



Sourjya & Biswajit

CHARTERED ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Members of
Utkal Power Limited

Report on the Financial Statements

We have audited the accompanying (Standalone) Ind AS financial statements of Utkal Power Limited ("the Company") which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss (including other comprehensive income), the statement of Cash Flows and the statement of changes in equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Standalone Ind AS Financial Statement").

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 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 there under.

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 standalone 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 standalone 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. 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 March 31, 2017, and its financial performance including other comprehensive income, its Cash Flow and the changes in equity for the year ended on that date.

Emphasis of Matters

The company has submitted its request to refund the security deposit with Government amounting to Rs.75,00,000 which was given for 120MW power project, and the management has prepared the financial statement on going concern basis after assessing the companies ability to continue as going concern.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure-A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
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 purpose 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) As per the information obtained from the management we report that there are no branches of the company during the year, therefore audit of branches is not applicable.
 - d) The Balance Sheet, the Statement of Profit and Loss, the statement of cash flows and the Statement of changes in equity dealt with by this Report are in agreement with the books of account and returns.
 - e) 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 rules issued thereunder;



- f) There are no qualification, reservation or adverse remark found by us during our audit relating to the maintenance of accounts and other matters connected therewith.
- g) On the basis of written representations received from the directors as on March 31, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
- h) There are no qualification, reservation or adverse remark found by us during our audit relating to the maintenance of accounts and other matters connected therewith.
- i) 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".
- j) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Amendment Rules, 2017, 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 did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. The Company has provided requisite disclosure in its standalone Ind AS financial statements as to holding as well as dealing in Specified Bank Notes during the period 8th November 2016 to 30th December 2016 and the same has been in accordance with the books of accounts maintained by the company.

Place: Bhubaneswar
Date: 25/4/2017



For and on behalf of
Sourjya & Biswajit
Chartered Accountants
FRN:322779E

Prakash Mohapatra

CA. Sourjya Prakash Mohapatra
Partner
M. No. 052805

"Annexure A" to the Independent Auditors' Report

[Referred to in paragraph 1 under 'Report on other legal & regulatory requirement' in our independent auditors report of even date to the members of the company on the standalone Ind AS financial statements for the year ended March 31, 2017]

- (i) (a) The Company doesnot have any fixed assets except capital work in progress,the Company has maintained proper records showing full particulars, including quantitative details and situation of thereof;
- (b) Though the company doesnot have any fixed assets therefore this clause is not applicable.
- (c) There are no immovable properties are held in the name of the company.
- (ii) There are no inventory with the company during the year.
- (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 Act. Accordingly, the provisions of paragraph 3 (iii) (a) to (C) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013. In respect of loans, investments, guarantees, and security.
- (v) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- (vi) As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.
- (vii) (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally 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 with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as on March 31, 2017 for a period of more than six months from the date on when they become payable.
- (b) According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute.
- (viii) The Company has not taken any loan either from financial institutions or from the government and has not issued any debentures.
- (ix) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans.



- (x) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- (xi) Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;
- (xii) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of paragraph 3 clause (xii) of the Order are not applicable to the Company.
- (xiii) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- (xiv) Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- (xv) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him.
- (xvi) The company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934.

Place: Bhubaneswar
Date: 25/4/2017



For and on behalf of
Sourjya & Biswajit
Chartered Accountants
FRN:322779E
Prakash Mohapatra
CA. Sourjya Prakash Mohapatra
Partner
M. No. 052805

"Annexure B" to the Independent Auditor's Report of even date on the Standalone Ind AS Financial Statements of Utkal Power Limited

[Referred to in paragraph 2 (i) under 'Report on other legal and regulatory requirements' in the independent auditors report of even date, to the members of the company on the standalone Ind AS financial statements for the year ended 31st March 2017]

(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 Utkal Power Limited ("the Company") as of March 31, 2017 in conjunction with our audit of the standalone Ind AS 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 the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls 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 the 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 of material misstatement of the standalone Ind AS 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 a 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. A 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 transactions and dispositions of the assets of the company;
- 2) provide reasonable assurance that transactions 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 a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

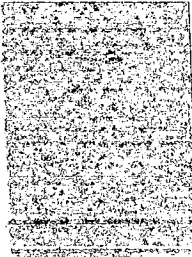
In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place: Bhubaneswar
Date: 25/4/2017



For and on behalf of
Sourjya & Biswajit
Chartered Accountants
FRN:322779E

Sourjya Prakash Mohapatra
Partner
M. No. 052805



UTKAL POWER LIMITED

Balance Sheet as at 31st March, 2017

(Amount in Rs.)

