



# UDESHI SHUKLA & ASSOCIATES

## Chartered Accountants

### Independent auditor's report to the members of R. B. G. Minerals Industries Limited

#### Opinion

We have audited the accompanying financial statements of **R. B. G. Minerals Industries Limited** ("the Company"), which comprise the balance sheet as at March 31, 2020, and the Statement of Profit and Loss for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, its profit for the year ended on that date.

#### Basis for opinion

We conducted our audit in accordance with the standards on auditing 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 financial statements under the provisions of the Act and the rules there under, 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.

#### Key audit matters

We draw attention to the fact that the entire net worth of the Holding Company has eroded and the assets of the holding company have been taken over for sale by the Banks under the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (SARFAESI Act). In view of the above facts and in the absence of any evident plan of continuation of activities, we are of the opinion that the going concern assumption of the Company may not hold good.

Our report is not qualified in respect of these matters.

#### Information other than the financial statements and auditors' report thereon

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Business Responsibility Report but does not include the financial statements and our auditor's report thereon.

UDIN: 20042082AAAAEO9811



RBG/AR 2019-20/1

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

#### **Management's responsibility for the financial statements**

The Company's board of directors are responsible for the matters stated in section 134 (5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting standards 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 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 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.

The board of directors are also responsible for overseeing the Company's financial reporting process.

#### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the 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 financial statements.



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 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 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. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the 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. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



### Report on other legal and regulatory requirements

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

#### As required by Section 143(3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- (c) The balance sheet, the statement of profit and loss, and the cash flow statement dealt with by this report are in agreement with the books of account;
- (d) In our opinion, the aforesaid 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 the written representations received from the directors as on March 31, 2020 taken on record by the board of directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) Since the Company's turnover as per last audited financial statements is less than Rs.50 Crores and its borrowings from banks and financial institutions at any time during the year is less than Rs.25 Crores, the Company is exempted from getting an audit opinion with respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls vide notification dated June 13, 2017; and
- (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) Rules, 2014, 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; and
  - c. There has not been an occasion in case of the Company during the year under report to transfer any sums to the Investor Education and Protection Fund. The question of delay in transferring such sums does not arise.

For Udeshi Shukla & Associates  
Chartered Accountants

FRN 114886W

CA Paresh Vijaysinh Udeshi

Partner

MRN 042082

Mumbai-06<sup>th</sup> August, 2020



**Annexure - A to the Auditors' Report**

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone Ind AS financial statements for the year ended 31 March 2020, we report that:

- i. In respect of the Company's fixed assets:
  - a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - b. The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
  - c. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- ii. In the absence of any business activities and there being no purchase or sale transactions during the year under report, requirement of reporting on clause (ii) of paragraph 3 of the said Order is not applicable to the Company.
- iii. In our opinion and according to information and explanations given to us, the company has not granted any loans, has not made investments, has not given any guarantees nor has provided security to any companies, firms or other parties mentioned in the provisions of section 185 and 186 of the Companies Act, 2013.
- iv. The Company has not accepted any deposits from the public covered under Section 73 to 76 of the Companies Act, 2013.
- v. According to the information and explanations given to us, the Central Government has not prescribed maintenance of cost records under sub-section (1) of section 148 of the Companies Act 2013.
- vi. According to the information and explanations given to us, in respect of statutory dues:
  - (a) According to the information and explanations given to us and based on the records of the company examined by us, the company is regular in depositing the undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Service Tax, Duty of Customs, Duty of Excise, value added tax, and other statutory dues to the appropriate authorities in India;
  - (b) There were no undisputed amounts payable in respect of Provident Fund, Employees State Insurance, Income Tax, Service Tax, Sales Tax, Value Added Tax, Goods and Service tax, Customs Duty, Excise Duty, Cess and other material statutory dues in arrears as at March 31, 2020 for a period of more than six months from the date they became payable.



