

G. PANDA & CO.

Chartered Accountants

Biju Patnaik Colony,

Biju Patnaik Chowk, Tulasipur,

Cuttack - 753008, Odisha.

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2302349 (O)

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INDEPENDENT AUDITOR'S REPORT

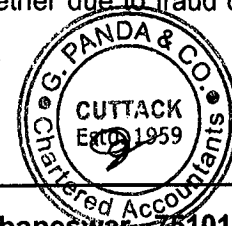
TO THE MEMBERS OF INDIAN METALS & CARBIDE LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of INDIAN METALS & CARBIDE LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.



**Branch Office: Plot No. 1478/7327, Satya Vihar, Rasulgarh, Bhubaneswar - 751010
Satyanarayan Temple Road, Near Girija Square, Berhampur - 760002**

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Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles



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generally accepted in India, of the state of affairs of the Company as at 31st March, 2015, and its profit/loss and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

As required by Section 143 (3) of the Act, we report that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

(c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account .

(d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

(e) On the basis of the written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.

For G. PANDA & CO.

Chartered Accountants

Firm's Registration No. 303123E

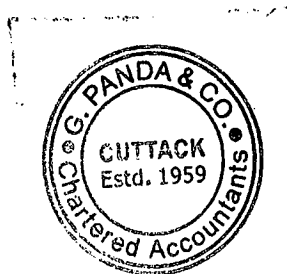

(P K Mohapatra)

Partner

Membership No.: 056058

Bhubaneswar

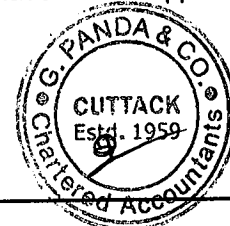
13th May, 2015



Annexure to Auditor's Report as required by the Companies (Auditor's Report) Order, 2015("the Order") issued by the Central Government of India in terms of of section 143 of the Companies Act, 2013.

INDIAN METALS & CARBIDE LIMITED

- (I) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The fixed assets have been physically verified by the management at reasonable intervals and no material discrepancies were noticed on such verification.
- (ii) (a) The physical verification of inventory has been conducted at reasonable intervals by the management.
- (b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- (c) On the basis of our examination, the Company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.
- (iii) On verification of records, the Company has neither granted nor taken any loans, secured or unsecured to/from companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.
- (iv) There is an adequate internal control procedure commensurate with the size of the Company and the nature of its business for the purchase of inventory, fixed assets and sale of goods and services. We have not observed any major weaknesses in internal control system.
- (v) The Company has not accepted any deposits from public. This clause is not applicable.




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- (vi) The Central Government has not so far, prescribed rules for maintenance of cost records under the sub-section (1) of Section 148 of the Companies Act, 2013.
- (vii) The Company is regular in depositing the undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other dues with the appropriate authority according to the information and explanations given to us.
- (viii) The Company has accumulated losses at the end of the financial year which is more than 50% its net worth. It has incurred cash losses of Rs 6,782/- in the financial year covered by our audit and cash losses Rs 3,27,893/- in the immediately preceding financial year.
- (ix) The Company has no dues for repayment to a financial institution or bank or debenture holders. This clause is not applicable.
- (x) As explained to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.
- (xi) The Company has not availed any term loan. Thus, this clause is not applicable.
- (xii) According to the information and explanations, no fraud on or by the Company has been noticed or reported during the year.

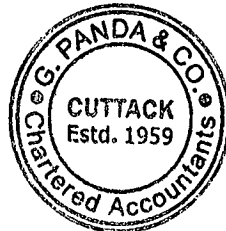
For G. PANDA & CO.
Chartered Accountants
Firm's Registration No. 303123E


(CA P.K. Mohapatra)

Partner, M.No-056058

Bhubaneswar

13th May, 2015



INDIAN METALS & CARBIDE LIMITED

Balance Sheet as at 31st March, 2015

(Amount in Rs)


