |
| (h) Other Expenses   | 93.58                      | 101.53                   | 113.25                     | 390.66                   |
| <b>Total Expenses</b>  | <b>384.99</b>              | <b>442.34</b>            | <b>432.84</b>              | <b>1,725.86</b>          |
| <b>3. Profit before exceptional items and tax (1-2)</b>  | <b>37.22</b>               | <b>(61.36)</b>           | <b>19.70</b>               | <b>(91.94)</b>           |
| 4. Exceptional Items - (Income)/Expense (refer Note No.3)  | -                          | -                        | 1.73                       | 1.73                     |
| <b>5. Profit before tax (3-4)</b>  | <b>37.22</b>               | <b>(61.36)</b>           | <b>17.97</b>               | <b>(93.67)</b>           |
| 6. Tax Expense :   |                            |                          |                            |                          |
| - Current Tax  | 6.30                       | -                        | 13.37                      | -                        |
| - Earlier year Tax   | -                          | -                        | -                          | (1.69)                   |
| - Deferred Tax   | 6.89                       | (11.10)                  | (6.06)                     | (23.65)                  |
| <b>7. Profit after tax (5-6)</b>   | <b>24.03</b>               | <b>(50.26)</b>           | <b>10.66</b>               | <b>(68.33)</b>           |
| 8. Other Comprehensive Income/(Expense)  |                            |                          |                            |                          |
| Items that will not be reclassified to profit or loss (net of tax)   |                            |                          |                            |                          |
| - Remeasurements of defined benefit plan   | (1.78)                     | (9.22)                   | (1.32)                     | (5.83)                   |
| - Income tax relating to items that will not be reclassified to profit or loss                             | 0.62                       | 3.22                     | 0.46                       | 2.04                     |
| <b>9. Total Comprehensive Income after tax (7+8)</b>   | <b>22.87</b>               | <b>(56.26)</b>           | <b>9.80</b>                | <b>(72.12)</b>           |
| 10. Paid-up Equity Share Capital (Face Value ₹10/- each)   | 26.98                      | 26.98                    | 26.98                      | 26.98                    |
| 11. Other Equity excluding Revaluation Reserves  |                            |                          |                            | 1,041.50                 |
| <b>12. Earnings per share-Basic &amp; Diluted (in Rupees)</b><br>(*not annualised)                         | <b>*8.91</b>               | <b>*(18.63)</b>          | <b>*3.95</b>               | <b>(25.33)</b>           |

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

(Rs. in Crores)

