INDEPENDENT AUDITOR'S REPORT

To the Members of **IMFA Alloys Finlease Limited**

Report on the Audit of Financial Statements

Opinion

We have audited the accompanying (Standalone) Ind AS financial statements of **IMFA Alloys Finlease Limited ("the Company")** which comprise the Balance Sheet as at March 31, 2025, the Statement of Profit or Loss, statement of Cash Flow and 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").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 Ind AS and accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, and profit/loss, total comprehensive income, the changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Responsibilities of Management and those charged with governance for the Ind AS 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 Ind AS financial statements that give a true and fair view of the financial position, financial performance, cash

RKP Associates * Bhubaneswar * Chartered Accountants 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. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of Ind AS Financial Statement

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

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

- Identify and assess the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

RKP Associates * Chartered Accountants * Bhubaneswar

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report.

- Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2020 ("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.

1. 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) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account and returns.
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 Rule 7 of the Companies (Accounts) Rules, 2014.

RKP Associates * Chartered Accountants * Bhubaneswar

e) On the basis of written representations received from the directors as on March 31, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 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 to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Amendment 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 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) (a) The Management has represented that, to the best of its knowledge and belief, other than as disclosed in note 38b to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The Management has represented that, to the best of its knowledge and belief, as disclosed in note 38b to the accounts, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Parties or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

(c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material misstatement.

v.) The final dividend paid by the Company during the current year in respect of the same declared for the previous year is in accordance with section 123 of the Companies Act, 2013 to the extent it applies to payment of dividend. As stated in note 43 to the financial statements, the Board of Directors of the Company have proposed final dividend for the current year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

RKP Associates * Chartered Accountants * Bhubaneswar

vi) Based on our examination which included test checks, performed by us on the Company incorporated in India has used the accounting software for maintaining their respective books of account for the financial year ended March 31, 2025, which has a feature of recording audit trail (edit log) facility and the same has operated throughout of the year. Further, during the course of audit, we have not come across any instance of the audit trail features being tampered with.

For and on behalf of
RKP Associates
Chartered Accountants
FRN:322473E

Place: Bhubaneswar
Date: 16th May 2025.

RKP Associates *Chartered Accountants* Bhubaneswar

CA. Arun Kumar Prusty
Partner
M. No. 309939
UDIN: **25309939BMMJMQ6618**

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, 2025]

2

(i) The company do not have any property, plant and equipments. So reporting under clause i (a to e) is not applicable.

(ii) (a) As informed by the management the company does not have any inventory, so this clause is not applicable.

(b) As informed by the management the company has never sanctioned any working capital facilities during the year.

(iii) The Company has neither made any investment nor 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 I86 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, Duty of Customs, Goods and Service 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, 2025 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, goods and service tax, duty of customs, cess and other statutory dues outstanding on account of any dispute.

(viii) In our opinion and according to the information and explanations given to us, the Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the income Tax Act, 1961 as income during the year. Accordingly, this clause is not applicable.

RKP Associates Chartered Accountants Bhubaneswar

(ix) The company have never taken any loan, Accordingly the provisions of (ix) (a) to (f) are not applicable to the Company and hence not commented upon

(x) (a) The company have not raised money by way of initial public offer or further public offer during the year.

(b) The company have not made any preferential allotment or private placement of shares or convertible debentures during the year.

(xi) (a) 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.

(b) No reports was filed by the auditors under sub section (12) of section 143 of the Companies Act.

(c) No whistle-blower complaints were received during the year.

(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) Internal audit is not applicable to the company.

(xv) The company has not entered into any non-cash transactions with directors or person connected with them.

(xvi) The company has already obtained the registration under section 45 IA of the Reserve Bank of India Act, 1934.

(xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.

(xix) The company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet.

(xx) Corporate social responsibility as per section 135 of The companies' act,2013 is not applicable to the company.

RKP Associates * Chartered Accountants * Bhubaneswar

(xxi) Not applicable to company.

3. (1) There is no unfavourable remarks in Paragraph 2 above.

(2) Not applicable as our opinion is clear in all aspects.

For and on behalf of
RKP Associates
Chartered Accountants
FRN:322473E

Place: Bhubaneswar
Date:16th May 2025.

