

G.PANDA & Co.  
Chartered Accountants  
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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 Ind AS financial statements of **INDIAN METALS & CARBIDE LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2017, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (herein after referred to as "standalone Ind AS financial statements").

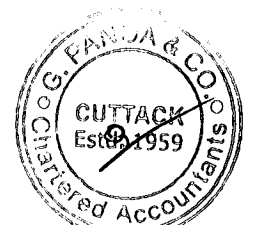
#### Management's Responsibility for the Standalone Financial Statements

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 Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with relevant rules issued thereunder.

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 standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### Auditor's Responsibility

Our responsibility is to express an opinion on these standalone Ind AS 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 Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS 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 standalone Ind AS 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 standalone Ind AS 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 Ind AS financial statements.

### **Opinion**

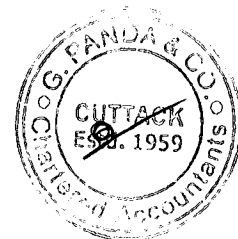
In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS of the financial position of the Company as at 31 March, 2017, and its financial performance including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure A , a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. 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 Statement of Cash Flow and the statement of changes in equity dealt with by this Report are in agreement with the books of accounts.



(d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with relevant rule issued thereunder.

(e) On the basis of the written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of the Internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure B

(g) With respect to the other matters included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company does not have any pending litigations which would impact its financial position.
- ii. The Company does not have any long-term contracts including derivative contracts for which there are any material foreseeable losses.
- iii. There has been no amounts which are required to be transferred to the Investor Education and Protection Fund by the Company.
- iv. the Company has provided requisite disclosures in its standalone Ind AS financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November, 2016 to 30 December, 2016 and these are in accordance with the books of accounts maintained by the Company. Refer to note 5 (a) of the standalone Ind AS financial statement.

Place: Bhubaneswar  
Date: 21/4/2017



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

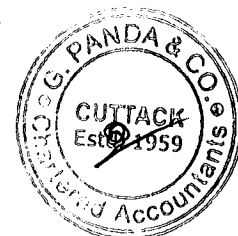
**( CA. P K Mohapatra )**  
**Partner**  
**Membership No.: 56058**

## **Annexure A to Independent Auditor's Report**

**The Annexure referred to in our Independent Audit Report to the members of the Company on the standalone financial statement for the year ended 31<sup>st</sup> March 2017, we report that,**

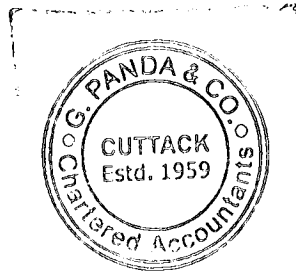
### **INDIAN METALS & CARBIDE LIMITED**

- 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;
- c) according to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company;
- ii) the physical verification of inventory has been conducted at reasonable intervals by the management. 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. On the basis of our examination, the Company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification;
- iii) the company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. so, this clause is not applicable;
- iv) the company has not given any loans, made any investments, provide any guarantees and security , so this clause is not applicable;
- v) the Company has not accepted any deposits from public, so this clause is not applicable;
- 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, so this clause is not applicable;
- vii) (a) the company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities according to the information and explanations given to us;
- (b) there is no dues of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax have not been deposited on account of any dispute;
- viii) the company has not taken any loan from any financial institution, bank, Government or dues to debenture holders, so, this clause is not applicable;
- ix) according to the information and explanations, the money raised by way of further public offer were applied for the purpose for which those are raised;
- x) according to the information and explanations, there is no fraud by the company or no fraud on the Company by its officers or employees has been noticed or reported during the year;



- xi) there is no managerial remuneration has been paid or provided in the current financial year;
- xii) the company is not a Nidhi Company, so this clause is not applicable;
- xiii) all transactions with the related parties are in ordinary course of business and on arm length basis and necessary approval has been taken in compliance with 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards, the provision relating to section 177 is not applicable to the company;
- xiv) the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review, so this clause is not applicable;
- xv) the company has not entered into any non-cash transactions with directors or persons connected with him, so this clause is not applicable;
- xvi) the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934, so this clause is not applicable.

Place: Bhubaneswar  
Date: 21/4/2017



**For G. PANDA & CO.**

**Chartered Accountants  
Firm's Registration No. 303123E**

**(CA. P K Mohapatra)  
Partner  
Membership No.: 56058**

## **Annexure B to Independent Auditor's Report**

### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of **INDIAN METALS & CARBIDE LIMITED** ("the Company") as of March 31, 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on accounting manual, organisational structure and financial delegation of powers. These responsibilities include the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditors' Responsibility**

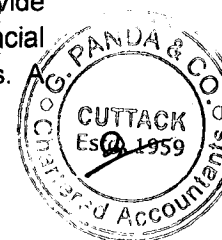
Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

#### **Meaning of Internal Financial Controls Over Financial Reporting**

A company's internal financial control over financial reporting is process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.



company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transaction and dispositions of the assets of the company; (2) provide reasonable assurance that transaction are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have material effect on the financial statements.

