

9th June, 2021

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Bhubaneswar -751010
Odisha, India

Corporate Identity No.
L27101OR1961PLC000428

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The Listing Department
National Stock Exchange of India Ltd.
Exchange Plaza
Plot No.C/1, G. Block
Bandra-Kurla Complex
Bandra (E)
Mumbai-400051
Stock Symbol & Series : IMFA, EQ

The Deputy General Manager
(Corporate Services)
BSE Limited
Floor 25, P.J. Towers
Dalal Street , Fort
Mumbai-400001
Stock Code : 533047

Sub: Outcome of the meeting of the Board of Directors held on 9th June, 2021

Dear Sir,

The Board of Directors of the Company at their meeting held on 9th June 2021, inter-alia, have transacted the following:

1. Approved the Audited Financial Results (Standalone & Consolidated) for the quarter and year ended 31st March 2021. A copy each of the Audited Financial Results and Report of Statutory Auditors are enclosed.
2. Recommended dividend of Rs. 7/- per equity share of Rs 10/ each subject to approval of the shareholders in the forthcoming Annual General Meeting of the Company.
3. Constituted the Risk Management Committee which is as follows :
 1. Mr Subhrakant Panda, Managing Director
 2. Mr S P Mathur, Independent Director
 3. Mr Chitta Ranjan Ray, Whole-time Director
4. Approved the Dividend Distribution Policy of the Company (copy enclosed)
5. Appointment of M/s S.S.Sonthalia & Co ,Cost Accountants having Firm Registration No.: 000167) as the Cost Auditors of the Company for the Financial year 2021-22. Brief profile of the Cost Auditor is furnished below :

M/s S.S.Sonthalia & Co is one of the leading Cost and Management Accounting Firm which is Registered with Institute of Cost Accountants of India (ICAI). They provide Cost Accounting Services, Cost Audit Services, Management Services, Financial planning Consultancy, etc.

This may kindly be taken on record.

Thanking you,

Yours faithfully,

For INDIAN METALS & FERRO ALLOYS LIMITED

(PREM KHANDELWAL)
CFO & COMPANY SECRETARY

INDIAN METALS & FERRO ALLOYS LIMITED

Regd. Office: IMFA Building, Bomikhal, Rasulgarh, Bhubaneswar - 751 010 (Odisha)
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CIN: L27101OR1961PLC000428

(Rs. in Crores)

PART I : STATEMENT OF AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH, 2021

Particulars	Standalone			Standalone	
	Quarter ended			Year ended	
	31-Mar-2021 (Audited)	31-Dec-2020 (Unaudited)	31-Mar-2020 (Audited)	31-Mar-2021 (Audited)	31-Mar-2020 (Audited)
1. Income					
(a) Revenue from Operations	576.11	425.46	379.04	1,844.23	1,611.94
(b) Other Income (refer note 3)	11.80	4.61	1.94	51.30	21.98
Total Income	587.91	430.07	380.98	1,895.53	1,633.92
2. Expenses					
(a) Cost of Materials Consumed	234.20	239.03	242.22	908.34	939.84
(b) Changes in Inventories of Finished Goods and Work-in-Progress	35.27	(24.44)	(15.00)	27.00	0.35
(c) Employee Benefits Expense	48.75	46.05	34.98	166.28	155.09
(d) Finance Costs					
- Interest on borrowing including other finance costs	15.17	15.18	15.97	63.59	72.36
- Loss/(gain) on foreign currency transactions and translations on borrowing	1.56	(2.46)	18.47	(6.17)	27.02
(e) Depreciation and Amortisation Expense	26.66	26.13	29.31	104.22	104.21
(f) Loss/(gain) on foreign currency transactions and translations including mark to market valuation (net)	0.32	(2.08)	13.25	(9.04)	18.98
(g) Impairment loss of trade receivables and other financial assets	-	-	4.53	0.26	17.64
(h) Other Expenses	128.87	97.82	101.53	413.66	390.66
Total Expenses	490.80	395.23	445.26	1,668.14	1,726.15
3. Profit/(Loss) before exceptional items and tax (1-2)	97.11	34.84	(64.28)	227.39	(92.23)
4. Exceptional Items - (Income)/Expense (Net)	-	-	-	-	1.73
5. Profit/(Loss) before tax (3-4)	97.11	34.84	(64.28)	227.39	(93.96)
6. Tax Expense :					
- Current Tax	24.05	6.09	-	46.41	-
- Earlier year Tax	-	-	-	-	(1.69)
- Deferred Tax	7.95	(3.81)	(12.12)	14.23	(23.75)
7. Profit/(Loss) after tax (5-6)	65.11	32.56	(52.16)	166.75	(68.52)
8. Other Comprehensive Income/(Expense)					
Items that will not be reclassified to profit or loss (net of tax)					
- Remeasurements of defined benefit plan	(0.53)	(0.87)	(6.30)	(0.70)	(5.54)
- Income Tax	0.19	0.30	2.20	0.25	1.94
9. Total Comprehensive Income/(Expense) after tax (7+8)	64.77	31.99	(56.26)	166.30	(72.12)
10. Paid-up Equity Share Capital (Face Value ₹10/- each)	26.98	26.98	26.98	26.98	26.98
11. Other Equity excluding Revaluation Reserves				1,199.71	1,041.50
12. Earnings per share-Basic & Diluted (in Rupees) (*not annualised)	*24.13	*12.07	*(19.33)	61.81	(25.40)

