

INDEPENDENT AUDITOR'S REPORT

Sourjya & Biswajit
CHARTERED ACCOUNTANTS

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

Report on the 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, 2022, the Statement of Profit and 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, 2022, 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 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

BBSR: A/23, Saheed Nagar, Near Angan Restaurant (First Floor), BBSR-07, Odisha, India, 91(674)2549862, 2549861, 9438132764, sbcabbsr@gmail.com
Cuttack : Mahatab Road, (Infront of Sangam Cinema), Cuttack - 753012, Odisha, India, 91(671)2311003, 9437033628, sbccactc@gmail.com
Bhadrak : Near Post Office, At / PO - Charampa, Dist.-Bhadrak - 756101, Odisha, India,
Raipur (Kharsia) : Near R. K. Traders, Dabhra Road, Kharsia, Infront of Goap Rice Mill, Raigarh, Chhattisgarh-496661, India, 91-9967798242
Ranchi : C/o - Dillip Kumar Singh, D block, Vinayak Sadan, Aryapuri Rata Road, Backside of Durga Mandir, Ranchi, India, 91-9040772232



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.

A further description of the auditor's responsibilities for the audit of the Ind AS financial statements is included in **Annexure 1**. This description forms part of our auditor's report.

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. A. 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.
 - e) On the basis of written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 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**".
- B. 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, 2018, in our opinion and to the best of our information and according to the explanations given to us:



- a) The Company does not have any pending litigations which would impact its financial position.
b) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

C. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

D.

- i. The Management has represented that, to the best of its knowledge and belief, that, 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
- ii. The Management has represented that, to the best of its knowledge and belief, that 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
- iii. 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.

F. 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.

F. The software used by the company for maintaining its books of accounts has a feature of recording audit trail and the same has been operated throughout the year for all transactions recorded in the software.

Place: Bhubaneswar

Date: 23/05/2022



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

CA. Sourjya Prakash Mohapatra
Partner

M. No. 052805

UDIN - 22052805AJLOWR8644

Annexure 1

Responsibilities for Audit of Financial Statement

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

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.

Place: Bhubaneswar

Date: 23/05/2022



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

A. Sourjya Prakash Mohapatra

Partner

M. No. 052805

UDIN - 22052805ATLOWR8649

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, 2022]

3.

(i) (a) The company is an asset financing company, it has transferred all its fixed assets to the lessee during 2012-2013. Before such transfer, the company has maintained proper records showing full particulars, including quantitative details and situations of fixed assets on the basis of available information.

(b) During the year the company does not have any fixed asset so this clause is not applicable.

(c) There is no immovable properties are held in the name of the company.

(d) Since the company has no fixed assets no revaluation is required.

(e) No proceedings have been initiated or pending for holding any benami property.

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

(b) No company has never sanctioned any working capital facilities during the year.

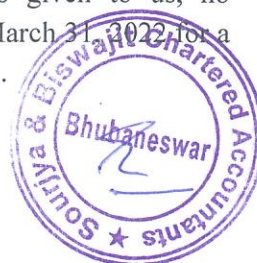
(iii) The Company has neither made any investment nor granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of paragraph 3 (iii) (a) to (C) of the Order 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 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, 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, 2022 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) No transaction is there which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- (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 was 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) The companies' act 135, corporate social responsibility is not applicable to the company.
- (xxi) Not applicable to company.



4.

- (1) There is no unfavourable remarks in Paragraph 3 above.
- (2) Not applicable as our opinion is clear in all aspects.

Place: Bhubaneswar

Date: 23/05/2022



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

CA. Sourjya Prakash Mohapatra

Partner

M. No. 052805

UDIN - 22052805AJLOWR8644

**“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 2022]

(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, 2022 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

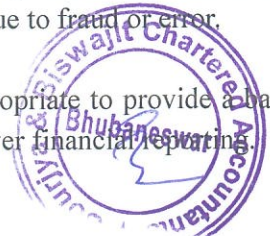
The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial 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.