### Opinion

Our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the policies as referred above.

Place: Bhubaneswar  
Date: 21/4/2017



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

**(CA. P K Mohapatra)**  
**Partner**  
**Membership No.: 56058**

# INDIAN METALS & CARBIDE LIMITED

Balance Sheet as at 31st March, 2017

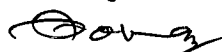
(Amount in Rs.)

		As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
<b>ASSETS</b>				
<b>Non-Current Assets</b>				
Property, Plant and Equipment	2	362,538	290,538	290,538
Financial Assets				
- Investments	3	950,540	950,540	950,540
- Loans	4	186,400	215,804	215,804
<b>Current Assets</b>				
Inventories		417,427	417,427	417,427
Financial Assets				
- Cash and Cash Equivalents	5	39,042	176,627	673,521
- Others	6	-	7,513	29,642
Current Tax Assets (Net)	7	4,164	6,064	8,943
Other Current Assets	8	-	12,750	12,750
<b>TOTAL ASSETS</b>		<b>1,960,111</b>	<b>2,077,263</b>	<b>2,599,165</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
Equity Share Capital	9	10,799,960	10,799,960	10,499,980
Other Equity	10	(8,948,982)	(8,792,062)	(8,124,929)
<b>LIABILITIES</b>				
<b>Non-Current Liabilities</b>				
Financial Liabilities				
- Trade Payable	11	-	65,494	65,494
<b>Current Liabilities</b>				
Financial Liabilities				
- Borrowings	12	101,233	-	154,749
Other Current Liabilities	13	7,900	3,871	3,871
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1,960,111</b>	<b>2,077,263</b>	<b>2,599,165</b>

Significant Accounting Policies and other Notes forming part of Financial Statements

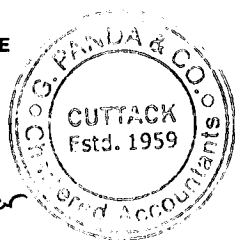
1 to 25

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



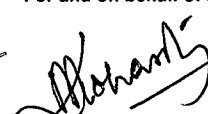
(P K Mohapatra)  
Partner  
Membership No. 56058

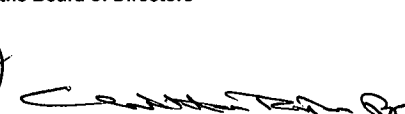
Place: *Bhubaneswar*  
Date: *21/4/2017*



For and on behalf of the Board of Directors

  
Assistant Secretary

  
Director

  
Director



# INDIAN METALS & CARBIDE LIMITED

## Statement of Profit and Loss for the year ended 31st March, 2017

(Amount in Rs.)

	Note	Year ended 31 <sup>st</sup> March, 2017	Year ended 31 <sup>st</sup> March, 2016
<b>REVENUE</b>			
Revenue from operation		-	-
Other Income	14	65,494	25,807
<b>Total Revenue</b>		<b>65,494</b>	<b>25,807</b>
<b>EXPENSES</b>			
Finance cost	15	27,438	648,487
Other expenses	16	194,976	44,453
<b>Total Expenses</b>		<b>222,414</b>	<b>692,940</b>
<b>Loss before Tax</b>		<b>(156,920)</b>	<b>(667,133)</b>
<b>Tax Expenses</b>		-	-
<b>Loss after Tax</b>		<b>(156,920)</b>	<b>(667,133)</b>
<b>Other Comprehensive Income (net off taxes):</b>			
<b>A. Items that will not be reclassified subsequently into profit and loss</b>			
(i) Gain / (Loss) on remeasurement of defined benefit obligation		-	-
(ii) Income Tax relating to above		-	-
<b>B. Items that will be reclassified subsequently to profit and loss</b>			
(i) Gain / (Loss) on remeasurement of defined benefit obligation		-	-
(ii) Income Tax relating to above		-	-
<b>Total Other Comprehensive Income net off tax</b>		-	-
<b>Total Other Comprehensive Income for the period</b>		<b>(156,920)</b>	<b>(667,133)</b>
<b>Earnings Per Equity Share</b>	19	(0.15)	(0.62)
Basic and Diluted Earnings Per Share (in Rupees)			

Significant Accounting Policies and other Notes forming part of Financial Statements 1 to 25

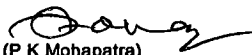
Auditors' Report to the Members

As per our report of even date attached.