	Note		As at 31 st March, 2015	As at 31 st March, 2014
EQUITY AND LIABILITIES				
Shareholders' Funds				
Share Capital	2	10,499,980		10,499,980
Reserves and Surplus	3	<u>(8,124,929)</u>		<u>(8,118,147)</u>
			2,375,051	2,381,833
Non-Current liabilities				
Other Non-Current Liabilities	4		65,494	65,494
Current Liabilities				
Short Term Borrowings	5		154,749	44,002
Other Current Liabilities	6		<u>3,871</u>	<u>13,736</u>
			<u>2,599,165</u>	<u>2,505,065</u>
ASSETS				
Non-Current Assets				
Fixed Assets				290,538
Tangible Assets	7	290,538		290,538
Non Current Investments	8	950,540		950,540
Long-Term Loans and Advances	9	<u>215,804</u>		<u>215,804</u>
			1,456,882	1,456,882
Current assets				
Inventories		417,427		417,427
Cash and Cash Equivalents	10	673,521		581,064
Short-Term Loans and Advances	11	21,693		22,907
Other Current Assets	12	<u>29,642</u>		<u>26,785</u>
			1,142,283	1,048,183
			<u>2,599,165</u>	<u>2,505,065</u>

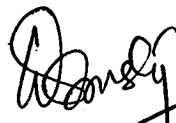
Significant Accounting Policies and other Notes forming part of Financial Statements


1 to 22

Auditors' Report to the Members
As per our report of even date attached.
For. G. PANDA & CO.
Chartered Accountants
Firm's Registration No 303123E

For and on behalf of the Board of Directors


(G. Mohapatra)
Partner
Membership No. 56058


Assistant Secretary


Director


Director



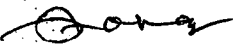
INDIAN METALS & CARBIDE LIMITED

Statement of Profit and Loss for the year ended 31st March, 2015

(Amount in Rs)

	Note	Year ended 31 st March, 2015	Year ended 31 st March, 2014
REVENUE			
Revenue from Operations		118,805	50,170
Other Income	13		
Total Revenue		118,805	50,170
EXPENSES			
Change in Inventories of Finished Goods		80,373	285,550
Employee Benefits Expense	14	6,316	
Finance cost	15		
Depreciation and Amortization	7		
Other Expenses	16	38,898	92,513
Total Expenses		125,587	378,063
Profit before Tax		(6,782)	(327,893)
Tax Expense:			
Current Tax/ MAT			
Profit after Tax		(6,782)	(327,893)
Earnings Per Equity Share			
Basic and Diluted Earnings Per Share (in Rupees)	18	(0.01)	(0.31)
Significant Accounting Policies and Other notes forming part of the Financial statements	1 to 22		

Auditors' Report to the Members
As per our report of even date attached.
For G. PANDA & CO.
Chartered Accountants
Firm's Registration No 303123E


(P.K. Mohapatra)
Partner
Membership No. 56058

Place:
Date:



For and on behalf of the Board of Directors


Assistant Secretary


Director


Director

INDIAN METALS & CARBIDE LIMITED

Cash Flow Statement for the year ended 31st March, 2015

	(Amount in Rs)	
	Year ended 31st March, 2015	Year ended 31st March, 2014
A. Cash Flow From Operating Activities		
Net profit/(Loss) before tax	(6,782)	(327,893)
Adjustment for :		
Interest and financial expenses	6,316	-
Operating profit before working capital changes	(466)	(327,893)
Adjustment for :		
Loans and advances	(1,643)	334,069
Other payable	(9,865)	2,000
Cash (Used in)/ Generated from operations	(11,974)	8,176
Direct taxes paid	-	-
Net Cash (Used in)/ Generated from Operating Activities	<u>(11,974)</u>	<u>8,176</u>
B Cash Flow From Investing Activities		
Sale of fixed assets	-	-
Net Cash (Used in)/ Generated from Investing Activities	<u>-</u>	<u>-</u>
C Cash Flow From Financing Activities		
Proceeds(Repayment) of short term borrowings	110,747	44,002
Interest and financial charges paid	(6,316)	-
Net Cash(Used In)/ Generated From Financing Activities	<u>104,431</u>	<u>44,002</u>
 Net change in Cash and Cash Equivalents (A+B+C)	 92,457	 52,178
Cash and Cash Equivalents - Opening Balance	581,064	528,886
Cash and Cash Equivalents - Closing Balance	<u>673,521</u>	<u>581,064</u>

