



Impex Ferro Tech Limited

CIN No. : L27101WB1995PLC071996

Corporate & Communication Office :

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West Bengal

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13th November, 2015

To
The Listing Department
National Stock Exchange of India Limited
Exchange Plaza
Bandra Kurla Complex
Mumbai - 400 051

Ref: Scrip Symbol - IMPEXFERRO
Sub: Clause 41 of the Listing Agreement

Dear Sir,

Pursuant to Clause 41 of the Listing Agreement, please find enclosed herewith Un-Audited Financial Results of the Company for the quarter and half year ended 30th September, 2015 along with Limited Review Report, as taken on record and approved by the Board at their meeting held today at the Corporate Office of the Company.

Thanking You

Yours Faithfully

For Impex Ferro Tech Limited

Richa Agarwal
(Company Secretary & Compliance Officer)
(PAN: BASPA7091L)

R. Kothari & Company

CHARTERED ACCOUNTANTS

MUMBAI, KOLKATA, NEW DELHI

Limited Review Report (Annexure V to Clause 41)

INDEPENDENT AUDITORS' REVIEW REPORT

To The Board of Directors

M/S. **Impex Ferro Tech Limited**

We have reviewed the accompanying statement of unaudited financial results of **M/S. Impex Ferro Tech Limited** for the period ended 30th September, 2015 except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been audited by us. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors/ Committee of Board of Directors. Our responsibility is to issue a report on these financial statements based on our review.

We conducted our review in accordance with the **Standard on Review Engagement (SRE) 2410**, '*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*' issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform to review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Emphasis of Matter Paragraph

1. Without qualifying we draw your attention to Note No.2 of the financial results, relating to CDR package. The CDR package of the company has been sanctioned vide LOA dated November 10th, 2014. Pursuant to the said LOA, implementation of CDR policy is completed and the company has given its account the effect of the CDR scheme as per LOA dated 10th November, 2014 which is subject to confirmation and reconciliation with the Lenders. The reported financials would



have consequential impact once the reconciliation is completed, the quantum where of remains unascertained.

2. We draw attention to the Note no 3 of the statement which indicates that as at September 30th 2015, the accumulated losses amounting to Rs 9,056.47 Lacs has substantially eroded net worth of the company, indicating the existence of a material uncertainty about the company's ability to continue as a going concern. These financial results have been prepared on a going concern basis for the reasons stated in the said note.
3. Pending confirmations of balances of certain secured loans and advances, trade receivables, trade payables and other liabilities as referred in Note No. 5 of the accompanying statements, are subject to confirmations and reconciliation. Consequential impact thereof, if any, remains unascertained and unprovided.

Our report is not qualified in respect of this matter.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable Accounting Standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.

For R.Kothari & Company
Chartered Accountants
Firm Reg. No.: -307069E



Manoj Sethia

Date: 13.11.2015

Place: Kolkata

C.A. Manoj Kumar Sethia
Partner
Membership No.: - 064308



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CIN NO.- L27101WB1995PLC071996

Statement of Unaudited Financial Results for the quarter and six months ended 30th September, 2015