For **G. PANDA & CO.**

Chartered Accountants

Firm's Registration No 303123E

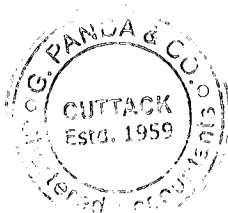
  
(P K Mohapatra)

Partner

Membership No. 56058

Place: **Bhubaneswar**

Date: **21/4/2017**



For and on behalf of the Board of Directors

  
Assistant Secretary

  
Director

  
Director

**INDIAN METALS & CARBIDE LIMITED**

**Statement of Changes in Equity**

Particulars	Equity Share Capital	Reserves and Surplus			Other Comprehensive Income	Total of Reserves and Surplus and Other Comprehensive Income	Total Equity attributable to equity holders of the Company
		Capital Reserves	General Reserve	Surplus in the Statement of Profit and Loss			
<b>As at 1st April, 2015</b>	10,499,980	1,004,077	2,356,539	(11,485,545)	-	(8,124,929)	2,375,051
Increase in Share Capital on account of issue of shares	299,980	-	-	-	-	-	299,980
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-
Restated balance at the beginning of the reporting	-	-	-	-	-	-	-
<b>Total Comprehensive Income</b>	-	1,004,077	2,356,539	(11,485,545)	-	(8,124,929)	-
Transfer to retained earning	-	-	-	(667,133)	-	(667,133)	(667,133)
Other changes	-	-	-	-	-	-	-
<b>At the end of the year ended 31st March, 2016</b>	10,799,960	1,004,077	2,356,539	(12,152,678)	-	(8,792,062)	2,007,998
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-
Restated balance at the beginning of the reporting	-	-	-	-	-	-	-
<b>Total Comprehensive Income</b>	-	1,004,077	2,356,539	(12,152,678)	-	(8,792,062)	-
Transfer to retained earning	-	-	-	(156,920)	-	(156,920)	(156,920)
Other changes	-	-	-	-	-	-	-
<b>At the end of the year ended 31st March, 2017</b>	10,799,960	1,004,077	2,356,539	(12,309,598)	-	(8,948,982)	1,850,978

(See notes 9 & 10)

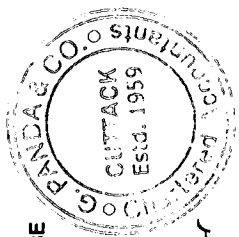
Significant Accounting Policies and other Notes forming part of Financial Statements

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*  
(P K Mohapatra)  
Partner  
Membership No. 56058  
Place: *Bhubaneswar*  
Date: *21/4/2017*

For and on behalf of the Board of Directors

*Dangra*  
Assistant Secretary

*[Signature]*  
Director

# INDIAN METALS & CARBIDE LIMITED

## Statement of Cash Flow for the year ended 31st March, 2017

	(Amount in Rs)	
	Year ended 31st March, 2017	Year ended 31st March, 2016
<b>A. Cash Flow From Operating Activities</b>		
Loss before tax	(156,920)	(667,133)
Adjustment for :		
Finance cost recognised in profit or loss	27,438	648,487
<b>Operating profit before working capital changes</b>	<u>(129,482)</u>	<u>(18,646)</u>
Adjustment for :		
(Increase)/Decrease in loans and advances and receivables	51,567	25,008
(Increase)/Decrease in other payable	(61,465)	-
Cash (Used in)/ Generated from operations	<u>(139,380)</u>	<u>6,362</u>
Direct taxes paid	-	-
<b>Net Cash (Used in)/ Generated from Operating Activities</b>	<u><u>(139,380)</u></u>	<u><u>6,362</u></u>
<b>B Cash Flow From Investing Activities</b>		
Sale of fixed assets	<u>(72,000)</u>	-
<b>Net Cash (Used in)/ Generated from Investing Activities</b>	<u><u>(72,000)</u></u>	<u><u>-</u></u>
<b>C Cash Flow From Financing Activities</b>		
Proceeds / (Repayment) of short term borrowings	101,233	(154,749)
Interest and financial charges paid	(27,438)	(648,487)
Proceed from issue of Equity Shares	-	299,980
<b>Net Cash(Used In)/ Generated From Financing Activities</b>	<u><u>73,795</u></u>	<u><u>(503,256)</u></u>
Net increase/(decrease) in Cash and Cash Equivalents (A+B+C)	<u>(137,585)</u>	<u>(496,894)</u>
Cash and Cash Equivalents - Opening Balance	<u>176,627</u>	<u>673,521</u>
<b>Cash and Cash Equivalents - Closing Balance</b>	<u><u>39,042</u></u>	<u><u>176,627</u></u>

**Explanations :**

1. The above Cash Flow Statement has been prepared under the indirect method as set out in the Indian Accounting Standard 7 ( Ind AS- 7 ) ' Statement of Cash Flow ' notified by the Central Government.

2. Cash & Cash equivalents are represented by :

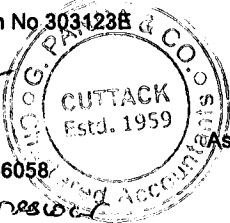
-- In Current Accounts	39,042	26,627
-- In Fixed Deposit	-	150,000
	<u>39,042</u>	<u>176,627</u>

3. 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 3031236

(P K Mohapatra)  
Partner  
Membership No. 56058

Place: Bhubaneswar  
Date: 21/4/2017



For and on behalf of the Board of Directors

*[Signature]*  
Assistant Secretary

*[Signature]*  
Director

*[Signature]*  
Director

## NOTES TO FINANCIAL STATEMENTS

### Note 1 - Significant Accounting Policies

#### 1.1 Basis of preparation of Financial Statements

##### a) Compliance statement

The financial statements have been prepared in accordance with Indian Accounting Standards ('Ind ASs') notified under the Companies (Indian Accounting Standards) Rules, 2015. The financial statements for all the periods and upto 31st March, 2016 have been 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.