Explanations :

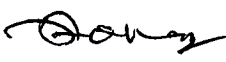
1. The above Cash Flow Statement has been prepared under the indirect method as set out in the Accounting Standard 3 (AS- 3) ' Cash Flow Statement ' notified by the Central Government under the Companies (

2. Cash & Cash equivalents are represented by :

-- In Current Accounts	148,224	95,408
-- In Fixed Deposit	525,297	485,656
	<u>673,521</u>	<u>581,064</u>

3. Previous year's figures have been regrouped/ rearranges to confirm to the classification of the current year, wherever considered necessary

For G PANDA & CO
Chartered Accountants
Firm's Registration No 303123E

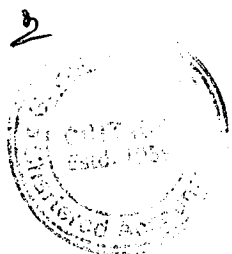

(P K Mohaptra)
Partner
Membership No. 56058
Place:
Date:

For and on behalf of the Board of Directors


Assistant Secretary


Director


Director



NOTES TO FINANCIAL STATEMENTS

Note 1 Significant Accounting Policies

1.1 Basis of preparation of Financial Statements

The financial statements are prepared under the historical cost convention on an accrual basis of accounting in accordance with the Generally Accepted Accounting Principles, Accounting Standards notified under Section 133 of the Companies Act, 2013 and the relevant provisions thereof.

1.2 Inventories

- a) Raw materials, stores, spares etc. have been consistently valued at cost. Slow moving and dead stocks are reduced to their estimated value.
- b) Finished goods have been consistently valued at cost or market value whichever is less.

1.3 Revenue Recognition

Revenue is recognised to the extent it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Interest income on Fixed Deposit is recognised on the time proportion basis taking into account the amount outstanding and the rate applicable.

1.4 Investment

Investments are classified as either current or non-current based on Management's intention at the time of purchase. Non-current investments are carried at Investments have been made in other than trade investments. This is included at the book value with a note on the market value wherever available

1.5 Fixed Assets, Depreciation/Amortisation and Impairment

a) Fixed Assets:

Fixed assets are carried at cost less accumulated depreciation / amortisation and impairment losses, if any. Cost comprises of the purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use.

b) Depreciation / Amortisation

Depreciation/ Amortisation on fixed assets is provided on Written Down Value Method ("WDV"), which reflects the management's estimate of the useful lives of the respective fixed assets and the rate derived from such useful lives thereof are greater than or equal to the corresponding rates prescribed in schedule II of the Act. No depreciation has been provided on free hold land.

c) Impairment

Fixed assets are reviewed for impairment whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. An impairment loss is recognised in the Statement of Profit and Loss if the carrying amount of an asset exceeds its recoverable amount.

1.6 Foreign Currency Transaction

Foreign currency transactions are recorded in the reporting currency by applying to the foreign currency amount the prevailing exchange rate between the reporting currency and the foreign currency, as on the date of the transaction. Year end foreign currency monetary items are reported using the year end rate. Exchange differences arising on the settlement or reporting of monetary items, at rates different from those at which they were initially recorded during the year or reported in previous financial statements and / or on conversion of monetary items, are recognised as income or expense in the year in which they arise. There is no foreign currency transaction undertaken during the year.

1.7 Earnings per Share:

Basic EPS is calculated by dividing the net profit or loss for the period, attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

1.8 Taxes on Income

Tax expense comprises of current tax [net of Minimum Alternate Tax (MAT) credit entitlement] and deferred tax.

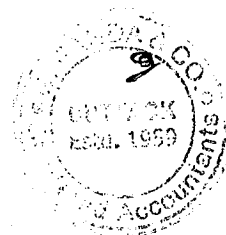
- a) Current tax is the amount of tax payable on the taxable income for the year determined in accordance with the provisions of the Income Tax Act, 1961.
- b) Deferred tax reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing

1.9 Segment Reporting

There is/are no reportable segment (business and /or geographical) in accordance with the requirements of Accounting Standard 17 - 'Segment Reporting', issued by the Institute of Chartered Accountants of India (ICAI).