BALANCE SHEET		
	(Rs. in Crores)	
Particulars	Standalone As at 31-Mar-21 (Audited)	Standalone As at 31-Mar-20 (Audited)
A ASSETS		
1 Non - Current Assets		
(a) Property, Plant and Equipment	902.63	952.04
(b) Right of Use	49.77	56.80
(c) Capital Work-in-Progress	54.72	74.14
(d) Investment Property	10.09	10.37
(e) Intangible Assets	-	0.86
(f) Financial Assets		
(i) Investments in Subsidiaries and Associate	113.72	113.72
(ii) Investments	0.35	0.33
(iii) Loans	10.62	9.35
(iv) Other Financial Assets	2.88	2.24
(g) Non-Current Tax Assets (Net)	18.20	39.82
(h) Other Non-Current Assets	205.39	195.88
Total Non-Current Assets	1,368.37	1,455.55
2 Current Assets		
(a) Inventories	445.33	431.55
(b) Financial Assets		
(i) Investments	113.48	27.03
(ii) Trade Receivables	92.20	32.67
(iii) Cash and Cash Equivalents	6.65	4.53
(iv) Bank balances other than (iii) above	42.81	37.34
(v) Loans	262.88	263.93
(vi) Other Financial Assets	2.36	2.25
(c) Other Current Assets	190.55	142.78
Total Current Assets	1,156.26	942.08
Assets classified as held for sale	0.05	0.02
TOTAL ASSETS	2,524.68	2,397.65
B EQUITY AND LIABILITIES		
1 Equity		
(a) Equity Share Capital	26.98	26.98
(b) Other Equity	1,199.71	1,041.50
Total Equity	1,226.69	1,068.48
2 Non-Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	293.59	340.42
(ii) Lease Liabilities	41.16	43.15
(iii) Other Financial Liabilities	132.84	134.03
(b) Provisions	13.33	12.98
(c) Deferred Tax Liabilities (Net)	75.02	61.04
Total Non-Current Liabilities	555.94	591.62
3 Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	280.68	268.38
(ii) Trade Payables		
a) total outstanding dues of micro enterprises and small enterprises	10.96	16.72
b) total outstanding dues of creditors other than micro enterprises and small enterprises	178.70	168.97
(iii) Lease Liabilities	2.87	2.56
(iv) Other Financial Liabilities	247.28	254.78
(b) Other Current Liabilities	12.44	12.15
(c) Provisions	9.12	13.99
Total Current Liabilities	742.05	737.55
TOTAL EQUITY AND LIABILITIES	2,524.68	2,397.65

STATEMENT OF CASH FLOWS		
	(₹ in Crores)	
Particulars	Year ended 31st March, 2021 (Audited)	Year ended 31st March, 2020 (Audited)
A. Cash Flow from Operating Activities		
Profit/(Loss) before tax	227.39	(93.96)
Adjustments for:		
Depreciation and Amortisation Expense	104.22	104.21
Loss on sale/disposal of Property, Plant and Equipment (Net)	(7.35)	3.08
Impairment on Property, Plant and Equipment	6.44	2.63
Write off of Capital Work-in-Progress	2.62	-
Profit on sale of Current Investments	(3.14)	(5.18)
(Gain)/loss on fair valuation of Current Investments	(0.09)	5.84
Unrealised foreign exchange loss	(3.26)	17.33
Interest Income	(4.34)	(3.58)
Dividend Income	(1.73)	(1.09)
Finance Costs	57.42	99.38
Impairment loss of trade receivables and other financial assets	0.26	17.64
Other Operating Revenue	(1.10)	-
Exceptional Items - (Income)/Expense (Net)	-	1.73
Liabilities no longer required written back	(1.26)	(7.21)
Operating Profit before Working Capital Changes	376.08	140.82
Adjustments for:		
(Increase) / decrease in Trade and other receivables	(127.00)	47.98
(Increase) / decrease in Inventories	(13.78)	113.82
Increase / (decrease) in Trade payables and other liabilities	(3.89)	(79.79)
Cash Generated from Operations	231.41	222.83
Direct Taxes (paid)/ refund	(24.79)	1.71
Net Cash Generated from Operating Activities	206.62	224.54
B. Cash Flow from Investing Activities		
Purchase of Property, Plant and Equipment and Capital Work-in-Progress	(35.53)	(95.12)
Proceeds from sale of Property, Plant and Equipment	10.42	2.01
Purchase of Investments	(538.94)	(246.16)
Sale of Investments	455.70	283.57
Loan given to Subsidiaries	(0.14)	(0.22)
Repayment of loan from Subsidiaries	0.93	-
Movement in Other Bank Balances	0.21	0.13
Dividend received	1.73	1.09
Interest received	2.50	3.58
Net Cash Used in Investing Activities	(103.12)	(51.12)
C. Cash Flow from Financing Activities		
Proceeds from Non-current borrowings	7.97	40.00
Repayment of Non-current borrowings	(52.92)	(118.13)
Proceeds from/(Repayment) of Current borrowings (Net)	14.32	(1.36)
Repayment of lease liabilities	(1.68)	(2.20)
Interest and financing charges paid	(56.79)	(82.58)
Interest on lease paid	(4.19)	(4.10)
Dividend paid	(8.09)	(13.49)
Dividend distribution tax	-	(2.56)
Net Cash Used in Financing Activities	(101.38)	(184.42)
Net increase/(decrease) in Cash and Cash Equivalents (A+B+C)	2.12	(11.00)
Cash and Cash Equivalents at the beginning of the year	4.53	15.53
Cash and Cash Equivalents at the end of the year	6.65	4.53

	Year ended 31st March, 2021 (Audited)	Year ended 31st March, 2020 (Audited)
Cash and Cash Equivalents at the end of the year comprises of:		
Cash on hand	0.67	0.69
Balance with Banks:		
- In Current Accounts	5.98	3.84
Total	6.65	4.53

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

(₹ in Crores)