RKP Associates Chartered Accountants Bhubaneswar

CA. Arun Kumar Prusty
Partner
M. No. 309939
UDIN: **25309939BMMJMQ6618**

"Annexure B" to the Independent Auditor's Report of even date on the Standalone Ind AS Financial Statements of IMFA Alloys Finlease 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 2025]

(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 **IMFA Alloys Finlease Limited** ("the Company") as of March 31, 2025 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 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.

RKP Associates Chartered Accountants Bhubaneswar

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, 2025, 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.

For and on behalf of
RKP Associates
Chartered Accountants
FRN: 322473E

Place: Bhubaneswar
Date: 16th May 2025.

CA. Arun Kumar Prusty
Partner
M. No. 309939
UDIN: **25309939BMMJMQ6618**

IMFA ALLOYS FINLEASE LIMITED

Regd. Office: IMFA Building, Bomikhal, Rasulgarh, Bhubaneswar-751010, Odisha India
Phone: 0674-2611000, Fax: 91 674 2580020, 2580145
CIN: U65990OR2009PLC011366

Balance Sheet as at 31st March, 2025.

(Amount in Rs. Lakh)

	Note No.	As at 31st March, 2025.	As at 31st March, 2024
ASSETS			
Non-Current Assets			
Financial Assets			
-Others	2	2435.68	2546.19
Non-Current Tax Assets (Net)		0.14	0.35
Current Assets			
Financial Assets			
-Investments	3	1182.21	984.36
-Trade Receivables	4	30.34	30.90
-Cash and Cash Equivalents	5	1.02	0.70
-Others	6	110.52	101.04
Other Current Assets	7	0.43	0.50
		3,760.34	**3,664.04**
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	8a	302.63	302.63
Other Equity		3396.23	3313.41
LIABILITIES			
Non-Current Liabilities			
Non-Current Tax Liabilities (net)			-
Deffered Tax Liabilities (net)		55.51	42.25
Current Liabilities			
Other Current Liabilities	9	5.97	5.75
		3,760.34	**3,664.04**

Significant Accounting Policies and Other Notes forming part of the Accounts — **1 to 27**

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

For R K P ASSOCIATES
(Chartered Accountants)
Firm Regn No : 322473E

(CA. Arun Kumar Prusty)
Partner
Membership No.309939
Place: Bhubaneswar
Date: 16th May 2025
UDIN: 25309939BMMJMQ6618

RKP Associates Bhubaneswar Chartered Accountants

For IMFA Alloys Finlease Limited

Prem Khandelwal
Director
DIN: 00667489

Dipak Prusty
Director
DIN:06580330

IMFA ALLOYS FINLEASE LIMITED

Regd. Office: IMFA Building, Bomikhal, Rasulgarh, Bhubaneswar-751010, Odisha India
Phone: 0674-2611000, Fax: 91 674 2580020, 2580145
CIN: U65990OR2009PLC011366

Statement of Profit and Loss for the year ended 31st March 2025.

(Amount in Rs. Lakh)

	Note No.	Year ended 31st March, 2025	Year ended 31st March, 2024
REVENUE			
Financial Income		234.15	242.82
Other Income	10	100.73	184.30
Total Revenue		**334.88**	**427.12**
EXPENSES			
Other expenses	11	1.77	1.94
Total Expenses		**1.77**	**1.94**
Profit/(loss) before Tax		**333.11**	**425.18**
Tax Expense			
-Current Tax		70.58	65.57
-Deferred Tax		13.26	33.92
-Earlier years' adjustments		-	5.12
Profit/ (Loss) after Tax		**249.27**	**320.57**
Other Comprehensive Income (net off taxes)		-	-
Total Comprehensive Income for the year		**249.27**	**320.57**
Earnings Per Equity Share			
Basic and Diluted Earnings Per Share (in Rupees)		**8.24**	**10.59**

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 R K P ASSOCIATES
(Chartered Accountants)
Firm Regn No : 322473E

RKP Associates * Bhubaneswar * Chartered Accountants

(CA. Arun Kumar Prusty)
Partner
Membership No.309939
Place: Bhubaneswar
Date: 16th May 2025
UDIN: 25309939BMMJMQ6618