	Note No.	As at 31 st March, 2017	As at 31st March, 2016	As at 1st April, 2015
ASSETS				
Non-Current Assets				
Capital Work-in-Progress		6,486,507	5,688,961	4,957,393
Current Assets				
Financial Assets				
-Cash and Cash Equivalents	2	14,601	29,284	58,782
Other Current Assets	3	7,500,000	7,500,000	7,501,484
Total Assets		14,001,108	13,218,245	12,517,659
EQUITY AND LIABILITIES				
Equity				
Equity Share Capital	4	4,500,000	4,500,000	4,500,000
Other Equity	5	(169,236)	(151,715)	(119,764)
LIABILITIES				
Current Liabilities				
Financial Liabilities				
- Borrowings	6	9,584,839	8,793,803	8,034,625
Other Current Liabilities	7	85,505	76,157	102,798
Total Equity and Liabilities		14,001,108	13,218,245	12,517,659

Significant Accounting Policies and
Other notes forming part of the Accounts

1 to 18

Auditors' Report to the Members
As per our report of even date attached.

For Sourya & Biswajit
Chartered Accountants


(C.A. S. P. Mohapatra)

Partner


Membership No. 52805

Place: Bhubaneswar

Date: 25/4/2017



For and on behalf of the board of directors


Director


Director



UTKAL POWER LIMITED

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

(Amount in Rs.)

	Note	Year ended 31 st March, 2017	Year ended 31 st March, 2016
REVENUE			
Revenue from operation		-	-
Other Income		-	-
Total Revenue		-	-
EXPENSES			
Other expenses	8	17,521	31,951
Total Expenses		17,521	31,951
Profit/(loss) before Tax		(17,521)	(31,951)
Tax Expenses		-	-
Profit/ (Loss) after Tax		(17,521)	(31,951)
Other Comprehensive Income (net off taxes):			
A. Items that will not be reclassified subsequently into profit and loss			
(i) Gain / (Loss) on remeasurement of defined benefit obligation		-	-
(ii) Income Tax relating to above		-	-
B. Items that will be reclassified subsequently to profit and loss			
(i) Gain / (Loss) on remeasurement of defined benefit obligation		-	-
(ii) Income Tax relating to above		-	-
Total Other Comprehensive Income net off tax		-	-
Total Comprehensive Income for the year		(17,521)	(31,951)
Earnings Per Equity Share	15	(0.04)	(0.07)
Basic and Diluted Earnings Per Share (in Rupees)			

Significant Accounting Policies and Other notes forming part of the Accounts

1 to 18

Auditors' Report to the Members
As per our report of even date attached.
For Sourya & Biswajit
Chartered Accountants

(Signature)
(CA S. P. Mohapatra)
Partner
Membership No. 52805
Place: Bhubaneswar
Date: 25/4/2017



(Signature)
Director

For and on behalf of the board of directors

(Signature)
Director

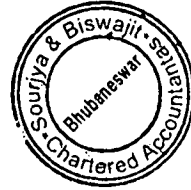
Statement of Changes in Equity

Particulars	(Amount in Rs.)				
	Equity Share Capital	Surplus in the Statement of Profit and Loss	Other Comprehensive Income	Total Reserves and Surplus and Other Comprehensive Income	Total Equity attributable to equity holders of the Company
Balance as at 1st April, 2015	4,500,000	(119,764)	-	(119,764)	4,380,236
Changes in accounting policy or prior period errors Restated balance at the beginning of the reporting	-	-	-	-	-
Total Comprehensive Income	-	(119,764)	-	(119,764)	-
Transfer to retained earning	-	(31,951)	-	(31,951)	(31,951)
Other changes	-	-	-	-	-
Balance as at 31st March, 2016	4,500,000	(151,715)	-	(151,715)	4,348,285
Changes in accounting policy or prior period errors Restated balance at the beginning of the reporting	-	-	-	-	-
Total Comprehensive Income	-	(151,715)	-	(151,715)	-
Transfer to retained earning	-	(17,521)	-	(17,521)	(17,521)
Other changes	-	-	-	-	-
Balance as at 31st March, 2017	4,500,000	(169,236)	-	(169,236)	4,330,764

See Note 4 & 5

Significant Accounting Policies and Other notes forming part of the Accounts

Auditors' Report to the Members
As per our report of even date attached.
For Sourya & Biswajit
Chartered Accountants



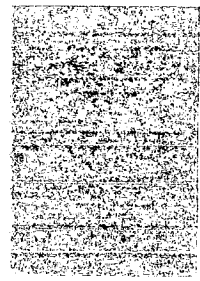
Sourya
(CAS. P. Mohapatra)
Partner

Membership No. 52805
Place: Bhubaneswar
Date: 25/4/2017

[Signature]
Director

For and on behalf of the board of director.