Particulars	Standalone Quarter ended			Standalone Year ended	
	31-Mar-2021 (Audited)	31-Dec-2020 (Unaudited)	31-Mar-2020 (Audited)	31-Mar-2021 (Audited)	31-Mar-2020 (Audited)
1. Segment Revenue					
a) Ferro Alloys	566.64	418.59	365.20	1,806.23	1,558.04
b) Power	112.24	107.95	119.82	408.43	421.38
c) Mining	79.72	47.70	61.85	225.03	224.14
d) Others	0.75	0.69	0.88	1.74	3.07
Total	759.35	574.93	547.75	2,441.43	2,206.63
Less: Inter Segment Revenue	192.02	155.77	181.73	633.70	645.89
Net Income from Operations	567.33	419.16	366.02	1,807.73	1,560.74
2. Segment Results					
a) Ferro Alloys	116.95	45.55	2.01	264.18	69.68
b) Power	(2.10)	(1.47)	(1.55)	(5.92)	(5.85)
c) Mining	(5.16)	1.95	(4.64)	(10.53)	(18.57)
d) Others	(1.80)	(1.76)	(2.40)	(7.12)	(8.22)
Total	107.89	44.27	(6.58)	240.61	37.04
Less: Finance Costs	16.73	12.72	34.44	57.42	99.38
Less: Other Un-allocable Expenditure net of Un-allocable Income	(5.95)	(3.29)	23.26	(44.20)	31.62
Total Profit/(Loss) Before Tax	97.11	34.84	(64.28)	227.39	(93.96)
3. Segment Assets					
a) Ferro Alloys	866.47	708.99	784.88	866.47	784.88
b) Power	830.82	791.16	834.49	830.82	834.49
c) Mining	129.81	108.86	110.55	129.81	110.55
d) Others	43.35	44.70	48.64	43.35	48.64
e) Unallocated	654.23	765.78	619.09	654.23	619.09
Total Segment Assets	2,524.68	2,419.49	2,397.65	2,524.68	2,397.65
4. Segment Liabilities					
a) Ferro Alloys	188.79	157.58	145.31	188.79	145.31
b) Power	245.55	244.81	258.94	245.55	258.94
c) Mining	41.96	36.31	52.34	41.96	52.34
d) Others	2.05	1.11	2.31	2.05	2.31
e) Unallocated	111.27	101.46	127.56	111.27	127.56
Total Segment Liabilities	589.62	541.27	586.46	589.62	586.46
Other liabilities including borrowings and leases	708.37	708.21	742.71	708.37	742.71
Total Liabilities	1,297.99	1,249.48	1,329.17	1,297.99	1,329.17

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 9th June, 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. There was a major breakdown in one furnace at Therubali which resulted in a shutdown for about 4 months. An insurance claim was lodged against material damage and Business Interruption loss, and the Company has received Rs 24.64 crores towards settlement of the claim which has been accounted for as other income during the current financial year.
4. 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. 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. While the coal block was then considered for fresh auction once again, it has not been included in the latest list issued by the Nominated Authority and apparently will be awarded through an allotment process. 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 31st March 2021 amounting to Rs 111.42 crores equity and Rs 262.88 crores 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. During the year, the Company based upon discussion with the Actuary has classified its employees compensated absence policy as other long term employees benefit plan instead of defined benefit plan being followed hitherto. The Company accordingly has recognised the actuarial gains and losses in the Statement of Profit and Loss in the current year and reclassified the comparative financial information included in these standalone financial statements. Due to this change the actuarial losses amounting to Rs. 0.19 crore earlier recognised in Other Comprehensive Income (OCI) (net of tax) now have been reclassified to the Statement of Profit and Loss and therefore there is an increase in employee benefit expense by Rs.0.29 crore and increase in deferred tax liabilities by Rs.0.10 crore in the Statement of Profit and Loss, OCI increased by Rs.0.19 crore and EPS decreased by Rs 0.07 for the year ended 31st March 2020. There is no impact on the retained earnings balance as at opening date of the comparative period i.e 01st April 2019.
7. 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.
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. The Board of Directors of the Company has declared interim dividend of Rs.3/- per share (face value of Rs. 10/- each) for the financial year 2020-21 in its meeting held on 9th February 2021. The Board of Directors of the Company has proposed dividend of Rs.7/- per share (face value of Rs. 10/- each) for the financial year 2020-21 in its meeting held on 9th June 2021.
10. The results for the quarter ended March 31, 2021 and March 31, 2020, are the balancing figures between audited figures in respect of full financial year ended March 31, 2021 and March 31, 2020 respectively and published and unaudited respectively year to date figures up to the third quarter of the respective financial year then ended.
11. 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 : 9th June, 2021

Subhrakant Panda
Managing Director
DIN - 00171845

Independent Auditors' Report on the Standalone Annual Financial Results of the Company Pursuant to the Regulations 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.

To the Board of Directors of Indian Metals and Ferro Alloys Limited

Report on the Audit of the Standalone Annual Financial Results

Opinion

We have audited the accompanying standalone annual financial results of **Indian Metals and Ferro Alloys Limited** (hereinafter referred to as the "Company") for the year ended 31st March, 2021, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone annual financial results:

- a. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- b. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards, and other accounting principles generally accepted in India, of the net profit and other comprehensive income and other financial information of the Company for the year ended 31st March, 2021.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Standalone Annual Financial Results* section of our report. We are independent of the Company, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act, and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our opinion on the standalone annual financial results.

Emphasis of Matter

We draw attention to the following matters in the Notes to the standalone annual financial results :

- a) Note 4 and 5 to the standalone annual financial results relating to the Company's exposure in its subsidiary and non-recognition of income from interest on unsecured loan given to the subsidiary, respectively. These matters have arisen out of the cancellation of allotment of the coal block being held by the subsidiary vide the Hon'ble Supreme Court of India's order dated 24th September, 2014 and the subsequent events in connection therewith.