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

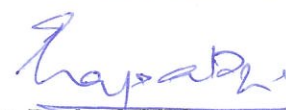
In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria 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: 23/05/2022



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



CA Sourjya Prakash Mohapatra
Partner
M. No. 052805

UDIN - 22052805AJLOWR8644

IMFA ALLOYS FINLEASE LIMITED
Balance Sheet as at 31st March 2022

(Amount in Rs. Lakh)

		As at 31st March 2022	As at 31st March, 2021
ASSETS	Note		
Non-Current Assets			
Financial Assets			
-Others	2	2,743.49	2,825.77
Non-Current Tax Assets (Net)		5.79	0.17
Current Assets			
Financial Assets			
-Investments	3	650.70	590.73
-Trade Receivables	4	25.69	31.32
-Cash and Cash Equivalents	5	0.54	0.69
-Others	6	80.75	75.50
Other Current Assets	7	0.78	0.64
		3,507.74	3,524.82
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	8	302.63	302.63
Other Equity		3,191.09	3,210.32
LIABILITIES			
Non-Current Liabilities			
Deferred Tax Liabilities (Net)		7.38	6.02
Non-Current Tax Liabilities (net)			
Current Liabilities			
Other Current Liabilities	9	6.64	5.85
		3,507.74	3,524.82

Significant Accounting Policies and
Other Notes forming part of the Accounts

1 to 19

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

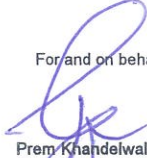
For Sourjya & Biswajit
(Chartered Accountants)
Firm Regn No : 322779E


Partner
Membership No. 052805
Place: Bhubaneswar
Date: 23rd May 2022.
UDIN: 22052805AJLOWR8644



For IMFA Alloys Finlease Limited

For and on behalf of the Board of Directors


Prem Khandelwal
Director
DIN: 00667489


Deepak Kumar Mohanty
Director
DIN: 00288572

IMFA ALLOYS FINLEASE LIMITED

Statement of Profit and Loss for the period ended 31st March, 2022

(Amount in Rs. Lakh)

	Note	Period ended 31st March, 2022	Period ended 31st March, 2021
INCOME			
Financial Income		257.98	264.60
Other Income	10	26.53	21.64
Total Income		284.51	286.24
EXPENSES			
Other expenses	11	1.74	1.07
Total Expenses		1.74	1.07
Profit/(loss) before Tax		282.77	285.17
Tax Expense			
-Current Tax		73.70	78.84
-Deferred Tax		1.36	4.51
-Earlier years' adjustments		-	-
Profit/ (Loss) after Tax		207.71	201.82
Other Comprehensive Income (net off taxes)		-	-
Total Comprehensive Income for the year		207.71	201.82
Earnings Per Equity Share	14		
Basic and Diluted Earnings Per Share (in Rupees)		6.86	6.67

Significant Accounting Policies and
Other Notes forming part of the Accounts

1 to 19

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

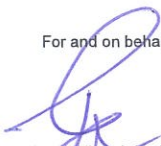
For Sourjya & Biswajit
(Chartered Accountants)
Firm Regn No : 322779E

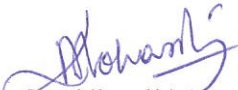

Partner
Membership No. 052805
Place: Bhubaneswar
Date: 23rd May 2022.
UDIN: 22052805AJLOWR8644



For IMFA Alloys Finlease Limited

For and on behalf of the Board of Directors


Prem Khandelwal
Director
DIN: 00667489


Deepak Kumar Mohanty
Director
DIN: 00288572

IMFA ALLOYS FINLEASE LIMITED

Statement of Cash Flow for the period ended 31st March 2022.