1.11 Provision, Contingent Liabilities and Contingent Assets

A provision is recognised when the company has a present obligation as a result of past event and it is probable that outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made.. Contingent Liabilities are not recognized but are disclosed by way notes to financial statements. Contingent Assets are neither recognized nor disclosed in the financial statements.



		(Amount in Rs)	
		As at	As at
		31st March, 2015	31st March ,2014
Note 2	Share Capital		
	Authorised		
	45,00,000 Equity Shares of Rs.10/-each	45,000,000	45,000,000
	50,000 Preference Shares of Rs.100/- each	5,000,000	5,000,000
		<u>50,000,000</u>	<u>50,000,000</u>
	Issued		
	10,49,998 Equity Shares of Rs.10/- each fully paid-up	<u>10,499,980</u>	<u>10,499,980</u>
	Subscribed and Paid-up		
	10,49,998 Equity Shares of Rs.10/- each fully paid-up	<u>10,499,980</u>	<u>10,499,980</u>
		<u>10,499,980</u>	<u>10,499,980</u>

2.1 Disclosure pursuant to Note no.6(A)(d) of Part I of Schedule III of Company Act, 2013

Particulars	Equity Shares	
	No of share	Rs
i Shares outstanding at the beginning of the year	1049998	10499980
ii Shares issued during the year	0	
iii. Shares bought back during the year	0	
iv Shares outstanding at the end of the year	1049998	10499980

2.2 Disclosure pursuant to Note no.6(A)(g) of Part I of Schedule III of Company Act, 2013 (if more than 5%)

	As at		As at	
	31st March, 2015		31st March ,2014	
	No of share	%	No of share	%
Indian Metals and Ferro Alloys Ltd	1049960	99.99	1049960	99.99

Note 3	Reserves and Surplus		
	Capital Reserves		
	Balance as per last account	1,004,077	1,004,077
	General Reserve		
	Balance as per last account	2,356,539	2,356,539
	Surplus in the Statement of Profit and Loss		
	Balance as per last account	(11,478,763)	(11,150,870)
	Add: Transferred from Statement of Profit and Loss	(6,782)	(327,893)
		<u>(11,485,545)</u>	<u>(11,478,763)</u>
		<u>(8,124,929)</u>	<u>(8,118,147)</u>

Note 4	Other Non-Current Liabilities		
	Unsecured		
	Trade Payable	65,494	65,494
		<u>65,494</u>	<u>65,494</u>

Note 5	Short Term Borrowings		
	Unsecured		
	<u>Other Inter corporate loans</u>		
	- From Related Parties	154,749	44,002
		<u>154,749</u>	<u>44,002</u>

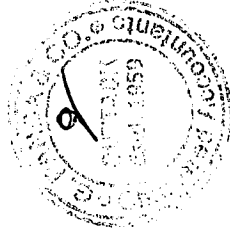
Note 6	Other Current Liabilities		
	Liabilities for Expenses	3,871	13,736
		<u>3,871</u>	<u>13,736</u>



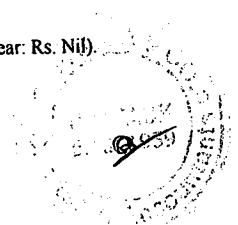
NOTE 7 FIXED ASSETS

(Amount in Rs)

Particulars	Gross Block		Depreciation and Amortisation				Net Block	
	As at	Addition /	As at	For	Deduction /	As at	As at	As at
	1 st April, 2014	Deletion	31st March, 2015	the year	Adjustment	31st March, 2015	31st March, 2015	31st March, 2014
Freehold Land	290,538	-	290,538	-	-	-	290,538	290,538
	290,538		290,538				290,538	
Previous Year's Figures	290,538	-	290,538	-	-	-	290,538	290,538