[Signature]
Director



UTKAL POWER LIMITED

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

(Amount in Rs)

	Year ended 31st March, 2017	Year ended 31 st March, 2016
A. Cash Flow From Operating Activities		
Net profit/ (loss) before tax	(17,521)	(31,951)
Adjustments for :		
Current Assets written off	-	1,484
Operating profit before working capital changes	<u>(17,521)</u>	<u>(30,467)</u>
Adjustments for :		
Other payable	9,348	(26,641)
Cash generated from operations	<u>(8,173)</u>	<u>(57,108)</u>
Direct taxes paid	-	-
Net Cash (Used In)/Generated From Operating Activities	<u>(8,173)</u>	<u>(57,108)</u>
B Cash Flow From Investing Activities		
Purchase of fixed assets (including CWIP)	<u>(797,546)</u>	<u>(731,568)</u>
Net Cash (Used In)/Generated From Investing Activities	<u>(797,546)</u>	<u>(731,568)</u>
C Cash Flow From Financing Activities		
Proceeds from Issue of Shares	-	-
Proceeds / (Repayment) of short term borrowings (Net)	<u>791,036</u>	<u>759,178</u>
Net Cash (Used In)/Generated From Financing Activities	<u>791,036</u>	<u>759,178</u>
Net Increase / (Decrease) In Cash and Cash Equivalents (A+B+C)	<u>(14,683)</u>	<u>(29,498)</u>
Cash And Cash Equivalents - Opening Balance	<u>29,284</u>	<u>58,782</u>
Cash And Cash Equivalents - Closing Balance	<u><u>14,601</u></u>	<u><u>29,284</u></u>

Explanation :

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 account

14,601 29,284

14,601 29,284

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

For Sourya & Biswajit
Chartered Accountants

(Signature)
(C.A.S. P. Mohapatra)
Partner

Membership No. 52805

Place: Bhubaneswar

Date: 25/4/2017



For and on behalf of the board of directors

(Signature)
Director

(Signature)
Director

NOTES TO FINANCIAL STATEMENTS

Utkal Power Limited is a Public Limited Company incorporated in India. The Company's registered office is at IMFA Building, Bhubaneswar, Odisha. The Company is in the process of setting up its power project.

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 Cash Flow Statement for the year ended 31st March, 2016 have been restated to make them comparable to the current year's Ind AS financials.

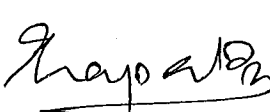

The Company has adopted all the Ind AS standards and the adoption were carried out in accordance with Ind AS 101, First time adoption of Indian Accounting Standards.

b) Historical cost convention

The financial statements are prepared on historical cost convention basis.

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

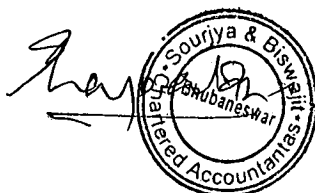
- a) Raw materials, stores, spares etc. have been consistently valued at cost. Slow moving and dead stocks are reduced to their estimated value. There is no such inventory at the end of the year.
- b) Finished goods have been consistently valued at cost or net realisable value whichever is less. There is no finished goods at the end of the year.

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. There is no revenue recognised during the year.

1.4 Financial instruments

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

A handwritten signature in black ink is written over a circular stamp. The stamp contains the text "C. Couriya & Biswas" at the top, "Kharabaneswar" in the center, and "Chartered Accountants" at the bottom.

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.

The image shows a handwritten signature in black ink, which appears to be 'Sourjya'. To the right of the signature is a circular stamp. The stamp contains the text 'Shri. Sourjya & Biswas Chartered Accountants' around the perimeter. In the center of the stamp, there is a signature that matches the handwritten one.

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. The Company has no tangible assets.

Capital work-in-progress comprises of properties that are not yet ready for their intended use at the reporting date and are in the process of being constructed / acquired / developed, as the case may be. Cost, as aforesaid, includes development and other expenses, including financing cost related to borrowed funds and the same is allocated / apportioned to the respective properties on completion of the construction / acquisition / development of the capital project / property, plant and equipment. Indirect expenditure incurred during the construction, acquisition or development activity is transferred to capital work-in-progress, to the extent it is related to construction, acquisition or development activity or is incidental thereto. The rest is charged to the Statement of Profit and Loss.

