

AUDITOR'S REPORT TO THE MEMBERS OF IMC FINANCE LIMITED

1. We have audited the attached Balance Sheet of IMC FINANCE LIMITED, as at 31st March, 2009 and also the Profit and Loss Account for the year ended on that date annexed thereto and the Cash Flow Statement of the Company for the year ended on that date. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 (the 'Order'), as amended, issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956 (the 'Act'), we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to above, we report that:
 - i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - ii) In our opinion, proper books of account as required by law have been kept by the company so far as appears from our examination of those books;
 - iii) The Balance Sheet, the Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - iv) In our opinion, the Balance Sheet, the Profit and Loss Account and the Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Act;
 - v) On the basis of written representations received from the directors, as on 31st March, 2009 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2009 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act;




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- vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the significant accounting policies and notes to accounts appearing in schedule "I" give the information required by the Act, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
- a. in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2009;
 - b. in the case of the Profit and Loss Account, of the profit for the year ended on that date; and
 - c. in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

For B. L. Sarda & Co.
Chartered Accountants,


(B.L. Sarda)
Proprietor
M. No.14568



Place: Mumbai

Dated: **21** SEP 2009

M/S. IMC FINANCE LIMITED

ANNEXURE TO THE AUDITORS' REPORT REFERRED TO IN PARAGRAPH
THREE OF OUR REPORT OF EVEN DATE

- (1) In our opinion and according to the information and explanations given to us, the nature of the Company's business / activities during the year are such that clauses (ii), (iii), (iv), (v), (viii), (xiii), (xiv), (xviii), (xix), and (xx) of paragraph 4 of the said order are not applicable to the company.
- (2) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
(b) According to the information and explanations given to us, fixed assets of the Company have been physically verified by the Management at the year end which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No discrepancies were noticed on such verification.
(c) During the year, no fixed assets have been disposed off by the Company.
- (3) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits within the meaning of directives issued by the Reserve Bank of India and provisions of Section 58A and 58AA or any other relevant provisions of the Act and the rules framed thereunder. No order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any Other Tribunal.
- (4) In our opinion the Company has an internal audit system commensurate with its size and nature of its business.
- (5) (a) The company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, custom duty, excise duty, cess and other statutory dues applicable to it.
(b) According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, sales tax, wealth tax, service tax, custom duty, excise duty, cess were in arrears, as at 31st March, 2009 for a period of more than six months from the date they became payable. There are no dues of income tax, sales tax, wealth tax, service tax, custom duty, excise duty, cess which have not been deposited on account of any dispute.
- (6) The Company has neither accumulated losses as at 31st March, 2009 nor it has incurred any cash losses during the financial year ended on that date and in the immediately preceding financial year.

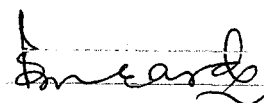


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- (7) Accordingly to the information and explanations given to us, the Company has not obtained any borrowings from any bank or financial institutions or by way of debentures.
- (8) The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (9) To the best of our knowledge and belief and according to the information and explanations given to us, the Company has not given any guarantees for loans taken by others from banks or financial institutions.
- (10) To the best of our knowledge and belief and according to the information and explanations given to us, no term loans were obtained by the Company during the year.
- (11) According to the information and explanations given to us, no funds were raised during the year on short term basis.
- (12) According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the year.

For B. L. Sarda & Co.
Chartered accountants



(B.L. Sarda)
Proprietor
M. No. 14568



Place: Mumbai

Date : **01 SEP 2009**