The financial statements for the year ended 31st March, 2017 are the Company's first Ind AS financial statements. The date of transition to Ind AS is 1st April, 2015. Accordingly the Balance Sheets as on 1st April, 2015 and 31st March, 2016, the Statement of Profit and Loss and Statement of Cash Flow for the year ended 31st March, 2016 have been restated to make them comparable to the current year's Ind AS financials.

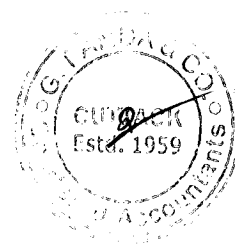
The Company has adopted all the Ind AS standards and the adoption were carried out in accordance with Ind AS 101, First time adoption of Indian Accounting Standards.

##### b) Historical cost convention

The financial statements are prepared on historical cost convention basis except for certain financial assets and liabilities.

##### c) Functional and presentational currency

The financial statements are prepared in Indian Rupee (INR) which is the functional currency.



**d) Use of estimates and judgements**

The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future period affected. Information about critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the accounting policies and/or the notes to the financial statements.

**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. There are no such items at the end of the year.
  
- b) Finished goods have been consistently valued at cost or net realisable value whichever is less.

**1.3 Revenue recognition**

Revenue is measured at the fair value of consideration received or receivable. 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 Financial instruments**

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and liabilities are recognized at fair value. Transaction costs that are directly attributable to the acquisition (other than financial assets at fair value through



profit or loss) are added to the fair value of the financial assets on initial recognition. Transaction costs directly attributable to the acquisition of financial assets at fair value through profit or loss are recognised immediately in the statement of profit and loss. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

#### Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost.
- Debt instruments measured at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

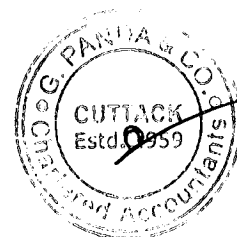
The Company's financial asset includes Investment in Equity instrument, Cash and cash equivalent, deposits and receivables.

Financial Liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

The Company does not hold any derivative financial instruments.

The Financial assets are tested for impairment and the loss allowance if any are recognized in the statement of profit and loss. The Company uses the expected credit loss model to test impairment if any.

#### 1.5 Derecognition of financial instruments



The company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

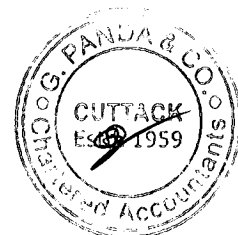
## 1.6 Property, Plant and Equipment

Property, Plant and Equipment 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. Freehold Land is the only property held by the Company.

Depreciation/ Amortisation on Property, Plant and Equipment is provided on Written Down Value Method ('WDV'), which reflects the management's estimate of the useful lives of the respective fixed assets. Useful life as specified in the Schedule II to the Companies Act, 2013 has been adopted by the Company as it reflects best the management's estimates. The estimated useful lives, residual value and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis. No depreciation / amortisation is provided on Freehold Land.

Property, Plant and Equipments 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.

The Company has elected to continue with the carrying value of all its Property, Plant and Equipment as deemed cost on transition to Ind AS.



## 1.7 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.

## 1.8 Earnings per share

Basic Earnings per share 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.

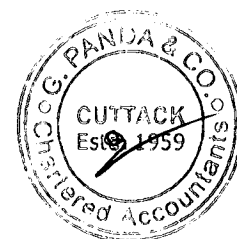
## 1.9 Taxes on Income

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. Current Income Tax relating to items recognised outside profit or loss is recognised outside profit or loss in other comprehensive income.
- b) Deferred tax reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

## 1.10 Segment reporting

There is/are no reportable segment (business and /or geographical) in accordance with the requirements of Indian Accounting Standard 108 – 'Operating Segments'(earlier Accounting Standard 17 - 'Segment Reporting').



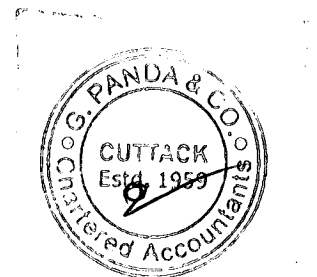


### 1.11 Provision, Contingent Liabilities and Contingent Assets

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.

### 1.12 First-time adoption - mandatory exceptions, optional exemptions

The Company has prepared the opening balance sheet as per Ind AS as on 1st April, 2015 (the transition date) by recognising all assets and liabilities whose recognition is required by Ind AS, not recognising items of assets or liabilities which are not permitted by Ind AS, by reclassifying items from previous GAAP to Ind AS as required under Ind AS, and applying Ind AS in measurement of recognised assets and liabilities wherever applicable. Optional exemptions and mandatory exceptions to the extent applicable are separately covered in the notes to financial statements.