(Amount in Rs. Lakh)

	Year ended 31st March, 2022	Year ended 31st March, 2021
A. Cash Flow From Operating Activities		
Net profit/ (loss) before tax	282.77	285.17
Dividend Income	-	0.00
Profit/(Loss) on fair valuation of current investments	(26.53)	(21.64)
Interest income	-	0.00
Operating profit before working capital changes	256.24	263.53
Adjustments for :		
Trade and other receivables	82.52	70.02
Trade and others payables	0.79	0.09
Cash generated from operations	339.55	333.64
Direct taxes paid(net)	79.29	78.99
Net Cash Generated From / (Used In) Operating Activities	260.26	254.65
B Cash Flow From Investing Activities		
(Purchase)/ sale of Investments (net)	(33.44)	(28.76)
Dividend received	-	0.00
Profit/(Loss) on fair valuation of current investments	-	-
Interest received	-	-
Movement in other bank balance	-	-
Net Cash Generated From / (Used In) Investing Activities	(33.44)	(28.76)
C Cash Flow From Financing Activities		
Payment of Dividend including tax on dividend	(226.97)	(226.97)
Net Cash Generated From / (Used In) Financing Activities	(226.97)	(226.97)
Net Increase/(Decrease) In Cash and Cash Equivalents (A+B+C)	(0.15)	(1.08)
Cash And Cash Equivalents - Opening Balance	0.69	1.75
Cash And Cash Equivalents - Closing Balance	0.54	0.69

Explanation :

1.The above Cash Flow Statement has been prepared under the indirect method as set out in the Indian Accounting Standard 7 (Ind

2. Cash & Cash equivalents are represented by :

-- In Current Accounts	0.54	0.69
-- Cheque on Hand		
	0.54	0.69

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

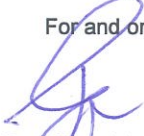
For Sourjya & Biswajit
(Chartered Accountants)
Firm Regn No : 322779E

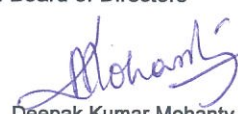

(CA. Sourjya Prakash Mohapatra)
Partner
Membership No. 052805
Place: Bhubaneswar
Date: 23rd May 2022.
UDIN: 22052805AJLOWR8644



For IMFA Alloys Finlease Limited

For and on behalf of Board of Directors


Prem Khandelwal
Director
DIN: 00667489


Deepak Kumar Mohanty
Director
DIN: 00288572

IMFA ALLOYS FINLEASE LIMITED

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, 2020	As at 1st April, 2021	2020-21	2021-22	As at 31st March, 2022
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	
As at 1st April 2021	2,656.86	298.26	280.38	3,235.50
Profit/(Loss) for the period April-March-	-	-	201.82	201.82
Transfer from Surplus in the Statement of Profit and Loss	-	41.27	(41.27)	-
Other comprehensive income (net of tax)	-	-	-	-
Dividend	-	-	(226.97)	(226.97)
At the end of 31st March, 2021	2,656.86	339.53	213.76	3,210.32
Profit/(Loss) for the period April - Mar	-	-	207.71	207.71
Transfer from Surplus in the Statement of Profit and Loss	-	41.81	(41.81)	-
Other comprehensive income (net of tax)	-	-	-	-
Dividend	-	-	(226.97)	(226.97)
At the end of 31st Mar, 2022	2,656.86	381.34	152.69	3,191.09

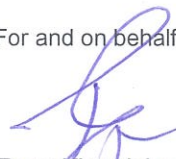
Firm Regn No : 322779E

For IMFA Alloys Finlease Limited


 (CA. Sourjya Prakash Mohapatra)
 Partner
 Membership No. 052805
 Place: Bhubaneswar
 Date : 23rd May 2022.
 UDIN: 22052805AJLOWR8644



For and on behalf of the Board of Directors


 Prem Khandelwal
 Director
 DIN: 00667489


 Deepak Kumar Mohanty
 Director
 DIN: 00288572

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

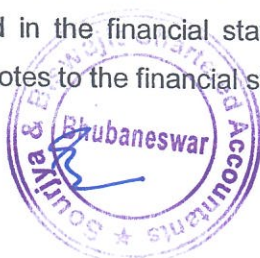
The financial statements are prepared on historical cost convention basis.

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.

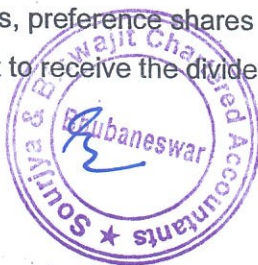
Interest income on financial instruments at amortised cost is recognised on a time proportion basis taking into account the amount outstanding and the effective interest rate ("EIR") applicable.