For IMFA Alloys Finlease Limited

Prem Khandelwal
Director
DIN: 00667489

Dipak Prusty
Director
DIN:06580330

IMFA ALLOYS FINLEASE LIMITED

Regd. Office: IMFA Building, Bomikhal, Rasulgarh, Bhubaneswar-751010, Odisha India
Phone: 0674-2611000, Fax: 91 674 2580020, 2580145
CIN: U65990OR2009PLC011366

Statement of Cash Flow for the year ended 31st March, 2025

(Amount in Rs. Lakh)

		Year ended 31st March, 2025	Year ended 31st March, 2024
A.	**Cash Flow From Operating Activities**		
	Net profit/ (loss) before tax	**333.11**	425.18
	Adjustments for :		
	Interest and financial expenses	0.00	0.00
	Income from mutual fund	0.00	0.00
	Other income		
	(Profit)/Loss on fair valuation of current investments	**-52.68**	-173.48
	Interest income	**0.00**	-10.46
	Operating profit before working capital changes	**280.43**	**241.24**
	Adjustments for :		
	Trade and other receivables	**101.87**	**92.03**
	Trade and others payables	**0.27**	**-6.64**
	Cash generated from operations	**382.57**	326.63
	Direct taxes paid(net)	**70.63**	65.83
	Net Cash Generated From/(Used In) Operating Activities	**311.94**	**260.80**
B	**Cash Flow From Investing Activities**		
	(Purchase)/ sale of Investments (net)	**-197.85**	-120.54
	Profit/(Loss) on fair valuation of current investments	**52.68**	0.00
	Interest received	**0.00**	10.46
	Movement in other bank balance (FD)	**0.00**	0.00
	Net Cash Generated From / (Used In) Investing Activities	**-145.18**	**-110.08**
C	**Cash Flow From Financing Activities**		
	Payment of Dividend including tax on dividend	**-166.45**	**-166.45**
	Net Cash Generated From / (Used In) Financing Activities	**-166.45**	**-166.45**
	Net Increase/(Decrease) In Cash and Cash Equivalents (A+B+C)	**0.32**	**-15.73**
	Cash And Cash Equivalents - Opening Balance	**0.70**	**16.43**
	Cash And Cash Equivalents - Closing Balance	**1.02**	**0.70**

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) '

2. Cash & Cash equivalents are represented by :

-- In Current Accounts	**1.02**	0.70
	1.02	0.70

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

For R K P ASSOCIATES
(Chartered Accountants)
Firm Regn No : 322473E

RKP Associates Bhubaneswar Chartered Accountants

(CA. Arun Kumar Prusty)
Partner
Membership No.309939
Place: Bhubaneswar
Date: 16th May 2025
UDIN: 25309939BMNJMQ6618

For and on behalf of Board of Directors

Prem Khandelwal
Director
DIN: 00667489

Dipak Prusty
Director
DIN:06580330

IMFA ALLOYS FINLEASE LIMITED

Regd. Office: IMFA Building, Bomikhal, Rasulgarh, Bhubaneswar-751010, Odisha India
Phone: 0674-2611000, Fax: 91 674 2580020, 258010 CIN: U65990OR2009PLC011366

Statement of Changes in Equity

A. Equity Share Capital

(Amount in Rs. Lakh)

Balance at the beginning		Changes in Equity Share Capital during the period ended		Balance at the end	
As at 1st April, 2023	As at 1st April, 2024	March,24	March,25	As at 31st March, 2024	As at 31st March 25.
302.63	302.63	-	-	302.63	302.63

B. Other Equity

(Amount in Rs. Lakh)

Particulars	Reserves and Surplus			Total of Reserves and Surplus and Equity Share Capital
	Securities Premium Reserve	Special Reserve	Surplus in the Statement of Profit and Loss	
At the beigning of 1st April, 2023	**2,656.86**	**423.59**	**78.84**	**3,159.29**
Profit/(Loss) for the period April - Mar 2024	-	-	320.57	320.57
Transfer from Surplus in the Statement of Profit and Loss	-	64.12	-64.12	-
Other comprehensive income (net of tax)	-	-	-	-
Dividend	-	-	-166.45	-166.45
At the end of 31st March, 2024	**2,656.86**	**487.71**	**168.84**	**3,313.41**
Profit/(Loss) for the period April 2024 - March 2025.	-	-	249.27	249.27
Transfer from Surplus in the Statement of Profit and Loss	-	49.86	-49.86	-
Other comprehensive income (net of tax)	-	-	-	-
Dividend	-	-	-166.45	-166.45
At the end of 31st March, 2025	**2,656.86**	**537.57**	**201.80**	**3,396.23**