## NOTES TO FINANCIAL STATEMENTS

### Note No. 2 - Property, plant and equipment

(Amount in Rs)

Particulars	Tangible - Own	
	Freehold Land	Total
<b>Gross Carrying Amount</b>		
Deemed Cost as at 1st April, 2015	290,538	290,538
Additions/ adjustments during 2015-16	-	-
Disposals / Adjustment during the year	-	-
<b>Closing Gross Carrying Amount as at 31st March, 2016</b>	<b>290,538</b>	<b>290,538</b>
Additions/ adjustments during 2016-17	72,000	72,000
Disposals / Adjustment during the year	-	-
<b>Closing Gross Carrying Amount as at 31st March, 2017</b>	<b>362,538</b>	<b>362,538</b>
<b>Accumulated Depreciation</b>		
As at 1st April, 2015	-	-
Depreciation/ Amortisation for 2015-16 (refer Explanation 1)	-	-
Disposals / Adjustments during the year	-	-
<b>As at 31st March, 2016</b>	<b>-</b>	<b>-</b>
Depreciation/ Amortisation for 2016-17 (refer Explanation 1)	-	-
Disposals / Adjustments during the year	-	-
<b>As at 31st March, 2017</b>	<b>-</b>	<b>-</b>
<b>Net Carrying Amount as on 31st March, 2017</b>	<b>362,538</b>	<b>362,538</b>
<b>Net Carrying Amount as on 31st March, 2016</b>	<b>290,538</b>	<b>290,538</b>
<b>Net Carrying Amount as on 31st March, 2015</b>	<b>290,538</b>	<b>290,538</b>



NOTES TO FINANCIAL STATEMENTS

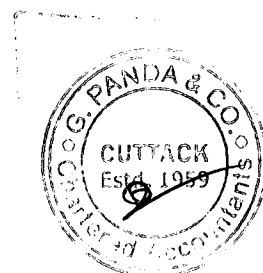
	As at 31st March, 2017	As at 31st March, 2016	(Amount in Rs.) As at 1st April, 2015
<b>Note 3 Investments</b>			
Investments at Kalinga Hospital Ltd *	950,540	950,540	950,540
95,054 Equity shares of Rs 10/- each fully paid up(unquoted)			
	<b>950,540</b>	<b>950,540</b>	<b>950,540</b>
* The Company feels that cost is the most appropriate estimate of fair value in the absence of recent information to measure fair value.			
<b>Note 4 Loans</b>			
(Unsecured Considered good)			
Security Deposit	186,400	215,804	215,804
	<b>186,400</b>	<b>215,804</b>	<b>215,804</b>
<b>Note 5 Cash and Cash Equivalents</b>			
Balances with Banks			
- In Current Accounts	39,042	26,627	148,224
- In Fixed Deposit	-	150,000	525,297
	<b>39,042</b>	<b>176,627</b>	<b>673,521</b>

5 a Details of Specified Bank Notes (SBN) held and transacted during the period 08/11/2016 to 30/12/2016

(Amount in Rs)

	SBNs	Other denomination notes	Total
Closing cash in hand as on 08.11.2016	-	-	-
(+) Permitted receipts	-	-	-
( - )Permitted payments	-	-	-
( - )Amount deposited in Banks	-	-	-
Closing cash in hand as on 30.12.2016	-	-	-

<b>Note 6 Others</b>			
Interest receivable	-	7,513	29,642
	-	<b>7,513</b>	<b>29,642</b>
<b>Note 7 Current Tax Assets</b>			
Advance income tax paid (TDS)	4,164	6,064	8,943
	<b>4,164</b>	<b>6,064</b>	<b>8,943</b>
<b>Note 8 Other Current Assets</b>			
Advance recoverable in cash or in kind	-	12,750	12,750
	-	<b>12,750</b>	<b>12,750</b>



	(Amount in Rs)		
	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
<b>Note 9 (a) Share Capital</b>			
<b>Authorised</b>			
45,00,000 Equity Shares of Rs.10/-each	45,000,000	45,000,000	45,000,000
50,000 Preference Shares of Rs.100/- each	5,000,000	5,000,000	5,000,000
	<u>50,000,000</u>	<u>50,000,000</u>	<u>50,000,000</u>
<b>Issued</b>			
10,79,996 Equity Shares of Rs.10/- each fully paid-up (As on 31st March, 2016 10,79,996 Equity Shares of Rs.10/- each) (As on 1st April, 2015 10,49,998 Equity Shares of Rs.10/- each)	10,799,960	10,799,960	10,499,980
	<u>10,799,960</u>	<u>10,799,960</u>	<u>10,499,980</u>
<b>Subscribed and Paid-up</b>			
10,79,996 Equity Shares of Rs.10/- each fully paid-up (As on 31st March, 2016 10,79,996 Equity Shares of Rs.10/- each) (As on 1st April, 2015 10,49,998 Equity Shares of Rs.10/- each)	10,799,960	10,799,960	10,499,980
	<u>10,799,960</u>	<u>10,799,960</u>	<u>10,499,980</u>