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. Since, the Company doesnot have any tangible assets, no depreciation has been provided.

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. There is no such incidence during the year.

The Company has elected to continue with the carrying value of Capital Work-in-progress 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') as the Company's activities during the year revolved around setting up of its biodiesel project.

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 2 Cash and Cash equivalent Balances with Banks - In Current Accounts	As at	As at	(Amount in Rs.) As at
	31st March, 2017	31st March, 2016	1st April, 2015
	14,601	29,284	58,782
	14,601	29,284	58,782

2 (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	-	-	-

Note 3 Other Current Assets (unsecured and considered good by the management) Advance Recoverable in cash or in kind or for value to be received Service Tax Receivable	As at	As at	(Amount in Rs.) As at
	31st March, 2017	31st March, 2016	1st April, 2015
	7,500,000	7,500,000	7,500,000
	-	-	1,484
	7,500,000	7,500,000	7,501,484

Note 4 (a) Share Capital	As at	As at	(Amount in Rs.) As at
	31st March, 2017	31st March, 2016	1st April, 2015
Authorised			
10,00,000 Equity Shares of Rs.10/-each (Previous Year 10,00,000 Equity Shares of Rs.10/- each)	10,000,000	10,000,000	10,000,000
Issued			
4,50,000 (Previous Year 4,50,000) Equity share of Rs 10/- each	4,500,000	4,500,000	4,500,000
Subscribed and Paid-up			
4,50,000 (Previous Year 4,50,000) Equity share of Rs 10/- each	4,500,000	4,500,000	4,500,000

4 (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	450,000	4,500,000	450,000	4,500,000	450,000	4500000
ii Shares issued during the year	-	-	-	-	-	-
iii Shares bought back during the year	-	-	-	-	-	-
iv Shares outstanding at the end of the year	450,000	4,500,000	450,000	4,500,000	450,000	4500000

4(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 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	No of shares	%	No of shares	%	No of shares	%
IMFA Ltd (Holding Company)	450,000	100	450,000	100	450,000	100



UTKAL POWER LTD

Note No 5 - Other Equity

Amount in Rs

	Surplus in the Statement of Profit and Loss	Other Comprehensive Income	Total
Balance as at 1st April, 2015	(119764)	-	(119764)
Changes in accounting policy or prior period errors	-	-	-
Restated balance at the beginning of the reporting	-	-	-
Total Comprehensive Income	(119764)	-	(119764)
Transfer to retained earning	(31951)	-	(31951)
Other changes	-	-	-
At the end of the year ended 31st March, 2016	(151715)	-	(151715)
Changes in accounting policy or prior period errors	-	-	-
Restated balance at the beginning of the reporting	-	-	-
Total Comprehensive Income	(151715)	-	(151715)
Transfer to retained earning	(17521)	-	(17521)
Other changes	-	-	-
At the end of the year ended 31st March, 2017	(169236)	-	(169236)



NOTES TO FINANCIAL STATEMENTS

	As at 31st March, 2017	As at 31st March, 2016	(Amount in Rs.) As at 1st April, 2015
Note 6 Short- Term Borrowings			
Unsecured			
<u>Other Inter corporate loans</u>	9,584,839	8,793,803	8,034,625
- From Related Parties	<u>9,584,839</u>	<u>8,793,803</u>	<u>8,034,625</u>

	As at 31st March, 2017	As at 31st March, 2016	(Amount in Rs.) As at 1st April, 2015
Note 7 Other Current Liabilities			
Payable for expenses	5,750	3,000	3,600
Duties and Taxes payable	79,755	73,157	99,198
	<u>85,505</u>	<u>76,157</u>	<u>102,798</u>

	For the year ended 31st March, 2017	For the year ended 31st March, 2016	(Amount in Rs.)
Note 8 Other expenses			
Statutory Auditors Fees (see Note 10 below)		5,750	3,420
Professional fees		9,800	20,119
Misc. Expenses		1,971	8,412
		<u>17,521</u>	<u>31,951</u>

Note 9 The Company is in the process of setting up its power project and has not commenced commercial operations as of 31st March, 2017. A Statement of Profit and Loss has been drawn up for the current year to comply with the provisions of the Companies Act, 2013. Expenses, not directly related to the power project nor incidental thereto have been charged to the Statement of Profit and Loss. The necessary information as per Part II of Schedule III to the Companies Act, 2013 has been disclosed to the extent applicable.