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- b) Note 7 to the standalone annual financial results, which describes the uncertainties and the impact of Covid-19 pandemic on the Company's operations, carrying amounts of investments, recoverability of receivables and other assets and management's evaluation of the future performance of the Company. In view of the uncertain economic environment, a definitive assessment of the impact on the subsequent periods is dependent upon circumstances as they evolve.

Our opinion is not modified in respect of these matters.

Management's and Board of Directors' Responsibilities for the Standalone Annual Financial Results

These standalone annual financial results have been prepared on the basis of the standalone Ind AS annual financial statements. The Company's Management and the Board of Directors are responsible for the preparation and presentation of these standalone annual financial results that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Act and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act; for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone annual financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone annual financial results, the Management and the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Annual Financial Results

Our objectives are to obtain reasonable assurance about whether the standalone annual financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone annual financial results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone annual financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion whether the Company has adequate internal financial controls with reference to standalone Ind AS financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the standalone annual financial results made by the Management and Board of Directors.

- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone annual financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone annual financial results, including the disclosures, and whether the standalone annual financial results represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone annual financial results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone annual financial results may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone annual financial results.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matter

- a) The standalone annual financial results include the results for the quarter ended 31st March, 2021 and the corresponding previous quarter ended 31st March, 2020 being the balancing figure between audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the respective financial year, which were subject to limited review by us.

Our opinion is not modified in respect of this matter.

For SCV & Co. LLP
CHARTERED ACCOUNTANTS
FIRM REGISTRATION No. 000235N/N500089

PLACE: NEW DELHI
DATED: 9TH JUNE, 2021

(RAJIV PURI)
PARTNER
MEMBERSHIP No. 084318
ICAI UDIN : 21084318AAAACV8728



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"DECLARATION"

[Pursuant to Regulation 33 (3) (d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

We, **Indian Metals and Ferro Alloys Limited** having its registered office at IMFA Building, Bomikhal, Bhubaneswar - 751010, Odisha, do hereby declare and confirm that the Audit Report issued by the Statutory Auditor of the Company, SCV & CO.LLP, Chartered Accountants, New Delhi (Firm Registration No000235N/N500089) on the Standalone Annual Audited Financial Results for the year ended 31st March 2021 is with unmodified opinion(s) and a declaration to this effect is being made pursuant to the proviso to regulation 33(3)(d) of SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015 as amended vide notification dated May 25, 2016.

For Inda Metals and Ferro Alloys Limited

Subhrakant Panda
Managing Director
DIN: 00171845

Date : 9th June 2021
Place : New Delhi

INDIAN METALS & FERRO ALLOYS LIMITED

Regd. Office: IMFA Building, Bomikhal, Rasulgarh, Bhubaneswar - 751 010 (Odisha)
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CIN: L27101OR1961PLC000428

(Rs in Crores)

PART I : STATEMENT OF CONSOLIDATED AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH, 2021					
	Quarter ended			Year ended	
	31-Mar-2021 (Audited)	31-Dec-2020 (Unaudited)	31-Mar-2020 (Audited)	31-Mar-2021 (Audited)	31-Mar-2020 (Audited)
1. Income					
(a) Revenue from Operations	576.11	425.46	379.04	1,844.23	1,611.94
(b) Other Income (refer note 6)	11.84	4.64	1.98	49.78	21.24
Total Income	587.95	430.10	381.02	1,894.01	1,633.18
2. Expenses					
(a) Cost of Materials Consumed	234.20	239.03	242.22	908.34	939.84
(b) Changes in Inventories of Finished Goods and Work-in-Progress	35.27	(24.44)	(15.00)	27.00	0.35
(c) Employee Benefits Expense	48.79	46.07	35.02	166.39	155.20
(d) Finance Costs					
- Interest on borrowing including other finance costs	14.52	14.52	15.31	60.95	69.66
- Loss/(gain) on foreign currency transactions and translations on borrowing	1.56	(2.46)	18.47	(6.17)	27.02
(e) Depreciation and Amortisation Expense	26.66	26.13	29.31	104.22	104.21
(f) Loss/(gain) on foreign currency transactions and translations including mark to market valuation (net)	0.32	(2.08)	13.25	(9.04)	18.98
(g) Impairment loss of trade receivables and other financial assets	-	-	4.52	-	17.86
(h) Other Expenses	128.91	97.88	101.50	413.86	390.84
Total Expenses	490.23	394.65	444.60	1,665.55	1,723.96
3. Profit/(Loss) before exceptional items and tax (1-2)	97.72	35.45	(63.58)	228.46	(90.78)
4. Exceptional Items - (Income)/Expense (Net)	-	-	-	-	-
5. Profit/(Loss) before tax (3-4)	97.72	35.45	(63.58)	228.46	(90.78)
6. Tax Expense :					
- Current Tax	24.26	6.30	0.18	47.20	0.75
- Earlier year Tax	-	-	-	-	(1.69)
- Deferred Tax	7.97	(3.80)	(12.11)	14.28	(23.87)
7. Profit/(Loss) after tax (5-6)	65.49	32.95	(51.65)	166.98	(65.97)
8. Other Comprehensive Income/(Expense)					
Items that will not be reclassified to profit or loss (net of tax)					
- Remeasurements of defined benefit plan	(0.53)	(0.87)	(6.30)	(0.70)	(5.54)
- Income tax relating to items that will not be reclassified to profit or loss	0.19	0.30	2.20	0.25	1.94
Items that will be reclassified to profit or loss					
- Exchange differences in translating the financial Statements of a foreign operation	0.01	0.01	0.06	(0.10)	0.06
9. Total Comprehensive Income/(Expense) after tax (7+8)	65.16	32.39	(55.69)	166.43	(69.51)
10. Profit/(Loss) attributable to :					
(a) Owners of the Company	65.40	32.84	(51.94)	166.55	(66.49)
(b) Non-controlling interest	0.09	0.11	0.29	0.43	0.52
11. Other Comprehensive Income/(Expense) (net of tax) attributable to :					
(a) Owners of the Company	(0.33)	(0.56)	(4.04)	(0.55)	(3.54)
(b) Non-controlling interest	-	-	-	-	-
12. Total Comprehensive Income/(Expense) for the period attributable to : (10+11)					
(a) Owners of the Company	65.07	32.28	(55.98)	166.00	(70.03)
(b) Non-controlling interest	0.09	0.11	0.29	0.43	0.52
13. Paid-up Equity Share Capital (Face Value ₹10/- each)	26.98	26.98	26.98	26.98	26.98
14. Other Equity excluding Revaluation Reserves				1,214.85	1,056.94
15. Earnings per share-Basic & Diluted (in Rupees) (*not annualised)	*24.24	*12.17	*(19.25)	61.74	(24.65)