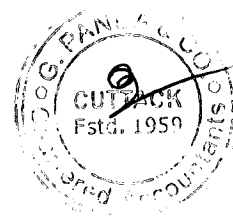
#### NOTES TO FINANCIAL STATEMENTS

##### 9 (b) Disclosure pursuant to Note no.6(A)(d) of Part I of Schedule III of Companies Act, 2013

Particulars	Equity Shares					
	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	No of share	Rs	No of share	Rs	No of share	Rs
i Shares outstanding at the beginning of the year	1,079,996	10,799,960	1,049,998	10,499,980	1,049,998	10,499,980
ii Shares issued during the year	-	-	29,998	2,99,980	-	-
iii. Shares bought back during the year	-	-	-	-	-	-
iv Shares outstanding at the end of the year	1,079,996	10,799,960	1,079,996	10,799,960	1,049,998	10,499,980

##### 9 (c) Disclosure pursuant to Note no.6(A)(g) of Part I of Schedule III of Companies Act, 2013 (If more than 5%)

	As at		As at		As at	
	31st March, 2017		31st March, 2016		1st April, 2015	
	No of share	%	No of share	%	No of share	%
Indian Metals and Ferro Alloys Ltd	1,079,958	99.996%	1,079,958	99.996%	1,049,960	99.99%



**INDIAN METALS & CARBIDE LIMITED**

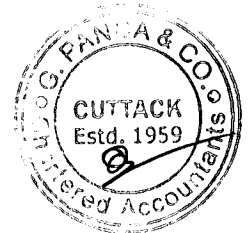
**Note No. 10 - Other Equity**

Amount in Rs

	Reserves and Surplus			Other Comprehensive Income	Total
	Capital Reserves	General Reserve	Surplus in the Statement of Profit and Loss		
<b>As at 1st April, 2015</b>	<b>1,004,077</b>	<b>2,356,539</b>	<b>(11,485,545)</b>	-	<b>(8,124,929)</b>
Changes in accounting policy or prior period errors	-	-	-	-	-
Restated balance at the beginning of the reporting	-	-	-	-	-
<b>Total Comprehensive Income</b>	<b>1,004,077</b>	<b>2,356,539</b>	<b>(11,485,545)</b>	-	<b>(8,124,929)</b>
Transfer to retained earning	-	-	(667,133)		<b>(667,133)</b>
Other changes	-	-	-		-
<b>At the end of the year ended 31st March, 2016</b>	<b>1,004,077</b>	<b>2,356,539</b>	<b>(12,152,678)</b>	-	<b>(8,792,062)</b>
Changes in accounting policy or prior period errors	-	-	-	-	-
Restated balance at the beginning of the reporting	-	-	-	-	-
<b>Total Comprehensive Income</b>	<b>1,004,077</b>	<b>2,356,539</b>	<b>(12,152,678)</b>	-	<b>(8,792,062)</b>
Transfer to retained earning	-	-	(156,920)		<b>(156,920)</b>
Other changes	-	-	-		-
<b>At the end of the year ended 31st March, 2017</b>	<b>1,004,077</b>	<b>2,356,539</b>	<b>(12,309,598)</b>	-	<b>(8,948,982)</b>

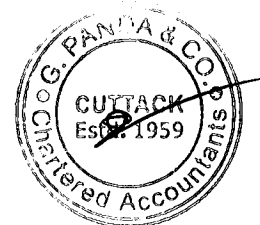
10 (a) Capital Reserve is created out of backward area development subsidy. They shall not be reclassified subsequently to profit and loss.

(b) General Reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. The items included under General Reserve will not be reclassified subsequently to profit and loss.