For and on behalf of Board of Directors

For R K P ASSOCIATES
(Chartered Accountants)
Firm Regn No : 322473E

RKP Associates ★ Chartered Accountants ★ Bhubaneswar

(CA. Arun Kumar Prusty)
Partner
Membership No.309939
Place: Bhubaneswar
Date: 16th May 2025
UDIN: 25309939BMMJMQ6618

Prem Khandelwal
Director
DIN:00667489

Dipak Prusty
Director
DIN:06580330

NOTES TO FINANCIAL STATEMENTS

IMFA Alloys Finlease Limited is a Non-Banking Financial Company having registration no. 04.00025 incorporated in India having its registered office at IMFA Building, Bomikhal, Bhubaneswar, Odisha.

Note 1 - Significant Accounting Policies

1.1 Basis of preparation of Financial Statements

a) Compliance statement

The financial statements have been prepared complying in all material respects with the Indian Accounting Standards notified under Section 133 of the Companies Act 2013, read with Companies (Indian Accounting Standards) Rules, 2015 and the relevant provisions thereof as amended. The financial statements comply with IND AS notified by Ministry of Company Affairs ("MCA"). The Company has consistently applied the accounting policies used in the preparation for all periods presented.

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

a) Revenue is measured at the fair value of consideration received or receivable. Revenue from sale of goods/services is recognised when the Company has transferred to the buyer the significant risks and rewards of ownership of the goods/services, it no longer retains control over the goods sold/services, the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the Company and the costs incurred or to be incurred in respect of the transaction can be measured reliably. Sale of goods/services is recognised net of taxes collected on behalf of third parties.

Interest income on financial instruments at amortised cost is recognised on a time proportion basis taking into account the amount outstanding and the effective interest rate ("EIR") applicable.
Interest on financial instruments measured at fair value is included within the fair value movement during the period.
The EIR is the rate that exactly discounts estimated future cash flows of the financial instrument through the expected life of the financial instrument or, where appropriate, a shorter period, to the net carrying amount of the financial instrument. The future cash flows are estimated taking into account all the contractual terms of the instrument.
The calculation of the EIR includes all fees paid or received between parties to the contract that are incremental and directly attributable to the specific lending arrangement, transaction costs, and all other premiums or discounts. For financial assets at fair value through profit and loss ("FVTPL"), transaction costs are recognised in the Statement of Profit and Loss at initial recognition.
Dividend on equity shares, preference shares and on mutual fund units is recognised as income when the right to receive the dividend is established.

b) **IND AS 116 Leases**
The Company assesses whether a contract contains a lease, at the inception of the contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company considers whether (i) the contract involves the use of identified asset, (ii) the Company has substantially all of the economic benefits from the use of the asset through the period of lease and (iii) the Company has right to direct the use of the asset.

<u>As a lessee</u>
Not applicable to the Company
<u>As a lessor</u>
Leases for which the Company is a lessor is classified as finance or operating leases. When the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

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 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. The Company has no tangible assets. The Company acquired 30 MVA Furnace and tranferred immediately under Finance Lease during FY 2012-13.

The Company has not incurred any amount under Capital Work-in Progress.

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 Equipment 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.

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 recognized outside profit or loss is recognised outside profit or loss in other comprehensive income.

b) Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the balance sheet and their corresponding tax bases. Deferred tax liabilities are generally recognised for all taxable temporary differences. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

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'.

1.11 Provision, Contingent Liabilities

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.