| Particulars   | Quarter ended              |                            |                            | Year ended               |
|---|----------------------------|----------------------------|----------------------------|--------------------------|
|   | 30-Jun-2020<br>(Unaudited) | 31-Mar-2020<br>(Unaudited) | 31-Jun-2019<br>(Unaudited) | 31-Mar-2020<br>(Audited) |
| <b>1. Segment Revenue</b>                                       |                            |                            |                            |                          |
| a) Ferro Alloys   | 394.21                     | 365.20                     | 431.53                     | 1,558.04                 |
| b) Power  | 83.65                      | 119.82                     | 95.22                      | 421.38                   |
| c) Mining   | 46.86                      | 61.85                      | 47.52                      | 224.14                   |
| d) Others   | 0.11                       | 0.88                       | 0.75                       | 3.07                     |
| <b>Total</b>  | <b>524.83</b>              | <b>547.75</b>              | <b>575.02</b>              | <b>2,206.63</b>          |
| Less: Inter Segment Revenue                                     | 130.51                     | 181.73                     | 142.84                     | 645.89                   |
| <b>Net Income from Operations</b>                               | <b>394.32</b>              | <b>366.02</b>              | <b>432.18</b>              | <b>1,560.74</b>          |
| <b>2. Segment Results</b>                                       |                            |                            |                            |                          |
| a) Ferro Alloys   | 40.13                      | 4.93                       | 48.82                      | 69.97                    |
| b) Power  | (0.79)                     | (1.55)                     | (1.69)                     | (5.85)                   |
| c) Mining   | 0.96                       | (4.64)                     | (1.88)                     | (18.57)                  |
| d) Others   | (1.82)                     | (2.40)                     | (1.84)                     | (8.22)                   |
| <b>Total</b>  | <b>38.48</b>               | <b>(3.66)</b>              | <b>43.41</b>               | <b>37.33</b>             |
| Less: Finance Costs   | 17.03                      | 34.44                      | 19.45                      | 99.38                    |
| Less: Other Un-allocable Expenditure net of Un-allocable Income | (15.77)                    | 23.26                      | 5.99                       | 31.62                    |
| <b>Total Profit Before Tax</b>                                  | <b>37.22</b>               | <b>(61.36)</b>             | <b>17.97</b>               | <b>(93.67)</b>           |
| <b>3. Segment Assets</b>  |                            |                            |                            |                          |
| a) Ferro Alloys   | 814.25                     | 784.88                     | 820.41                     | 784.88                   |
| b) Power  | 822.29                     | 834.49                     | 897.17                     | 834.49                   |
| c) Mining   | 122.29                     | 110.55                     | 122.16                     | 110.55                   |
| d) Others   | 47.29                      | 48.64                      | 53.28                      | 48.64                    |
| e) Unallocated  | 628.11                     | 619.09                     | 629.09                     | 619.09                   |
| <b>Total Segment Assets</b>                                     | <b>2,434.23</b>            | <b>2,397.65</b>            | <b>2,522.11</b>            | <b>2,397.65</b>          |
| <b>4. Segment Liabilities</b>                                   |                            |                            |                            |                          |
| a) Ferro Alloys   | 160.74                     | 145.31                     | 173.62                     | 145.31                   |
| b) Power  | 257.37                     | 258.94                     | 230.33                     | 258.94                   |
| c) Mining   | 43.76                      | 52.34                      | 40.18                      | 52.34                    |
| d) Others   | 2.74                       | 2.31                       | 0.95                       | 2.31                     |
| e) Unallocated  | 119.62                     | 127.56                     | 113.81                     | 127.56                   |
| <b>Total Segment Liabilities</b>                                | <b>584.23</b>              | <b>586.46</b>              | <b>558.89</b>              | <b>586.46</b>            |
| Other Liabilities including borrowings and Leases               | 758.98                     | 742.71                     | 795.05                     | 742.71                   |
| <b>Total Liabilities</b>  | <b>1,343.21</b>            | <b>1,329.17</b>            | <b>1,353.94</b>            | <b>1,329.17</b>          |

**NOTES:**

1. The above standalone unaudited financial 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 27th July, 2020.
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. Other income includes receipt of insurance claim of Rs.14.99 crores during the quarter.
4. The Hon'ble Supreme Court of India cancelled the allocation of coal blocks to various companies, including the 'Utkal C' coal block held by Utkal Coal Ltd (UCL), an SPV in which the Company holds 79.2% equity. Subsequently, UCL moved to the Hon'ble Delhi High Court challenging the compensation calculation which did not take into consideration the amount paid for the leased land. Thereafter, aggrieved by the judgement of the Hon'ble Delhi High Court which held that leased land could be considered for compensation but did not give express directions, UCL moved to the Hon'ble Supreme Court. During the year ended 31st March, 2019, the SLP was withdrawn by UCL after the Central Government initiated the auction process.

Ministry of Coal vide its letter dated 2nd April, 2019 to UCL again sought details of the investment in the said coal block including lease hold land in order to re-estimate the compensation amount and the details were submitted to them on 8th April 2019. In the meantime, the coal block has been allotted to Gujarat State Electricity Corporation Limited (GSECL) during the year. Pending execution of allotment agreement between Gujrat State Electricity Corporation Limited and the Nominated Authority and issuance of allotment order by the Nominated Authority in favour of GSECL, UCL still retains the right, title and interest over the said coal block. The Company has filed a petition in the Hon'ble High Court of Delhi on 12th March, 2020, praying for appropriate order or direction to the concerned authority for early determination and payment of the compensation. Hence, UCL is hopeful of receiving the compensation amount pending which no accounting adjustments have been made by UCL in its books of account and, therefore, no provision is considered necessary against the Company's net exposure in UCL as at 30th June, 2020 amounting to Rs.111.42 crore invested as equity and Rs. 263.94 crore given as unsecured loan.