NOTES TO FINANCIAL STATEMENTS

		(Amount in Rs)		
		As at	As at	As at
		31st March, 2017	31st March, 2016	1st April, 2015
<b>Note 11</b>	<b>Other Non-Current Financial Liabilities</b>			
	Unsecured			
	Trade Payable	-	65,494	65,494
		<u>-</u>	<u>65,494</u>	<u>65,494</u>
(Amount in Rs)				
<b>Note 12</b>	<b>Short Term Borrowings</b>			
	Unsecured			
	Other Inter corporate loans			
	- From Related Parties	101,233	-	154,749
		<u>101,233</u>	<u>-</u>	<u>154,749</u>
<b>Note 13</b>	<b>Other Current Liabilities</b>			
	Liabilities for Expenses	7,900	3,871	3,871
		<u>7,900</u>	<u>3,871</u>	<u>3,871</u>
(Amount in Rs)				
<b>Note 14</b>	<b>Other Income</b>		Year ended 31st	Year ended 31st
	Interest income		March, 2017	March, 2016
	Liability no longer required written back		-	25,807
			65,494	25,807
			<u>65,494</u>	<u>25,807</u>
(Amount in Rs)				
<b>Note 15</b>	<b>Finance Cost</b>		Year ended 31st	Year ended 31st
	Interest and Financial Expenses		March, 2017	March, 2016
			27,438	648,487
			<u>27,438</u>	<u>648,487</u>
(Amount in Rs)				
<b>Note 16</b>	<b>Other Expenses</b>		Year ended 31st	Year ended 31st
	Manufacturing expenses		March, 2017	March, 2016
	Quarrying expenses		137,786	25,860
	Administrative expenses			
	Auditors' remuneration and expenses (Refer Note No. 17 )		4,029	3,871
	Miscellaneous expenses		53,161	14,722
			<u>194,976</u>	<u>44,453</u>
<b>Note 17</b>	<b>Auditors' Remuneration and</b>			
	Statutory audit fees		3,529	3,371
	Reimbursement of expenses		500	500
			<u>4,029</u>	<u>3,871</u>
<b>Note 18</b>	<b>Managerial Remuneration</b>			
	There was no managerial remuneration paid/payable to the directors for the year ended 31 <sup>st</sup> March, 2017 (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, 2017	March, 2016
Loss after tax attributable to Equity Shareholders	(156,920)	(667,133)
Weighted average number of Equity Shares outstanding at the end of the year (Basic)	1,079,996	1,079,996
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)	1,079,996	1,079,996
Nominal Value of Equity per share	10	10
Basic Earnings per share	(0.15)	(0.62)
Diluted Earnings per share	(0.15)	(0.62)

**Note 20 Optional exemptions and mandatory exceptions applied in transition to Ind AS****Optional exemptions****Deemed Cost:**

The Company has elected to continue with the carrying value of Freehold land on the date of transition to Ind AS as deemed cost.

**Mandatory exceptions****Estimates:**

The Ind AS estimates are consistent with the estimates as at the same date made in conformity with previous GAAP. The Company made estimates with the following items in accordance with Ind AS as at the date of transition as these were not required under previous GAAP.

- Investment in equity instruments (see note 3)
- Impairment of financial assets

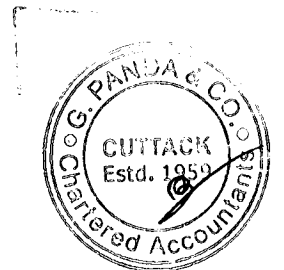
**Classification and measurement of financial assets:**

Ind AS 101 requires an entity to assess classification and measurement of financial assets on the basis of facts and circumstances that exist at the date of transition to Ind AS.

**Note 21 Reconciliations**

There were no reconciliation items to provide the effect of transition to Ind AS from IGAAP in accordance with Ind AS 101 with regards to

- Equity as at 1st April, 2015 and 31st March, 2016
- Net profit for the year ended 31st March, 2016
- Cash Flows for the year ended 31st March, 2016



Note 22 Financial Instruments

The Carrying value and fair value of Financial instruments by Categories as of 31st March, 2017

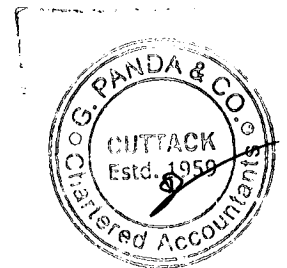
(Amount in Rs)

Particulars	Amortised Cost	Financial assets / liabilities at fair value through profit and loss		Total Carrying value	Total fair value
		Designated upon initial recognition	Mandatory		
<b>Assets:-</b>					
Investments	-	-	950,540	950,540	950,540
Non-current Financial Assets - Loans	-	-	186,400	186,400	186,400
Cash and Cash Equivalents	39,042	-	-	39,042	39,042
Others	-	-	-	-	-
<b>Total</b>	<b>39,042</b>	<b>-</b>	<b>1,136,940</b>	<b>1,175,982</b>	<b>1,175,982</b>
<b>Liabilities:-</b>					
Non Current Financial Liabilities - Trade Payable	-	-	-	-	-
Current Financial Liabilities - Borrowings	101,233	-	-	101,233	101,233
<b>Total</b>	<b>101,233</b>	<b>-</b>	<b>-</b>	<b>101,233</b>	<b>101,233</b>

The Carrying value and fair value of Financial instruments by Categories as of 31st March, 2016

(Amount in Rs)

Particulars	Amortised Cost	Financial assets / liabilities at fair value through profit and loss		Total Carrying value	Total fair value
		Designated upon initial recognition	Mandatory		
<b>Assets:-</b>					
Investments	-	-	950,540	950,540	950,540
Non-current Financial Assets - Loans	-	-	215,804	215,804	215,804
Cash and Cash Equivalents	176,627	-	-	176,627	176,627
Others	7,513	-	-	7,513	7,513
<b>Total</b>	<b>184,140</b>	<b>-</b>	<b>1,166,344</b>	<b>1,350,484</b>	<b>1,350,484</b>
<b>Liabilities:-</b>					
Non Current Financial Liabilities - Trade Payable	65,494	-	-	65,494	65,494
Current Financial Liabilities - Borrowings	-	-	-	-	-
<b>Total</b>	<b>65,494</b>	<b>-</b>	<b>-</b>	<b>65,494</b>	<b>65,494</b>