BALANCE SHEET

(Rs in Crores)

Particulars		As at 31-Mar-21 (Audited)	As at 31-Mar-20 (Audited)
A ASSETS			
1 Non - Current Assets			
(a) Property, Plant and Equipment		939.29	994.03
(b) Right of Use		185.11	190.10
(c) Capital Work-in-Progress		247.95	263.97
(d) Investment Property		10.09	10.37
(e) Goodwill		20.50	20.50
(f) Other Intangible Assets		-	0.86
(g) Financial Assets			
(i) Investments in Associate*		-	-
(ii) Investments		0.35	0.33
(iii) Loans		10.64	9.37
(iv) Other Financial Assets		2.88	2.24
(h) Non-Current Tax Assets (Net)		18.27	40.83
(i) Other Non-Current Assets		205.39	195.88
Total Non-Current Assets		1,640.47	1,728.48
2 Current Assets			
(a) Inventories		445.33	431.55
(b) Financial Assets			
(i) Investments		119.39	32.43
(ii) Trade Receivables		92.20	32.68
(iii) Cash and Cash Equivalents		7.46	5.36
(iv) Bank balances other than (iii) above		42.90	37.80
(v) Other Financial Assets		2.36	2.25
(c) Other Current Assets		191.21	143.44
Total Current Assets		900.85	685.51
Assets classified as held for sale		0.05	0.02
TOTAL ASSETS		2,541.37	2,414.01
B EQUITY AND LIABILITIES			
1 Equity			
(a) Equity Share Capital		26.98	26.98
(b) Other Equity		1,214.85	1,056.94
(c) Non-controlling Interests		30.47	30.59
Total Equity		1,272.30	1,114.51
2 Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings		293.59	340.42
(ii) Lease Liabilities		12.92	14.13
(iii) Other Financial Liabilities		132.86	134.05
(b) Provisions		13.33	12.98
(c) Deferred Tax Liabilities (Net)		75.08	61.05
Total Non-Current Liabilities		527.78	562.63
3 Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings		280.68	268.38
(ii) Trade Payables			
a) total outstanding dues of micro enterprises and small enterprises		10.96	16.72
b) total outstanding dues of creditors other than micro enterprises and small enterprises		178.38	168.66
(iii) Lease Liabilities		2.10	1.86
(iv) Other Financial Liabilities		247.55	255.05
(b) Other Current Liabilities		12.50	12.21
(c) Provisions		9.12	13.99
Total Current Liabilities		741.29	736.87
TOTAL EQUITY AND LIABILITIES		2,541.37	2,414.01

* Investment in Equity Share Capital of Rs.25000/- made in Ferro Chrome Producers Association, a company registered under section-8 of the Companies Act, 2013

STATEMENT OF CASH FLOWS			
		(Rs in Crores)	
Particulars		Year ended 31st March, 2021	Year ended 31st March, 2020
		(Audited)	(Audited)
A.	Cash Flow from Operating Activities		
	Profit/ (Loss) before tax	228.46	(90.78)
	Adjustments for:		
	Depreciation and Amortisation Expense	104.22	104.21
	Loss on sale/disposal of Property, Plant and Equipment (Net)	(7.35)	3.08
	Impairment on Property, Plant and Equipment	6.44	2.63
	Write off of Capital Work-in-Progress	2.62	-
	Profit on sale of Current Investments	(3.14)	(5.18)
	(Gain)/loss on fair valuation of Current Investments	(0.09)	5.79
	Unrealised foreign exchange loss	(3.26)	17.33
	Interest Income	(4.34)	(3.59)
	Dividend Income	(0.21)	(0.27)
	Finance Costs	54.77	96.67
	Impairment loss of trade receivables and other financial assets	-	17.88
	Other Operating Revenue	(1.10)	-
	Liabilities no longer required written back	(1.26)	(7.21)
	Operating Profit before Working Capital Changes	375.76	140.56
	Adjustments for:		
	(Increase) / decrease in Trade and other receivables	(126.60)	48.22
	(Increase) / decrease in Inventories	(13.78)	113.83
	Increase / (decrease) in Trade payables and other liabilities	(3.60)	(83.06)
	Cash Generated from Operations	231.78	219.55
	Direct Taxes paid/ (refund)	(24.64)	0.96
	Net Cash Generated from Operating Activities	207.14	220.51
B.	Cash Flow from Investing Activities		
	Purchase of Property, Plant and Equipment and Capital Work-in-Progress	(35.78)	(95.20)
	Proceeds from sale of Property, Plant and Equipment	10.42	2.01
	Purchase of Investments	(538.94)	(246.16)
	Sale of Investments	455.41	282.26
	Movement in Other Bank Balances	0.21	3.55
	Dividend received	-	0.27
	Interest received	2.50	3.59
	Net Cash Used in Investing Activities	(106.18)	(49.68)
C.	Cash Flow from Financing Activities		
	Proceeds from Non-current borrowings	7.97	40.00
	Repayment of Non-current borrowings	(52.94)	(118.13)
	Proceeds from/(Repayment) of Current borrowings (Net)	14.32	(1.35)
	Repayment of lease liabilities	(1.68)	(2.20)
	Interest and financing charges paid	(56.79)	(82.58)
	Interest on lease paid	(1.54)	(1.39)
	Dividend paid	(8.64)	(13.82)
	Dividend distribution tax	-	(2.84)
	Net Cash Used in Financing Activities	(99.30)	(182.31)
	Net increase/(decrease) in Cash and Cash Equivalents (A+B+C)	1.66	(11.48)
	Cash and Cash Equivalents at the beginning of the year	5.36	16.44
	Effect of Exchange Rate on Translation of Foreign Currency	0.44	0.40
	Cash and Cash Equivalents at the end of the year	7.46	5.36
		Year ended 31st March, 2021	Year ended 31st March, 2020
		(Audited)	(Audited)
Cash and Cash Equivalents at the end of the year comprises of:			
Cash on hand		0.67	0.70
Balance with Banks:			
- In Current Accounts		6.79	4.66
Total		7.46	5.36