Note 2 Other Financial Assets (Amount in Rs. Lakh)

	As at 31st March, 2025	As at 31st March, 2024
Lease Payment Receivable(Leased Assets)	2,435.68	2,546.19
	2,435.68	**2,546.19**

Note 3 Current Investments (Amount in Rs. Lakh)

(At Fair value)

	As at 31st March, 2025	As at 31st March, 2024
Investments in Mutual Fund - Unquoted		
217,769.672 (Previous Year : 1,98,062.253) units of HDFC Balanced Advantage Fund - Direct Growth	1152.01	958.88
250,862.579 (Previous Year : 2,29,434.913) units of Kotak Nifty SDL Apr. 2017 index direct growth	30.21	25.48
	1,182.21	**984.36**

(Amount in Rs. Lakh)

	As at 31st March, 2025	As at 31st March, 2024
Note 4 Trade Receivables		
Trade Receivables	30.34	30.90
	30.34	30.90

Notes:

4.1 **Trade Receivables ageing Schedules**

(Amount in Rs. Lakh)

Outstanding as on 31st March, 2025 from due date of payment

Particulars	Not Due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years		Total
(i) Undisputed Trade receivables –considered good		30.34	-	-	-	-		30.34
(ii) Undisputed Trade Receivables –significant increase in credit risk		-	-	-	-	-		-
(iii) Undisputed Trade Receivables –credit impaired		-	-	-	-	-		-
(iv) Disputed Trade Receivables–considered good		-	-	-	-	-		-
(v) Disputed Trade Receivables –significant increase in credit risk		-	-	-	-	-		-
(vi) Disputed Trade Receivables – credit impaired		-	-	-	-	-		-
Total		**30.34**	-	-	-	-		**30.34**

Outstanding as on 31st March, 2024 from due date of payment

Particulars	Not Due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years		Total
(i) Undisputed Trade receivables –considered good		30.90	-	-	-	-		30.90
(ii) Undisputed Trade Receivables –significant increase in credit risk		-	-	-	-	-		-
(iii) Undisputed Trade Receivables –credit impaired		-	-	-	-	-		-
(iv) Disputed Trade Receivables–considered good		-	-	-	-	-		-
(v) Disputed Trade Receivables –significant increase in credit risk		-	-	-	-	-		-
(vi) Disputed Trade Receivables – credit impaired		-	-	-	-	-		-
Total		**30.90**	-	-	-	-		**30.90**

RKP Associates ★ Chartered Accountants ★ Bhubaneswar

(Amount in Rs. Lakh)

		As at 31st March, 2025	As at 31st March, 2024
Note 5.	**Cash and Cash Equivalents**		
	Balances with Banks		
	In Current Accounts	1.02	0.70
	Dividend account	-	-
		1.02	**0.70**

(Amount in Rs. Lakh)

		As at 31st March, 2025	As at 31st March, 2024
Note 6	**Other Financial Assets**		
	Lease Payment Receivable(Leased Assets)	110.52	101.04
		110.52	**101.04**

Ageing of lease receivable	For the year ended 31st March, 2025	For the year ended 31st March, 2024
Not later than 1 year	110.52	101.04
Later than 1 year but not later than 5 years	555.93	666.45
Later than 5 years	1,879.74	1,879.74
Total Lease receivable	**2,546.19**	**2,647.23**

(Amount in Rs. Lakh)

		As at 31st March, 2025	As at 31st March, 2024
Note 7	**Other Current Assets**		
	GST receivable	0.05	0.12
	VAT receivable	0.20	0.20
	Security Deposit	0.18	0.18
		0.43	**0.50**

(Amount in Rs. Lakh)

		As at 31st March, 2025.	As at 31st March, 2024
Note 8 (a)	**Equity Share Capital**		
	Authorised		
	5,50,00,000 (PY 5,50,00,000) Equity Shares of Rs.10/-each	**5,500.00**	5,500.00
		5,500.00	5,500.00
	Issued		
	30,26,316 (PY 30,26,316) Equity share of Rs 10/- each	**302.63**	302.63
		302.63	302.63
	Subscribed and Paid-up		
	30,26,316 (PY 30,26,316) Equity share of Rs 10/- each	**302.63**	302.63
		302.63	302.63

8 (b). Reconciliation of the Number of Equity Shares outstanding

	Particulars	Equity Shares	
		No of shares	**Rs in Lacs**
I	Shares outstanding at the beginning of the year	**30,26,316**	**302.63**
ii	Shares issued during the year	-	-
iii.	Shares bought back during the year	-	-
iv	Shares outstanding at the end of the year	**30,26,316**	**302.63**