The Carrying value and fair value of Financial instruments by Categories as of 31st March, 2015

(Amount in Rs)

Particulars	Amortised Cost	Financial assets / liabilities at fair value through profit and loss		Total Carrying value	Total fair value
		Designated upon initial recognition	Mandatory		
<b>Assets:-</b>					
Investments	-	-	950,540	950,540	950,540
Non-current Financial Assets - Loans	-	-	215,804	215,804	215,804
Cash and Cash Equivalents	673,521	-	-	673,521	673,521
Others	29,642	-	-	29,642	29,642
<b>Total</b>	<b>703,163</b>	<b>-</b>	<b>1,166,344</b>	<b>1,869,507</b>	<b>1,869,507</b>
<b>Liabilities:-</b>					
Non Current Financial Liabilities - Trade Payable	65,494	-	-	65,494	65,494
Current Financial Liabilities - Borrowings	154,749	-	-	154,749	154,749
<b>Total</b>	<b>220,243</b>	<b>-</b>	<b>-</b>	<b>220,243</b>	<b>220,243</b>

#### Fair value hierarchy

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs)

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as of :-

31st March, 2017

(Amount in Rs)

Particulars	As at 31st March, 2017	Fair value measurement at end of the reporting period/year using		
		Level 1	Level 2	Level 3
Investment in Kalinga Hospital Limited	950,540	-	-	950,540
Security Deposit	186,400	-	-	186,400

31st March, 2016

Particulars	As at 31st March, 2016	Fair value measurement at end of the reporting period/year using		
		Level 1	Level 2	Level 3
Investment in Kalinga Hospital Limited	950,540	-	-	950,540
Security Deposit	215,804	-	-	215,804

1st April, 2015

Particulars	As at 1st April, 2015	Fair value measurement at end of the reporting period/year using		
		Level 1	Level 2	Level 3
Investment in Kalinga Hospital Limited	950,540	-	-	950,540
Security Deposit	215,804	-	-	215,804

#### Financial Risk Management

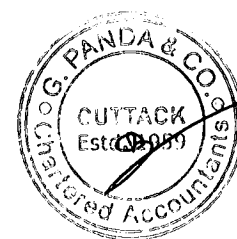
The Company's major financial instruments include Investment, Security Deposits, Cash and Cash equivalents and Borrowings. The risk associated with these financial instruments is credit risk and liquidity risk. The management manages and monitors these exposures to ensure appropriate measures are implemented in a timely and effective manner.

**Credit risk:-** Credit risk refers to the risk that counterparties will default on its contractual obligations resulting to the financial loss to the Company. The Company's credit risk is attributable to bank balance. The credit risk attributable to bank balance is limited because the banks are of repute with high credit rating assigned.

**Liquidity risk:** The Company has enough liquidity to meet its obligations and backed by its holding company. Hence, there are no such risks envisaged.

#### Capital Risk Management

The Company reviews its capital structure atleast annually to ensure that the Company will be able to continue as a going concern. The capital structure of the company comprises of Share Capital and Other Equity. The management reviews the capital structure on an annual basis to balance its overall capital structure.



**Note 23 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:

Ultimate holding Company : B Panda and Company Pvt. Ltd  
 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

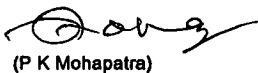
(Amount in Rs)

**Note 24 The following is the summary of transactions with related parties:**

Nature of transactions	Year ended 31st March, 2017	Year ended 31st March, 2016
<b>Unsecured Loan given</b>		
Indian Metals and Ferro Alloys Limited	100,000	100,600
<b>Repayment of unsecured loan</b>		
Indian Metals and Ferro Alloys Limited	-	255,349
<b>Proceeds from issue of Equity Statement</b>		
Indian Metals and Ferro Alloys Limited	-	299,980
<b>Interest paid on Loan</b>		
Indian Metals and Ferro Alloys Limited	1,233	6,118
<b>Outstanding Balance</b>		
Indian Metals and Ferro Alloys Limited	101,233	-

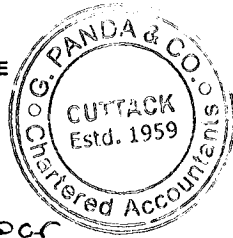
**Note 25** Previous year's figures have been regrouped / rearranged to confirm to the classification of the current year, wherever considered necessary.

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

  
 (P K Mohapatra)

Partner  
 Membership No. 56058

Place: Bhubaneswar  
 Date: 21/4/2017



  
 Assistant Secretary

For and on behalf of the Board of Directors

  
 Director

  
 Director