PART I		(₹ in Lakhs)					
Particulars	Unaudited			Audited			
	Quarter-ended		30/09/2014	Half Year Ended		31/03/2015	
	30/09/2015	30/06/2015		30/09/2015	30/09/2014		
1 Income from Operations							
(a) Net Sales/Income from Operations (Net of excise duty)	7,121	8,337	16,503	15,458	28,860	49,616	
(b) Other Operating Income	106	189	299	295	478	964	
Total Income from Operations (net)	7,226	8,526	16,801	15,752	29,338	50,580	
2 Expenses							
(a) Cost of materials consumed	2,868	4,505	5,005	7,374	8,456	16,966	
(b) Purchase of traded goods	2,174	2,032	9,182	4,205	16,105	23,849	
(c) Changes in Inventories of finished goods and work-in-progress	(12)	(260)	584	(272)	387	252	
(d) Employee benefits expense	104	106	132	210	243	479	
(e) Depreciation	179	197	218	376	445	864	
(f) Power	1,905	1,830	2,396	3,735	4,628	8,848	
(g) Other expenses	587	603	743	1,191	1,369	2,737	
Total expenses	7,806	9,013	18,259	16,819	31,634	53,995	
3 Profit from operations before other income, finance costs and exceptional items (1-2)	(579)	(487)	(1,457)	(1,067)	(2,295)	(3,415)	
4 Other Income	(4)	86	162	82	212	305	
5 Profit/(Loss) from ordinary activities before finance costs and exceptional items (3+4)	(583)	(401)	(1,295)	(985)	(2,083)	(3,110)	
6 Finance costs	821	901	845	1,722	1,770	3,034	
7 Profit/(Loss) from ordinary activities after finance costs but before exceptional items (5-6)	(1,405)	(1,302)	(2,140)	(2,707)	(3,853)	(6,144)	
8 Exceptional items	-	-	-	-	-	-	
9 Profit/ (Loss) from ordinary activities before tax (7-8)	(1,405)	(1,302)	(2,140)	(2,707)	(3,853)	(6,144)	
10 Tax Expense	-	-	(580)	-	-	-	
11 Net Profit/(Loss) from ordinary activities after tax (9-10)	(1,405)	(1,302)	(1,560)	(2,707)	(3,853)	(6,144)	
12 Extraordinary items (net of tax expense Rs. Nil)	-	-	-	-	-	-	
13 Net Profit/(Loss) for the period (11-12)	(1,405)	(1,302)	(1,560)	(2,707)	(3,853)	(6,144)	
14 Paid-up equity share capital (Face Value Rs 10 per share)	8,160	8,160	8,160	8,160	8,160	8,160	
15 Reserves excluding Revaluation Reserves as per Balance Sheet	-	-	-	-	-	(1,324)	
16 Earnings per share (before and after extraordinary items) (of Rs 10 per share) (not annualised) :							
a) Basic	(1.72)	(1.60)	(2.12)	(3.32)	(5.25)	(7.53)	
b) Diluted	(1.72)	(1.60)	(2.12)	(3.32)	(5.25)	(7.53)	
PART II							
Select Information for the quarter ended 30th September, 2015							
Particulars	Quarter Ended			Half Year Ended		Year- Ended	
	30/09/2015	30/06/2015	30/09/2014	30/09/2015	30/09/2014	31.03.15	
A PARTICULARS OF SHAREHOLDING							
1 Public shareholding							
- Number of shares	2,71,66,758	2,71,66,758	2,71,66,758	2,71,66,758	2,71,66,758	2,71,66,758	
- Percentage of shareholding	33.29	33.29	33.29	33.29	33.29	33.29	
2 Promoters and Promoter Group Shareholding							
(a) Pledged/Encumbered							
- Number of Shares	1,90,860	1,90,860	1,90,860	1,90,860	1,90,860	1,90,860	
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	0.35	0.35	0.35	0.35	0.35	0.35	
- Percentage of shares (as a % of the total share capital of the company)	0.23	0.23	0.23	0.23	0.23	0.23	
(b) Non-encumbered							
- Number of Shares	5,42,38,986	5,42,38,986	5,42,38,986	5,42,38,986	5,42,38,986	5,42,38,986	
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	99.65	99.65	99.65	99.65	99.65	99.65	
- Percentage of shares (as a % of the total share capital of the company)	66.47	66.47	66.47	66.47	66.47	66.47	
Particulars						Three months ended 30/09/2015	
B INVESTOR COMPLAINTS							
Pending at the beginning of the quarter							
Received during the quarter							
Disposed of during the quarter							
Remaining unresolved at the end of the quarter							





Segment wise Revenue, Results and Capital Employed under clause 41 of the Listing Agreement.						
Particulars	Quarter Ended			Half Year Ended		Year- Ended
	30/09/2015	30/06/2015	30/09/2014	30/09/2015	30/09/2014	31/03/2015
1 Segment revenue						
a. Ferro alloys	5,021	6,458	7,517	11,479	13,085	26,554
b. Iron and steel	2,205	2,068	9,285	4,273	16,254	24,026
c. Power	-	-	-	-	-	-
Total	7,226	8,526	16,801	15,752	29,338	50,580
Less: Inter segment revenue	-	-	-	-	-	-
Total Income from operations (net)	7,226	8,526	16,801	15,752	29,338	50,580
2 Segment results						
a. Ferro alloys	(514)	(336)	(1,285)	(851)	(2,015)	(2,865)
b. Iron and steel	32	36	102	68	148	177
c. Power	(101)	(101)	(112)	(202)	(216)	(422)
Total segment profit before Interest and tax	(583)	(401)	(1,295)	(985)	(2,083)	(3,110)
Less: Interest expenses	821	901	845	1,722	1,770	3,034
Profit before tax	(1,405)	(1,302)	(2,140)	(2,707)	(3,853)	(6,144)
3 Capital employed (Segment assets- Segment liabilities)						
a. Ferro alloys	12,402	12,745	1,491	12,402	1,491	7,247
b. Iron and steel	11,209	11,502	14,952	11,209	14,952	17,524
c. Power	14,749	14,851	15,475	14,749	15,475	15,275
d. Unallocable	264	262	249	264	249	259
Total Capital employed	38,623	39,360	32,166	38,623	32,166	40,304