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.

As a lessee

Not applicable to the Company

As a lessor

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.

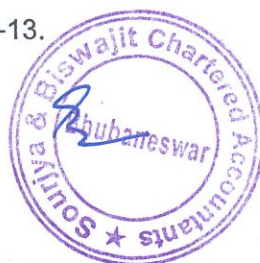
The Financial assets are tested for impairment and the loss allowance if any are recognized in the statement of profit and loss. The Company uses the expected credit loss model to test impairment if any.

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 transferred 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 2022	As at 31st March 2021
Lease Payment Receivable(Leased Assets)	2,743.31	2,825.77
Security Deposit	0.18	0.00
	<u>2,743.49</u>	<u>2,825.77</u>

Note 3 Current Investments

(Amount in Rs. Lakh)

(At Fair value)

Investments in Mutual Fund - Unquoted

164213.212 (Previous Year : 164213.212) units of Kotak Equity Arbitrage

Advantage Fund - Direct Plan - Growth

Market Value Rs.5200468 (Previous Year : Rs 4972557)

52.00

49.73

89.779 (Previous Year : 89.779) units of Kotak Liquid Direct Plan Growth

3.86

3.73

Market Value Rs 386327 (Previous Year :373395)

20500.14 (Previous Year : 19370.595) units of Kotak Low Duration Fund- Direct Plan Growth

594.84

537.27

Market Value Rs 59483560 (Previous Year : Rs. 53726846)

650.70590.73**Note 4 Trade Receivables**

(Amount in Rs. Lakh)

Unsecured considered good.

25.69

31.32

25.6931.32

As on 31st March 2022.

	Not Due	Less than 6 months	6 months 1 year	1 - 2 year	2 - 3 year	More than 3 years	Total
Undisputed Trade Receivables - Considered good	25.69	-	-	-	-	-	25.69
Total	25.69	0	0	0	0	0	25.69

As on 31st March 2021.

	Not Due	Less than 6 months	6 months 1 year	1 - 2 year	2 - 3 year	More than 3 years	Total
Undisputed Trade Receivables - Considered good	31.32	-	-	-	-	-	31.32
Total	31.32	0	0	0	0	0	31.32

Note 5 Cash and Cash Equivalents

(Amount in Rs. Lakh)

Balances with Banks

In Current Accounts

0.54

0.69

0.540.69**Note 6 Other Financial Assets**

(Amount in Rs. Lakh)

Lease Payment Receivable(Leased Assets)

80.75

75.50

80.7575.50**Note 7 Other Current Assets**

(Amount in Rs. Lakh)

Prepaid Expenses

0.28

0.11

GST receivable

0.27

0.22

VAT receivable

0.20

0.10

Other Advance

0.03

0.03

Security Deposit

0.00

0.18

0.780.64

		(Amount in Rs. Lakh)	
		As at 31st March 2022	As at 31st March, 2021
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	3,026,316	302.63
ii Shares issued during the year	-	0
iii. Shares bought back during the year	-	0
iv Shares outstanding at the end of the year	3,026,316	302.63

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

	As at 31.03.2022.		As at 31.03.2021	
	No of shares	%	No of shares	%
IMFA Ltd (Holding Company)	2,300,000	76	2,300,000	76
POSCO	726,316	24	726,316	24

		(Amount in Rs. Lakh)	
		As at 31st March 2022	As at 31st March, 2021
Note 9 Other Current Liabilities			
Duties & Taxes Payable		5.03	5.03
Other expenses payable including Audit Fees		1.61	0.82
		6.64	5.85

		(Amount in Rs. Lakh)	
		Period ended 31st March, 2022	Period ended 31st March , 2021
Note 10 Other Income			
Gain/(Loss) on fair valuation of current investments		26.53	21.64
		26.53	21.64
Note 11 Other Expense			
Auditor Remuneration (Refer Note No. 12)		0.36	0.36
Filing & Other Fees		1.38	0.71
		1.74	1.07



		(Amount in Rs. Lakh)	
		Period ended 31st March, 2022	Period ended 31st March, 2021
Note 12	Payment to Auditors		
	Statutory Auditors		
	Audit Fees (excluding service tax)	0.28	0.28
	Tax Auditors		
Note 13	Audit Fees	0.08	0.08
		0.36	0.36
	Managerial remuneration		

There was no managerial remuneration paid/payable to the directors for the year ended 31st March 2022 (Previous year: Rs. Nil).