	(Amount in Rs)	
	As at 31st March, 2015	As at 31st March, 2014
Note 8 Non Current Investments		
Investments at cost in Kalinga Hospital Ltd	950,540	950,540
95,054 Equity shares of Rs 10/- each fully paid up(unquoted)	950,540	950,540
Note 9 Long-Term Loans and Advances (Unsecured Considered good)		
Security Deposit	215,804	215,804
	215,804	215,804
Note 10 Cash and Cash Equivalents		
Balances with Banks	148,224	95,408
- In Current Accounts	525,297	485,656
- In Fixed Deposit	673,521	581,064
Note 11 Short-Term Loans and Advances (unsecured and considered good)		
Advance recoverable in cash or in kind	12,750	12,750
Advance income tax paid (TDS)	8,943	10,157
	21,693	22,907
Note 12 Other Current Assets		
Interest receivable	29,642	26,785
	29,642	26,785
	Year ended 31st March, 2015	(Amount in Rs) Year ended 31st March, 2014
Note 13 Other Income		
Dividend Income	71,291	0
Interest income	47,514	50,170
	118,805	50,170
Note 14 Employee Benefits Expense		
Payment to Employees	80,373	285,550
Salaries, Wages, Bonus, Allowances, Retirement Benefits, etc.	80,373	285,550
Note 15 Finance Cost		
Interest and Financial Expenses	6,316	-
	6,316	-
Note 16 Other Expenses		
Manufacturing expenses	20,218	57,963
Quarrying expenses		
Administrative expenses	3,871	16,236
Auditors' remuneration and expenses (Refer Note No. 17)	14,809	18,314
Miscellaneous expenses	38,898	92,513
Note 17 Auditors' Remuneration and Expenses		
Statutory audit fees	3,371	11,236
Reimbursement of expenses	500	5,000
	3,871	16,236
Note 18 Managerial Remuneration		
There was no managerial remuneration paid/payable to the directors for the year ended 31 st March, 2015 (Previous year: Rs. Nil).		



Note 19 Earnings per Equity Share

(Amount in Rs)

The computation of earnings per share is set out below:-

Particulars	Year ended 31st	Year ended 31st
	March, 2015	March, 2014
Profit after tax attributable to Equity Shareholders	(6,782)	(327,893)
Weighted average number of Equity Shares outstanding at the end of the year (Basic)	1,049,998	1,049,998
Weighted average number of Potential Equity Shares outstanding at the end of the year	-	-
Weighted average number of Equity Shares outstanding at the end of the year (Dilutive)	1,049,998	1,049,998
Nominal Value of Equity per share	10	10
Basic Earnings per share	(0.01)	(0.31)
Diluted Earnings per share	(0.01)	(0.31)

Note 20 Related Party Disclosures

a) Particulars of related parties where control exists:

Enterprises that directly, or indirectly, through one or more intermediaries, control the reporting enterprise:

Holding Company : Indian Metals and Ferro Alloys Limited

Ultimate holding Company : Indian Metals and Ferro Alloys Limited

b) Particulars of other related parties:

i. Enterprises that directly, or indirectly, through one or more intermediaries, are under common control with the reporting enterprise:

Fellow Subsidiaries : Utkal Coal Limited
 : Utkal Power Limited
 : IMFA Alloys Finlease Limited
 : Indmet Mining (Pte) Limited, Singapore
 : Utkal Green Energy Limited
 : PT. Sumber Rahayu Indah, Indonesia

ii. Key Management Personnel :

Directors : Dr. B. Panda
 : Baijayant Panda
 : Chitta Ranjan Ray
 : Deepak Kumar Mohanty

(Amount in Rs)

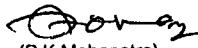
Note 21 The following is the summary of transactions with related parties:

Nature of transactions	Year ended 31st	Year ended 31st
	March, 2015	March, 2014
Unsecured Loan		
Indian Metals and Ferro Alloys Limited	110,747	44,002
Interest payable on Loan		
Indian Metals and Ferro Alloys Limited	6,316	0
Outstanding Balance		
Indian Metals and Ferro Alloys Limited	154,749	44,002

Note 22 Previous year's figures have been regrouped / rearranged to confirm to the classification of the current year, wherever considered necessary.

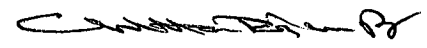
For G. PANDA & CO.
 Chartered Accountants
 Firm's Registration No 303123E

For and on behalf of the Board of Directors


 (P K Mohapatra)
 Partner
 Membership No. 56058
 Place:
 Date:


 Assistant Secretary


 Director


 Director