STATEMENTS OF ASSETS AND LIABILITIES AS ON 30TH SEPTEMBER, 2015

PARTICULARS	UNAUDITED	AUDITED
	30/09/2015	31/03/2015
EQUITY AND LIABILITIES		
SHAREHOLDER'S FUNDS		
(a) Share Capital	8,160	8,160
(b) Reserve & Surplus	(4,031)	(1,324)
	4,129	6,836
NON-CURRENT LIABILITIES		
(a) Long-Term Borrowings	24,133	23,606
(b) Deferred Tax Liabilities (Net)	-	-
	24,133	23,606
CURRENT LIABILITIES		
(a) Short-Term Borrowings	9,920	9,861
(b) Trade Payables	20,349	15,215
(c) Other Current Liabilities	4,874	3,924
	35,143	29,000
TOTAL	63,404	59,442
ASSETS		
NON-CURRENT ASSETS		
(a) Fixed Assets	18,253	18,578
(b) Non Current Investment	-	5
(c) Long Term Loans And Advances	227.45	175.07
	18,481	18,758
CURRENT ASSETS		
(a) Inventories	11,763	12,028
(b) Trade Receivables	28,058	23,468
(c) Cash And Bank Balances	950	938
(d) Short Term Loans And Advances	3,693	3,651
(e) Other Current Assets	459	599
	44,924	40,684
TOTAL	63,404	59,442





NOTES:-

- 1) The above results for the quarter ended 30th September, 2015 have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on November 13, 2015.
- 2) We draw attention to the financial results, relating to CDR Package. The CDR Package of the company has been sanctioned vide LOA dated 10th November, 2014. Pursuant to the said LOA, implementation of CDR policy is completed and the effect thereof has been given in these accounts with respect to the CDR scheme as per the said LOA. The said accounts are subject to confirmation and reconciliation with the Lenders. The reported financials would have consequential impact once the reconciliation is completed, the quantum where of remains unascertained.
- 3) The operations of the company are severely impacted by weak steel industry scenario and lack of demand for company's finished product. The company has incurred loss after tax of Rs 2,707.00 Lacs for half year ended 30.09.2015 and accumulated loss as on 30th September, 2015 is Rs 9056.46 Lacs which is in excess of 50% of the net worth of the company. As a part of its financial revival process, the lenders of the company have already approved CDR package. The company has continuous support from the promoters and has put in place measures for revival and cost reduction. Considering the above initiative of the company and given the overall position of steel industry in India, the financial statements have been prepared under Going Concern basis.
- 4) Pursuant to CDR package, the Company has received unsecured Loans from a Promoter Company as Promoter contribution to be converted into equity shares. The resolutions of shareholders for such conversion has been obtained. The allotment will be completed once the in principal approval of stock exchanges are received. The company has already applied for the same. Pending approval, the same has not been considered in the calculation of diluted EPS during the quarter and six months ended September, 2015.
- 5) In the opinion of the management, current and non-current assets have a value on realization in the ordinary course of business at least equal to the amount at which they are stated in the accounts. Adequate provisions have been made for all known losses and liabilities. Certain Balances of the sundry creditors, sundry debtors, unsecured loans and advances are subject to confirmation and reconciliation.
- 6) Pursuant to the provisions of Memorandum & Article Association of the Company, the authorised share capital of the company has been increased from Rs.82.50 crores divided into 8.25 crores equity shares of Rs.10 each to Rs.95.00 crores divided into 9.50 crores equity shares of Rs.10 each by creation of 1.25 crores equity shares of Rs.10 each.
- 7) Figures in brackets represent negative figures.
- 8) The figures of the previous year/ period have been regrouped/ reclassified, wherever necessary to confirm to the classification for the quarter ended 30th September, 2015.

On behalf of the Board of Directors

SURESH KUMAR PATNI
CHAIRMAN

Place: Kolkata
Dated: 13th November, 2015