Note 14 Earnings per Equity Share

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

Particular	Period ended 31st March, 2022	Period ended 31st March, 2021
Profit after tax attributable to Equity Shareholders (Rs. '000)	207.71	201.82
Weighted average number of Equity Shares outstanding at the end of the year (Basic)	3,026,316	3,026,316
Nominal Value of Equity per share	10	10
Basic and Diluted Earnings per share	6.86	6.67

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:

Fellow subsidiaries	Utkal Coal Limited
	Indmet Mining (Pte) Limited, Singapore
	PT. Sumber Rahayu Indah, Indonesia

Key Management Personnel :

Directors	Jayant Kumar Misra
	Prem Khandelwal
	Deepak Kumar Mohanty
	Dipak Prusty
	Tae Bong Chung
	Kihon Pyo, Additional Director.
	Jung Lee Park, Alternate Director

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

		(Amount in Rs. Lakh)	
Nature of transactions		Period ended 31st March, 2022	Period ended 31st March, 2021
Lease Rental			
Indian Metals and Ferro Alloys Limited		395.52	395.52
Lease Receivable			
Indian Metals and Ferro Alloys Limited		2,824.06	2,901.27



Note 16 Provisions & Contingent Liabilities

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

Note 17 The Covid-19 pandemic has disrupted global economy and created unprecedented challenges. Economic activity in India was down to a standstill owing to the nation-wide lockdown in India from March 25, 2020. Towards this end, the Company has evaluated the impact of the CoVID-19 pandemic on its business, performance and financials. The Company has also assessed the impact of this situation on its capital and financial resources, profitability, liquidity position, internal financial controls etc, and is of the view that based on its present assessment, this situation does not impact the financial results. The Company does not expect any impact of the pandemic in future also.

Note 18 Additional Information pertaining to Statement of Profit and Loss

Particulars	Period ended 31st March, 2022	Period ended 31st March, 2021
Remittance in Foreign Currency :		
On account of dividend to non-resident investors:		
Year to which dividend pertains	2020-21	2019-20
Number of Shareholders	1	1
Number of Equity Shares	726,316	726,316
Amount remitted (Rs.)	4,630,265	4,630,265

Note 19 Ratio Analysis and its elements

Ratio	FY 2021-22	FY 2020-21	% Variance	Formula used
Current ratio	114.23	119.47	-5.24	Current Assets / Current Liabilities
Debt-equity ratio	0.00	0.00	0.00	Total Long Term Debt/Shareholder's Equity
Debt service coverage ratio	0.00	0.00	0.00	EBITDA (plus loss on sale of fixed
Return on equity ratio	0.06	0.06	0.01	PAT/Average Shareholder's Equity
Inventory turnover ratio	0.00	0.00	0.00	Revenue from operations/Average
Trade receivables turnover ratio	10.04	8.45	1.59	Revenue from operations / Debtors at the
Trade payables turnover ratio	0.00	0.00	0.00	Net Credit Purchases/ Creditors at the
Net capital turnover ratio	0.00	0.00	0.00	Revenue from operations/Working
Net profit ratio	0.81	0.76	0.04	PAT/Revenue from operations
Return on capital employed (ROCE)	0.08	0.08	0.00	EBIT / Capital Employed (Tangible Net Worth + Total Debt + Deferred Tax
Return on investment	0.04	0.04	0.00	

For Sourjya & Biswajit
(Chartered Accountants)
Firm Regn No : 322779E

(CA. Sourjya Prakash Mohapatra)
Partner
Membership No. 052805
Place: Bhubaneswar
Date: 23rd May 2022.
UDIN: 22052805AJLOWR8644



For IMFA Alloys Finlease Limited

For and on behalf of the Board of Directors

Prem Khandelwal
Director
DIN: 00667489

Deepak Kumar Mohanty
Director
DIN: 00288572