- (c) There were no disputed amounts payable in respect of Provident Fund, Employees State Insurance, Income Tax, Service Tax, Sales Tax, Value Added Tax, Goods and Service tax, Customs Duty, Excise Duty, Cess and other material statutory dues
- vii. The company has not taken any loans from financial institutions, banks, Government or from debenture holders during the year as at the balance sheet date.
- viii. According to the information and explanations given to us, the company has not made any initial public offering or any further public offer including debt instrument. Also no term loan has been obtained by the company.
- ix. Based upon the audit procedures performed and as per information and explanations given to us, to the best of our knowledge no fraud on or by the Company has been noticed or reported during the course of our audit.
- x. According to information and explanations given to us, no managerial remuneration has been paid during the year and hence, clause (xi) of paragraph 3 of the said order is not applicable to the company.
- xi. The Company is not a Nidhi Company so, the question of commenting on whether the Nidhi Company has complied with the Net Owned Funds to Deposits in the ratio of 1: 20 to meet out the liability and whether the Nidhi Company is maintaining ten per cent unencumbered term deposits as specified in the Nidhi Rules, 2014 to meet out the liability does not arise.
- xii. According to the information and explanations given to us and based on the records of the company examined by us, all the transactions with the related parties entered into by the Company, are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable. The details of the same have been disclosed in the Financial Statements as required by the applicable accounting standards.
- xiii. In our opinion and according to information and explanations given to us, the company has not made any preferential allotment or private placement of shares or debentures. So requirement to comply with the sec 42 of the Companies Act, 2013 does not arise.
- xiv. In our opinion and according to information and explanations given to us, the company has not entered into non cash transactions with the directors or any person so the compliance with the provision of section 192 of the Companies Act, 2013 is not applicable.
- xv. The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**For Udeshi Shukla & Associates**

Chartered Accountants

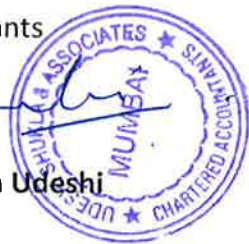
FRN 114886W

**CA Paresh Vijaysinh Udeshi**

Partner

MRN 042082

Mumbai – 06<sup>th</sup> August, 2020



**R.B.G. MINERALS INDUSTRIES LIMITED**  
(A subsidiary of Edayar Zinc Limited)  
**Balance Sheet as at 31st March, 2020**  
(All amounts in INR lakhs, unless otherwise stated)

Particulars	Note No.	As at 31st March, 2020	As at 31 March, 2019
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, Plant and Equipment	4	165.63	165.63
Capital work-in-progress	4	479.66	476.40
Financial Assets			
i) Others Financial Assets	5(b)	3.45	3.45
Other non current assets	6(a)	5.10	5.10
<b>Current assets</b>			
Financial Assets			
i) Cash & Cash Equivalents	5(a)	0.14	0.14
ii) Other Financial Assets	5(b)	0.33	0.09
Income Tax Asset (Net)	7	0.50	0.34
Other current assets	6(a)	0.22	0.16
<b>Total Assets</b>		<b>655.03</b>	<b>651.32</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Equity Share capital	13	500.00	500.00
Other Equity	14	105.36	105.21
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Deferred tax liabilities (Net)	9	26.96	27.31
<b>Current liabilities</b>			
Financial Liabilities			
i) Trade payables	8	4.03	0.46
ii) Other Financial Liabilities	10	18.50	18.16
Provisions	11	0.12	0.12
Other current liabilities	12	0.06	0.06
<b>Total Equity and Liabilities</b>		<b>655.03</b>	<b>651.32</b>
Significant Accounting Policies	3		

The accompanying notes are integral part of the financial statements

As per our attached report of even date

**For Udeshi Shukla & Associates**  
Chartered Accountants  
Firm Registration No. 114886W

CA Paresh Vijaysinh Udeshi  
Partner  
Membership No. 042082



**For and on behalf of the Board of Directors**

R.S. Joshi  
Director  
DIN No. 00218927

Visalakshi Sridhar  
Director  
DIN No. 07325198

Place : Mumbai  
Date : 06.08.2020

Place : Mumbai / Jaipur  
Date : 06.08.2020

**R.B.G. MINERALS INDUSTRIES LIMITED**

(A subsidiary of Edayar Zinc Limited)