5. In view of the circumstances detailed above in Note No. 4 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.
6. 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.
7. The figures for the quarter ended 31st March 2020 are the balancing figure between audited figures in respect of full financial year and the unaudited published year to date figures up to the third quarter of the financial year ended 31st March 2020.
8. Previous periods/year figures have been rearranged/regrouped, wherever considered necessary, to make them comparable with those of current period.

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

Place : New Delhi  
Date : 27th July, 2020

Subhrakant Panda  
Managing Director  
DIN - 00171845

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CIN: L27101OR1961PLC000428

(Rs.in Crores)

| PART I : STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE, 2020       |                            |                          |                            |                          |
|--|----------------------------|--------------------------|----------------------------|--------------------------|
| Particulars  | Quarter ended              |                          |                            | Year ended               |
|  | 30-Jun-2020<br>(Unaudited) | 31-Mar-2020<br>(Audited) | 30-Jun-2019<br>(Unaudited) | 31-Mar-2020<br>(Audited) |
| <b>1. Income</b>   |                            |                          |                            |                          |
| (a) Revenue from Operations  | 405.08                     | 379.04                   | 445.93                     | 1,611.94                 |
| (b) Other Income (refer Note No. 3)  | 17.21                      | 2.05                     | 6.66                       | 21.24                    |
| <b>Total Income</b>  | <b>422.29</b>              | <b>381.09</b>            | <b>452.59</b>              | <b>1,633.18</b>          |
| <b>2. Expenses</b>   |                            |                          |                            |                          |
| (a) Cost of Materials Consumed   | 203.02                     | 242.22                   | 206.29                     | 939.84                   |
| (b) Changes in Inventories of Finished Goods & Work-in-Progress  | 13.60                      | (15.00)                  | 26.64                      | 0.35                     |
| (c) Employee Benefits Expense  | 34.37                      | 32.10                    | 43.49                      | 154.91                   |
| (d) Finance Costs  |                            |                          |                            |                          |
| - Interest on borrowing including other finance costs  | 15.64                      | 15.31                    | 18.77                      | 69.66                    |
| - Loss/(Gain) on foreign currency transactions and translations on borrowing                               | 0.72                       | 18.47                    | (0.56)                     | 27.02                    |
| (e) Depreciation and Amortisation Expense  | 25.40                      | 29.31                    | 24.10                      | 104.21                   |
| (f) Loss/(gain) on foreign currency transactions and translations including mark to market valuation (net) | (1.99)                     | 13.25                    | 0.45                       | 18.98                    |
| (g) Impairment loss of trade receivables   | -                          | 4.52                     | -                          | 17.86                    |
| (f) Other Expenses   | 93.59                      | 101.57                   | 113.28                     | 390.84                   |
| <b>Total Expenses</b>  | <b>384.35</b>              | <b>441.75</b>            | <b>432.46</b>              | <b>1,723.67</b>          |
| <b>3. Profit before exceptional items and tax (1-2)</b>  | <b>37.94</b>               | <b>(60.66)</b>           | <b>20.13</b>               | <b>(90.49)</b>           |
| <b>4. Exceptional Items - (Income)/Expense</b>   | <b>-</b>                   | <b>-</b>                 | <b>-</b>                   | <b>-</b>                 |
| <b>5. Profit before tax (3-4)</b>  | <b>37.94</b>               | <b>(60.66)</b>           | <b>20.13</b>               | <b>(90.49)</b>           |
| <b>6. Tax Expense :</b>  |                            |                          |                            |                          |
| - Current Tax  | 6.49                       | 0.18                     | 13.56                      | 0.75                     |
| - Earlier year Tax   | -                          | -                        | -                          | (1.69)                   |
| - Deferred Tax   | 6.90                       | (11.09)                  | (6.18)                     | (23.77)                  |
| <b>7. Profit after tax (5-6)</b>   | <b>24.55</b>               | <b>(49.75)</b>           | <b>12.75</b>               | <b>(65.78)</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   | (1.78)                     | (9.22)                   | (1.32)                     | (5.83)                   |
| - Income tax relating to items that will not be reclassified to profit or loss                             | 0.62                       | 3.22                     | 0.46                       | 2.04                     |
| Items that will be reclassified to profit or loss  |                            |                          |                            |                          |
| - Exchange differences in translating the financial Statements of a foreign operation                      | (0.33)                     | 1.89                     | 0.05                       | 0.06                     |
| <b>9. Total Comprehensive Income/(Expense) after tax (7+8)</b>   | <b>23.06</b>               | <b>(53.86)</b>           | <b>11.94</b>               | <b>(69.51)</b>           |
| <b>10. Profit/(Loss) attributable to :</b>   |                            |                          |                            |                          |
| (a) Owners of the Company  | 24.43                      | (49.99)                  | 12.60                      | (66.30)                  |
| (b) Non-controlling interest   | 0.12                       | 0.24                     | 0.15                       | 0.52                     |
| <b>11. Other Comprehensive Income/(Expense) (net of tax) attributable to :</b>                             |                            |                          |                            |                          |
| (a) Owners of the Company  | (1.49)                     | (4.11)                   | (0.81)                     | (3.73)                   |
| (b) Non-controlling interest   | -                          | -                        | -                          | -                        |
| <b>12. Total Comprehensive Income/(Expense) for the period attributable to : (10+11)</b>                   |                            |                          |                            |                          |
| (a) Owners of the Company  | 22.94                      | (54.10)                  | 11.79                      | (70.03)                  |
| (b) Non-controlling interest   | 0.12                       | 0.24                     | 0.15                       | 0.52                     |
| <b>13. Paid-up Equity Share Capital (Face Value ₹10/- each)</b>  | <b>26.98</b>               | <b>26.98</b>             | <b>26.98</b>               | <b>26.98</b>             |
| <b>14. Other Equity excluding Revaluation Reserves</b>   |                            |                          |                            | <b>1,056.94</b>          |
| <b>15. Earnings per share-Basic &amp; Diluted (in Rupees)</b><br>(*not annualised)                         | <b>*9.06</b>               | <b>*(18.52)</b>          | <b>*4.67</b>               | <b>(24.58)</b>           |