8 (c). Details of Shareholders holding more than 5% of the equity shares each

	As at 31st March, 2025		As at 31st March, 2024	
	No of shares	**%**	**No of share**	**%**
IMFA Ltd (Holding Company)	**23,00,000**	**76**	**23,00,000**	**76**
POSCO Holdings Inc.	**7,26,316**	**24**	**7,26,316**	**24**

RKP Associates * Chartered Accountants * Bhubaneswar

		As at 31st March, 2025.	(Amount in Rs. Lakh) As at 31st March, 2024
Note 9	**Other Current Liabilities**		
	Duties & Taxes Payable	5.02	5.00
	Other expenses payable including Audit Fees	0.95	0.75
		5.97	**5.75**

		Year ended 31st March, 2025	(Amount in Rs. Lakh) Year ended 31st March, 2024
Note 10	**Other Income**		
	Interest from Bank	-	10.46
	Gain/(Loss) on investments	48.05	-
	Gain/(Loss) on fair valuation of current investments	52.68	173.48
	Other income	-	0.36
		100.73	**184.30**

		Year ended 31st March, 2025	(Amount in Rs. Lakh) Year ended 31st March, 2024
Note 11	**Other Expense**		
	Auditor Remuneration (Refer Note No. 12)	0.50	0.40
	Filing & Other Fees	1.27	1.54
		1.77	**1.94**

		Year ended 31st March, 2025	(Amount in Rs. Lakh) Year ended 31st March, 2024
Note 12	**Payment to Auditors**		
	Statutory Auditors		
	Audit Fees (excluding service tax)	0.50	0.40
		0.50	**0.40**

Note 13 Managerial remuneration

There was no managerial remuneration paid/payable to the directors for the year ended 31st March 2025. (Previous year: Rs. Nil).

Note 14 Earnings per Equity Share

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

Particular	**Year ended 31st March, 2025**	**Year ended 31st March, 2024**
Profit after tax attributable to Equity Shareholders (Rs. In Lac.)	**249.27**	**320.57**
Weighted average number of Equity Shares outstanding at the end of the year (Basic)	**30,26,316**	**30,26,316**
Nominal Value of Equity per share	**10**	**10**
Basic and Diluted Earnings per share	**8.24**	**10.59**

Note 15 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 entity	B. Panda Trust (through Mr. Subhrakant Panda, Trustee)
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:

Key Management Personnel :	
Directors	Prem Khandelwal
	Deepak Kumar Mohanty
	Dipak Prusty
	Yeongjoo Lee

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

(Amount in Rs. Lakh)

Nature of transactions	**Year ended 31st March, 2025**	**Year ended 31st March, 2024**
Lease Rental		
Indian Metals and Ferro Alloys Limited	395.52	395.52
Lease Receivable		
Indian Metals and Ferro Alloys Limited	2,546.19	2,647.23
Outstanding receivable from Indian Metals & Ferro Alloys Ltd	**30.34**	**30.90**
Manpower service received from Indian Metals & Ferro Alloys Ltd	**0.71**	**0.71**

RKP Associates * Chartered Accountants * Bhubaneswar

Note 16 **Provisions & Contingent Liabilities**

There are no Contingent Liabilities to report as at the end of the Current period. (PY - Nil)

Note 17 **Provision as per RBI's circular on Regulatory measures towards consumer credit and bank credit to NBFCs" dated November 16, 2023**

The above circular is not applicable to IAFL, since the company is only into Assest leasing and does not have any consumer credit and credit card exposure.