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

(Rs in Crores)

Particulars	Consolidated Quarter ended			Consolidated Year ended	
	31-Mar-2021 (Audited)	31-Dec-2020 (Unaudited)	31-Mar-2020 (Audited)	31-Mar-2021 (Audited)	31-Mar-2020 (Audited)
1. Segment Revenue					
a) Ferro Alloys	566.64	418.59	365.20	1,806.23	1,558.04
b) Power	112.24	107.95	119.82	408.43	421.38
c) Mining	79.72	47.70	61.85	225.03	224.14
d) Others	0.75	0.69	0.88	1.74	3.07
Total	759.35	574.93	547.75	2,441.43	2,206.63
Less: Inter Segment Revenue	192.02	155.77	181.73	633.70	645.89
Net Income from Operations	567.33	419.16	366.02	1,807.73	1,560.74
2. Segment Results					
a) Ferro Alloys	116.95	45.55	2.01	264.20	69.68
b) Power	(2.10)	(1.47)	(1.55)	(5.92)	(5.85)
c) Mining	(5.27)	1.84	(4.72)	(10.86)	(18.81)
d) Others	(1.80)	(1.76)	(2.40)	(7.12)	(8.22)
Total	107.78	44.16	(6.66)	240.30	36.80
Less: Finance Costs	16.01	12.06	33.78	54.72	96.68
Less: Other Un-allocable Expenditure net of Un-allocable Income	(5.95)	(3.35)	23.14	(42.88)	30.90
Total Profit/(Loss) Before Tax	97.72	35.45	(63.58)	228.46	(90.78)
3. Segment Assets					
a) Ferro Alloys	866.47	708.99	784.88	866.47	784.88
b) Power	830.82	791.16	834.49	830.82	834.49
c) Mining	496.63	475.79	477.59	496.63	477.59
d) Others	43.35	44.70	48.64	43.35	48.64
e) Unallocated	304.10	414.98	268.41	304.10	268.41
Total Segment Assets	2,541.37	2,435.62	2,414.01	2,541.37	2,414.01
4. Segment Liabilities					
a) Ferro Alloys	188.79	157.58	145.31	188.79	145.31
b) Power	245.55	244.81	258.94	245.55	258.94
c) Mining	42.19	36.53	52.57	42.19	52.57
d) Others	2.05	1.11	2.31	2.05	2.31
e) Unallocated	111.13	100.84	127.38	111.13	127.38
Total Segment Liabilities	589.71	540.87	586.51	589.71	586.51
Other liabilities including borrowings and leases	679.36	679.40	712.99	679.36	712.99
Total Liabilities	1,269.07	1,220.27	1,299.50	1,269.07	1,299.50

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 9th June, 2021.
2. The consolidated audited financial results include the results of the Company and four subsidiaries. The 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 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. Utkal Green Energy Limited ("UGEL") has been struck off by the Register of Companies on 26th October, 2020 and the company is dissolved. During the year ended 31st March 2020, UGEL had closed its bank accounts and there were no assets or liabilities at the balance sheet date. There were also no transactions during the current year and the Parent Company has fully written off its investment in the subsidiary.
6. There was a major breakdown in one furnace at Therubali which resulted in a shutdown for about 4 months. An insurance claim was lodged against material damage and Business Interruption loss, and the Parent Company has received Rs 24.64 crores towards settlement of the claim which has been accounted for as other income during the current financial year.
7. 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. 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. While the coal block was then considered for fresh auction once again, it has not been included in the latest list issued by the Nominated Authority and apparently will be awarded through an allotment process. 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 31st March 2021 amounting to Rs 111.42 crores equity and Rs 262.88 crores unsecured loan.
8. In view of the circumstances detailed above in Note No. 7 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.
9. During the year, the Company based upon discussion with the Actuary has classified its employees compensated absence policy as other long term employees benefit plan instead of defined benefit plan being followed hitherto. The Company accordingly has recognised the actuarial gains and losses in the Statement of Profit and Loss in the current year and reclassified the comparative financial information included in these standalone financial statements. Due to this change the actuarial losses amounting to Rs. 0.19 crore earlier recognised in Other Comprehensive Income (OCI) (net of tax) now have been reclassified to the Statement of Profit and Loss and therefore there is an increase in employee benefit expense by Rs.0.29 crore and increase in deferred tax liabilities by Rs.0.10 crore in the Statement of Profit and Loss, OCI increased by Rs.0.19 crore and EPS decreased by Rs 0.07 for the year ended 31st March 2020. There is no impact on the retained earnings balance as at opening date of the comparative period i.e 01st April 2019.
10. 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 Group is closely monitoring the situation for any future impact.
11. 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 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.
12. The Board of Directors of the Company has declared interim dividend of Rs.3/- per share (face value of Rs. 10/- each) for the financial year 2020-21 in its meeting held on 9th February 2021. The Board of Directors of the Company has proposed dividend of Rs.7/- per share (face value of Rs. 10/- each) for the financial year 2020-21 in its meeting held on 9th June 2021.
13. The results for the quarter ended March 31, 2021 and March 31, 2020, are the balancing figures between audited figures in respect of full financial year ended March 31, 2021 and March 31, 2020 respectively and published and unaudited respectively year to date figures up to the third quarter of the respective financial year then ended.
14. 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 : 9th June, 2021