	For the year ended 31st March, 2017	For the year ended 31st March, 2016	(Amount in Rs.)
Note 10 Payment to Auditors			
Statutory Audit Fees		5,750	3,420
		<u>5,750</u>	<u>3,420</u>

Note 11 Managerial remuneration
There was no managerial remuneration paid/payable to the directors for the year ended 31st March, 2017 (Previous year: Rs. Nil).

Note 12 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 Capital Work-in-progress 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 in accordance with Ind AS as at the date of transition as these were not required under previous GAAP.

- Impairment of financial assets

Classification and measurement of financial assets:

Based on the requirements of Ind AS 101 the Company has assessed the classification and measurement of financial assets on the basis of facts and circumstances that exist at the date of transition to Ind AS.

Note 13 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/(loss) for the year ended 31st March, 2016
- Cash Flows for the year ended 31st March, 2016



Note 14 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		Total Carrying value	Total fair value
		Designated upon initial recognition	Mandatory		
Assets:-					
Cash and Cash Equivalents	14,601	-	-	14,601	14,601
Total	14,601	-	-	14,601	14,601
Liabilities:-					
Current Financial Liabilities - Borrowings	9,584,839	-	-	9,584,839	9,584,839.00
Total	9,584,839	-	-	9,584,839	9,584,839

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		Total Carrying value	Total fair value
		Designated upon initial recognition	Mandatory		
Assets:-					
Cash and Cash Equivalents	29,284	-	-	29,284	29,284
Total	29,284	-	-	29,284	29,284
Liabilities:-					
Current Financial Liabilities - Borrowings	8,793,803	-	-	8,793,803	8,793,803.00
Total	8,793,803	-	-	8,793,803	8,793,803

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		Total Carrying value	Total fair value
		Designated upon initial recognition	Mandatory		
Assets:-					
Non-current Financial Assets - Others	-	-	-	-	-
Cash and Cash Equivalents	58,782	-	-	58,782	58,782
Total	58,782	-	-	58,782	58,782
Liabilities:-					
Current Financial Liabilities - Borrowings	8,034,625	-	-	8,034,625	8,034,625
Total	8,034,625	-	-	8,034,625	8,034,625

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).

Fair valuation hierarchy is not applicable on the Financial asset and liabilities in the Company.

Financial Risk Management

The Company's major financial instruments are 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, no such risks are 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 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 15 Earnings per Equity Share

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

Particulars	(Figures in rupees except number of shares)	
	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Shareholders	(17,521)	(31,951)
Shares outstanding at the end of the	450,000	450,000
Potential Equity Shares outstanding	-	-
Shares outstanding at the end of the	450,000	450,000
Nominal Value of Equity per share	10	10
Basic Earnings per share	(0.04)	(0.07)
Diluted Earnings per share	(0.04)	(0.07)

Note 16 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:**Enterprises that directly, or indirectly, through one or more Intermediaries, are under common control with the reporting enterprise:**

i.	Fellow subsidiaries	:	Indian Metals & Carbide Limited
		:	Utkal Coal Limited
		:	IMFA Alloys Finlease Limited
		:	Utkal Green Energy Limited
		:	Indmet Mining Pte. Ltd , Singapore
		:	PT. Sumber Rahayu Indah, Indonesia
ii.	Key Management Personnel :		
	Directors	:	Subhrakant Panda
		:	Jayant Kumar Misra
		:	Chitta Ranjan Ray
		:	Prem Khandelwal

c) The following is the summary of transactions with related parties:

Nature of transactions	(Amount in Rs.)	
	Year Ended 31st March, 2017	Year Ended 31st March, 2016
<u>Issue of Equity Shares</u>		
Indian Metals and Ferro Alloys Limited	-	-
Proceeds From Unsecured loan		
Indian Metals and Ferro Alloys Limited	-	600,767
Repayment of Unsecured loan		
Indian Metals and Ferro Alloys Limited	6,510	573,157
Interest on Unsecured Loan		
Indian Metals and Ferro Alloys Limited	797,546	731,568
Outstanding Balance		
Indian Metals and Ferro Alloys Limited	9,584,839	8,793,803

Note 17 There are no contingent liabilities or assets to report at the end of the year.**Note 18** Previous year figures have been regrouped / rearranged to conform to the classification of the current year, wherever considered necessary.For Sourya & Biswajit
Chartered Accountants


(CA S. P. Mohapatra)
Partner

Membership No. 62805

Place: Bhubaneswar

Date: 25/4/2017



For and on behalf of the board of directors



Director



Director