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

(Rs. in Crores)

| Particulars   | Quarter ended              |                          |                            | Year ended               |
|---|----------------------------|--------------------------|----------------------------|--------------------------|
|   | 30-Jun-2020<br>(Unaudited) | 31-Mar-2020<br>(Audited) | 30-Jun-2019<br>(Unaudited) | 31-Mar-2020<br>(Audited) |
| <b>1. Segment Revenue</b>                                       |                            |                          |                            |                          |
| a) Ferro Alloys   | 394.21                     | 365.20                   | 431.53                     | 1,558.04                 |
| b) Power  | 83.65                      | 119.82                   | 95.22                      | 421.38                   |
| c) Mining   | 46.86                      | 61.85                    | 47.52                      | 224.14                   |
| d) Others   | 0.11                       | 0.88                     | 0.75                       | 3.07                     |
| <b>Total</b>  | <b>524.83</b>              | <b>547.75</b>            | <b>575.02</b>              | <b>2,206.63</b>          |
| Less: Inter Segment Revenue                                     | 130.51                     | 181.73                   | 142.84                     | 645.89                   |
| <b>Net Income from Operations</b>                               | <b>394.32</b>              | <b>366.02</b>            | <b>432.18</b>              | <b>1,560.74</b>          |
| <b>2. Segment Results</b>                                       |                            |                          |                            |                          |
| a) Ferro Alloys   | 40.13                      | 4.93                     | 48.82                      | 69.97                    |
| b) Power  | (0.79)                     | (1.55)                   | (1.69)                     | (5.85)                   |
| c) Mining   | 0.90                       | (4.72)                   | (1.93)                     | (18.81)                  |
| d) Others   | (1.82)                     | (2.40)                   | (1.84)                     | (8.22)                   |
| <b>Total</b>  | <b>38.42</b>               | <b>(3.74)</b>            | <b>43.36</b>               | <b>37.09</b>             |
| Less: Finance Costs   | 16.36                      | 33.78                    | 18.77                      | 96.68                    |
| Less: Other Un-allocable Expenditure net of Un-allocable Income | (15.88)                    | 23.14                    | 4.46                       | 30.90                    |
| <b>Total Profit Before Tax</b>                                  | <b>37.94</b>               | <b>(60.66)</b>           | <b>20.13</b>               | <b>(90.49)</b>           |
| <b>3. Segment Assets</b>  |                            |                          |                            |                          |
| a) Ferro Alloys   | 814.25                     | 784.88                   | 820.41                     | 784.88                   |
| b) Power  | 822.29                     | 834.49                   | 897.18                     | 834.49                   |
| c) Mining   | 489.37                     | 477.59                   | 489.08                     | 477.59                   |
| d) Others   | 47.29                      | 48.64                    | 53.28                      | 48.64                    |
| e) Unallocated  | 278.05                     | 268.41                   | 278.32                     | 268.41                   |
| <b>Total Segment Assets</b>                                     | <b>2,451.25</b>            | <b>2,414.01</b>          | <b>2,538.27</b>            | <b>2,414.01</b>          |
| <b>4. Segment Liabilities</b>                                   |                            |                          |                            |                          |
| a) Ferro Alloys   | 160.74                     | 145.31                   | 173.62                     | 145.31                   |
| b) Power  | 257.37                     | 258.94                   | 230.33                     | 258.94                   |
| c) Mining   | 44.05                      | 52.57                    | 40.41                      | 52.57                    |
| d) Others   | 2.74                       | 2.31                     | 0.95                       | 2.31                     |
| e) Unallocated  | 119.34                     | 127.38                   | 113.84                     | 127.38                   |
| <b>Total Segment Liabilities</b>                                | <b>584.24</b>              | <b>586.51</b>            | <b>559.15</b>              | <b>586.51</b>            |
| Other Liabilities including borrowings and Leases               | 729.44                     | 712.99                   | 764.86                     | 712.99                   |
| <b>Total Liabilities</b>  | <b>1,313.68</b>            | <b>1,299.50</b>          | <b>1,324.01</b>            | <b>1,299.50</b>          |