Subhrakant Panda
Managing Director
DIN - 00171845

Independent Auditors' Report on the Consolidated Annual Financial Results of the Company Pursuant to the Regulations 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.

TO THE BOARD OF DIRECTORS OF INDIAN METALS AND FERRO ALLOYS LIMITED

Report on the audit of the Consolidated Annual Financial Results

Opinion

We have audited the accompanying consolidated annual financial results of **Indian Metals and Ferro Alloys Limited** (hereinafter referred to as the "Company" or "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group") for the year ended 31st March, 2021 attached herewith, being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated annual financial results:

- a. includes the results of the following entities :

Subsidiaries

- i. Utkal Coal Ltd
- ii. IMFA Alloys Finlease Ltd
- iii. Utkal Green Energy Ltd (refer note 5 in the consolidated annual financial results)
- iv. Indmet Mining Pte. Ltd.
- v. PT. Sumber Rahayu Indah, [70 % Subsidiary of Indmet Mining Pte. Ltd.]

- b. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and

- c. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards, and other accounting principles generally accepted in India, of consolidated net profit and other comprehensive income and other financial information of the Group for the year ended 31st March, 2021.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Annual Financial Results* section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act, and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us, is sufficient and appropriate to provide a basis for our opinion on the consolidated annual financial results.

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Material Uncertainty Related to Going Concern

We draw attention to the “Material Uncertainty Related to Going Concern” paragraph to the Independent Auditor’s report dated 5th June, 2021 on the separate financial statements of Utkal Coal Limited (UCL), a subsidiary of the Company, for the financial year ended 31st March, 2021, which is reproduced hereunder:

“We draw attention to Note No. 19 in the financial statements which indicates that due to the events or conditions as mentioned said Note, material uncertainty exists that may cast significant doubt on the Company’s ability to continue as a going concern”. (refer Note 7 to the consolidated annual financial results for summary of matter). The opinion of the auditor of the said subsidiary is not modified in respect of this matter.

Our Opinion is also not modified in respect of this matter.

Emphasis of Matter:

We draw attention to the following matters in the Notes to the consolidated annual financial results :

- a) Note 7 and 8 to the consolidated annual financial results relating to the Company's exposure in its subsidiary and non-recognition of income from interest on unsecured loan given to the subsidiary, respectively. These matters have arisen out of the cancellation of allotment of the coal block being held by the subsidiary vide the Hon'ble Supreme Court of India's order dated 24th September, 2014 and the subsequent events in connection therewith.
- b) Note 10 to the consolidated annual financial results, which describes the uncertainties and the impact of Covid-19 pandemic on the Group’s operations, recoverability of receivables and other assets and management’s evaluation of the future performance of the Group. In view of the uncertain economic environment, a definitive assessment of the impact on the subsequent periods is dependent upon circumstances as they evolve.

Our opinion is not modified in respect of these matters.

Management’s and Board of Directors’ Responsibilities for the Consolidated Annual Financial Results

These consolidated annual financial results have been prepared on the basis of the consolidated Ind AS annual financial statements. The Holding Company’s Management and the Board of Directors are responsible for the preparation and presentation of these consolidated annual financial results that give a true and fair view of the consolidated net profit and other comprehensive income and other financial information of the Group in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Act and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act; for safeguarding of the assets of each company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated annual financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated annual financial results by the Management and the Directors of the Holding Company, as aforesaid.

In preparing the consolidated annual financial results, the respective Management and the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective management/Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of each company.

Auditor's Responsibilities for the Audit of the Consolidated Annual Financial Results

Our objectives are to obtain reasonable assurance about whether the consolidated annual financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated annual financial results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated annual financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to consolidated Ind AS financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the consolidated annual financial results made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated annual financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated annual financial results, including the disclosures, and whether the consolidated annual financial results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial results/financial information of the entities within the Group to express an opinion on the consolidated annual financial results. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial results of which we are the independent auditors. For the other entities included in the consolidated annual financial results, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision, and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in para (a) and (b) of the section titled "Other Matters" in this audit report.

Materiality is the magnitude of misstatements in the consolidated annual financial results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated annual financial results may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated annual financial results.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated annual financial results of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

We also performed procedures in accordance with the circular No CIR/CFD/CMD1/44/2019 dated 29th March, 2019 issued by the SEBI under Regulation 33(8) of the Listing Regulations, as amended, to the extent applicable.