Note 18 **Additional Information pertaining to Statement of Profit and Loss**

Particulars	Year ended 31st March, 2025	Year ended 31st March, 2024
Remittance in Foreign Currency : (USD)	**40504.91**	**41408.86**
Year to which dividend pertains	FY 23-24	FY 22-23
Number of Shareholders	1	1
Number of Equity Shares	7,26,316	7,26,316
Amount remitted (Rs.)	33,95,527.00	33,95,527.30

Note 19 **Ratio Analysis and its elements**

Ratio	Numerator	Denominator	31st March 2025	31st March 2024	% change from 31st March 2025 to 31st March 2024.	Unit	Remarks
Current ratio	Current assets	Current Liabilities	221.69	194.35	14.07%	Times	The change in ratio is due to increase in current investment
Debt-equity ratio	Total Debt	Total Equity	0.00	0.00	0.00%	Times	NA
Debt service coverage ratio	Earning available for debt service	Debt service	0.00	0.00	0.00%	Times	NA
Return on equity ratio	Net profir after Tax	Average total equity	0.07	0.09	-24.76%	Percentage	The change in ratio is due to decrease in return on current investment
Inventory turnover ratio	Cost of goods sold	Average inventory	0.00	0.00	0.00%	Times	NA
Trade receivables turnover ratio	Net credit sales	Average Debtor	0.00	0.00	0.00%	Times	NA
Trade payables turnover ratio	Purchase	Average trade payable	0.00	0.00	0.00%	Times	NA
Net capital turnover ratio	Net Sales	Working Capital	0.00	0.00	0.00%	Times	NA
Net profit ratio	Net Profit after tax	Net Sales	1.06	1.32	-19.36%	Percentage	The change in ratio is due to decrease in return on current investment
Return on capital employed (ROCE)	Earning before interest & taxes	Capital employed	0.09	0.12	-23.66%	Percentage	The change in ratio is due to decrease in return on current investment
Return on investment	Income generated from Invested funds	Average invested funds	0.09	0.31	-69.78%	Percentage	The change in ratio is due to increase in return on current investment

Note 20 **Relationship with the Struck off Company.**

No transaction is there with any struck off company during the current reporting period.

RKP Associates * Bhubaneswar * Chartered Accountants *

Note 21 **Other Statutory Information:**

i) The Company does not have Benami Property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

ii) The Company has not traded or invested in crypto currency or virtual currency during the financial year.

iii) The Company has not advanced or loaned or invested funds in any other person(s) or entity(ies) including foreign entities(Intermediaries) with the understanding that the intermediary shall:
b) Provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

iv) The Company has not received any funds from any person(s) or entity(ies), including foreign entities(Funding Party) with the understanding(whether recorded in writing or otherwise) the Company shall:
a) Directly or indirectly lend or invest in other person(s) or entity(ies) identified in any manner whatsoever by or on behalf of the Funding Party Company (Ultimate Beneficiaries) or

b) Provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

v) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act 1961(such as search, survey or any other relevant provisions of the Income Tax Act, 1961.

Note 22 During the period ended 31.03.2025 as well as at 31.03.2024, the Company has no Intangible Assets under Development.

Note 23 The company has not been declared willful defaulter by any bank or financial institution or other lender. Hence no disclosure required.

Note 24 During the period ended 31.03.2025 as well as 31.03.2024, there was no charges pending for registration or satisfaction with Registrar.

Note 25 Immovable Property not held in name of the Company

As at 31.03.2025

Relevant line item in the Balance sheet	Description of item of property	Gross Carrying Value	Title deed held in the name of the company	Whether title deed holder is a promoter, director or relative of promoter*	Property held since which date		Reason for not being held in the name of the company
* Not applicable, since the copmany do not have any immovable property.							

As at 31.03.2024

Relevant line item in the Balance sheet	Description of item of property	Gross Carrying Value	Title deed held in the name of the company	Whether title deed holder is a promoter, director or relative of promoter*	Property held since which date		Reason for not being held in the name of the company
* Not applicable, since the copmany do not have any immovable property.							

Note 26 **Subsequent Events**
There are no other material adjusting or non-adjusting subsequent events, except as already disclosed.

Note 27 Previous year figures have been regrouped/rearranged, wherever considered necessary, to make them comparable with those of current year.

For R K P ASSOCIATES
(Chartered Accountants)
Firm Regn No : 322473E

RKP Associates * Bhubaneswar * Chartered Accountants

(CA. Arun Kumar Prusty)

Membership No.309939
Place: Bhubaneswar
Date: 16th May 2025
UDIN: 25309939BMMJMQ6618

For IMFA Alloys Finlease Limited

Prem Khandelwal
Director
DIN: 00667489

Dipak Prusty
Director
DIN:06580330