**NOTES:**

1. The above consolidated 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 27th July, 2020.
2. The consolidated audited financial results include the results of the Company and five subsidiaries. The Company together with its subsidiaries is herein referred to as the Group. In the previous year, the Company had opted to publish consolidated financial results on an annual basis.
3. Other income includes receipt of insurance claim of Rs.14.99 crores during the quarter.
4. 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).
5. The Hon'ble Supreme Court of India cancelled the allocation of coal blocks to various companies, including the 'Utkal C' coal block held by Utkal Coal Ltd (UCL), an SPV in which the Company holds 79.2% equity. Subsequently, UCL moved to the Hon'ble Delhi High Court challenging the compensation calculation which did not take into consideration the amount paid for the leased land. Thereafter, aggrieved by the judgement of the Hon'ble Delhi High Court which held that leased land could be considered for compensation but did not give express directions, UCL moved to the Hon'ble Supreme Court. During the year ended 31st March, 2019, the SLP was withdrawn by UCL after the Central Government initiated the auction process.

Ministry of Coal vide its letter dated 2nd April, 2019 to UCL again sought details of the investment in the said coal block including lease hold land in order to re-estimate the compensation amount and the details were submitted to them on 8th April 2019. In the meantime, the coal block has been allotted to Gujarat State Electricity Corporation Limited (GSECL) during the year. Pending execution of allotment agreement between Gujarat State Electricity Corporation Limited and the Nominated Authority and issuance of allotment order by the Nominated Authority in favour of GSECL, UCL still retains the right, title and interest over the said coal block. The Parent Company has filed a petition in the Hon'ble High Court of Delhi on 12th March, 2020, praying for appropriate order or direction to the concerned authority for early determination and payment of the compensation. Hence, UCL is hopeful of receiving the compensation amount pending which no accounting adjustments have been made by UCL in its books of account and, therefore, no provision is considered necessary against the Parent Company's net exposure in UCL as at 30th June, 2020 amounting to ₹111.42 crore invested as equity and ₹263.94 crore given as unsecured loan.

6. In view of the circumstances detailed above in Note No. 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. The Group 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.
8. The figures for the quarter ended 31st March 2020 are the balancing figure between audited figures in respect of full financial year and the unaudited published year to date figures up to the third quarter of the financial year ended 31st March 2020.
9. 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 : 27th July, 2020

Subhrakant Panda  
Managing Director  
DIN - 00171845