Other Matters

- a) We did not audit the financial information/ financial results of four subsidiaries included in the consolidated annual financial results, whose annual financial information/ financial results reflect total assets of Rs.477.09 crores as at 31st March, 2021, total revenue of Rs. 0.70 crores and Rs. 2.86 crores, total net profit after tax of Rs. 0.35 crores and Rs. 1.68 crores and total comprehensive income of Rs. 0.35 crores and Rs. 1.68 crores for the quarter ended 31st March, 2021 and year to date from 01st April, 2020 to 31st March, 2021 respectively, and net cash outflow of Rs. 0.01 crores for the year from 01st April, 2020 to 31st March, 2021, as considered in the consolidated annual financial results. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated annual financial results, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the reports of the other auditors.
- b) The consolidated annual financial results include total assets of Rs. 62.34 crores as at 31st March, 2021, total revenues of Rs. 0.00 crores (Rs. 0 thousand) and Rs. 0.00 crores (Rs. 23 thousand), total net loss after tax of Rs. 0.12crores and Rs. 0.33 crores and total comprehensive income of Rs. -0.12 crores and Rs. -0.33 crores for the quarter ended 31st March, 2021 and year to date from 01st April, 2020 to 31st March, 2021 respectively, and net cash outflow of Rs. 0.34 crores. for the period from 01st April, 2020 to 31st March, 2021 as considered in the consolidated annual financial results in respect of two subsidiaries which are located outside India whose financial information/ financial results have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial information/financial results of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries located outside India is solely based on the reports of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.
- c) The consolidated annual financial results includes the results for the quarter ended 31st March, 2021 and the corresponding previous quarter ended 31st March, 2020 being the balancing figure between audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the respective financial year, which were subject to limited review by us.

Our opinion is not modified in respect of these matters.

For SCV & CO. LLP
Chartered Accountants
Firm's Registration Number : 000235N/N500089

PLACE: NEW DELHI
DATED: 9TH JUNE, 2021

(RAJIV PURI)
PARTNER
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ICAI UDIN: 21084318AAAACW5175



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"DECLARATION"

[Pursuant to Regulation 33 (3) (d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

We, **Indian Metals and Ferro Alloys Limited** having its registered office at IMFA Building, Bomikhal, Bhubaneswar - 751010, Odisha, do hereby declare and confirm that the Audit Report issued by the Statutory Auditor of the Company, SCV & CO. LLP, Chartered Accountants, New Delhi (Firm Registration No. 000235N/N500089) on the Consolidated Annual Audited Financial Results for the year ended 31st March 2021 is with unmodified opinion(s) and a declaration to this effect is being made pursuant to the proviso to regulation 33(3)(d) of SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015 as amended vide notification dated May 25, 2016.

For Indian Metals and Ferro Alloys Limited

Subhrakant Panda
Managing Director
DIN: 00171845

Date : 9th June 2021
Place : New Delhi

1 Background and applicability

The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**Regulations**") require the top 1000 listed companies (by market capitalisation) to disclose a Dividend Distribution Policy on the corporate website and a web-link shall also be provided in the Annual Report of the Company.

The Board of Directors ("**Board**") of Indian Metals & Ferro Alloys Limited ("**Company**") has adopted this Dividend Distribution Policy to comply with these requirements.

The Company currently has only one class of shares, viz. equity, for which this policy is applicable. The policy is subject to review if and when the Company issues different classes of shares.

2 Dividend distribution philosophy

The Company is committed to driving superior value creation for all its stakeholders. The focus will continue to be on sustainable returns, through an appropriate capital strategy for both medium term and longer term value creation. Accordingly, the Board would continue to adopt a progressive and dynamic dividend policy, ensuring the immediate as well as long term needs of the business.

3 Dividend

Dividend represents the profit of the Company, which is distributed to shareholders in proportion to the amount paid-up on shares they hold. Dividend includes Interim Dividend.

The Dividend for any financial year shall normally be paid out of the Company profits for that year. This will be arrived at after providing for depreciation in accordance with the provisions of the Companies Act, 2013. If circumstances require, the Board may also declare dividend out of accumulated profits of any previous financial year(s)

in accordance with provisions of the Act and Regulations, as applicable.

4 Circumstances under which shareholders can expect Dividend

The Board will assess the Company's financial requirements, including present and future organic and inorganic growth opportunities and other relevant factors (as mentioned elsewhere in this policy) and shall endeavour to declare at least 50% dividend in any financial year.

5 Interim and Final Dividend

The Board may declare one or more Interim Dividends during the year. Additionally, the Board may recommend Final Dividend for the approval of the shareholders at the Annual General Meeting. The date of the Board meeting in which the Dividend proposal will be considered, will be provided to the stock exchanges, as required by Listing Regulations.

6 Financial parameters and other internal and external factors that would be considered for declaration of Dividend:

- Distributable surplus available as per the Act and Regulations
- The Company's liquidity position and future cash flow needs
- Track record of Dividends distributed by the Company
- Payout ratios of comparable companies
- Prevailing Taxation Policy or any amendments expected thereof, with respect to Dividend distribution
- Capital expenditure requirements considering the expansion and acquisition opportunities
- Cost and availability of alternative sources of financing

- Stipulations/ Covenants of loan agreements
- Macroeconomic and business conditions in general
- Providing of unforeseen event and contingency with financial implications
- Any other relevant factors that the Board may deem fit to consider before declaring Dividend.

7 Utilisation of retained earnings

Subject to applicable regulations, the Company's retained earnings shall be applied for:

- Funding inorganic and organic growth needs including working capital, capital expenditure, repayment of debt, etc.
- Buyback of shares subject to applicable limits
- Payment of Dividend in future years
- Issue of Bonus shares
- Any other permissible purpose

8 Modification of the Policy

The Finance Committee of the Board of Directors is authorised to change/amend this policy from time to time at its sole discretion and/or in pursuance of any amendments made in the Companies Act, 2013, the Regulations, etc.

9 Disclaimer

This document does not solicit investments in the Company's securities. Nor is it an assurance of guaranteed returns (in any form), for investments in the Company's equity shares.