**Profit and Loss statement for the year ended on 31st March, 2020**

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Note No.	For the year ended 31 March, 2020	For the year ended 31 March, 2019
Revenue From Operations			
Other Income		-	
<b>Total Income</b>		-	-
<b>EXPENSES :</b>			
Other expenses	15	0.15	0.15
<b>Total expenses</b>		<b>0.15</b>	<b>0.15</b>
Exceptional Items		-	-
<b>Profit/(Loss) before tax</b>		<b>(0.15)</b>	<b>(0.15)</b>
Tax expense:			
- Current tax	21	0.06	0.06
- Deferred tax		(0.36)	(0.32)
<b>Total tax expense</b>		<b>(0.30)</b>	<b>(0.26)</b>
<b>Profit /(Loss) for the year</b>	<b>(A)</b>	<b>0.15</b>	<b>0.11</b>
<b>Other Comprehensive Income</b>			
Items that will not be reclassified to profit or loss			
<b>Other comprehensive income for the year, net of tax</b>	<b>(B)</b>	-	-
<b>Total comprehensive income for the year (A+B)</b>		<b>0.15</b>	<b>0.11</b>
Basic & Diluted earnings per share		0.00	0.00
Significant Accounting Policies	3		

**Note:** The expenses incurred other than Auditor's fees is capitalised and shown under CWIP. The break-up of CWIP is enclosed.

The accompanying notes are integral part of the financial statements

As per our attached report of even date

**For Udeshi Shukla & Associates**

Chartered Accountants

Firm Registration No. 114886W

CA Paresh Vijaysinh Udeshi

Partner

Membership No. 042082

Place : Mumbai

Date : 06.08.2020

**For and on behalf of the Board of Directors**

R.S. Joshi

Director

DIN No. 00218927

Place : Mumbai / Jaipur

Date : 06.08.2020

Visalakshi Sridhar

Director

DIN No. 07325198





**R.B.G. MINERALS INDUSTRIES LIMITED**

(A subsidiary of Edayar Zinc Limited)

**Statement of Changes in Equity for the year ended 31st, March, 2020**

(All amounts in INR lakhs, unless otherwise stated)

**A. Equity Share Capital (Refer Note 13)**

Balance as at 31st March 2019	500.00
Changes in equity share capital	-
Balance as at 31st March, 2020	500.00

**B. Other Equity (Refer Note 14)**

	Reserves and Surplus Retained Earnings	Attributable to the equity holders of the parent
Balance as at 31 March 2019	105.21	105.21
Profit /(Loss) for the year	0.15	0.15
Other Comprehensive Income for the year	-	-
Total Comprehensive Income for the year	0.15	0.15
Balance as at 31 March 2020	105.36	105.36

The accompanying notes are an integral part of these financial statements

As per our report of even date attached

**For Udeshi Shukla & Associates**

Chartered Accountants

Firm Registration No. 114886W

CA Paresh Vijaysinh Udeshi

Partner

Membership No. 042082

Place : Mumbai

Date : 06.08.2020



**For and on behalf of the Board of Directors**

R.S. Joshi

Director

DIN No. 00218927

Place : Mumbai / Jaipur

Date : 06.08.2020

Visalakshi Sridhar

Director

DIN No. 07325198

**R.B.G. MINERALS INDUSTRIES LIMITED**

(A subsidiary of Edayar Zinc Limited)

**Cash Flow Statement for the year ended 31st March 2020**

(All amounts in INR lakhs, unless otherwise stated)

Particulars	For the year ended 31 March, 2020	For the year ended 31 March, 2019
<b>Cash Flow from Operating Activities</b>		
Net Profit / (Loss) Before Tax	(0.15)	(0.15)
<b>Operating Profit before Working Capital Changes</b>	<b>(0.15)</b>	<b>(0.15)</b>
Adjustments for:		
Interest Income	-	
(Increase)/decrease in trade receivables	(0.39)	(0.15)
Increase/(decrease) in trade payables	3.57	(0.22)
<b>Cash Generated from Operations</b>	<b>3.03</b>	<b>(0.38)</b>
Direct Taxes Paid (including TDS & Dividend Distribution Tax)	(0.12)	(0.06)
<b>A Net Cash from / (used in) Operating Activities</b>	<b>2.91</b>	<b>(0.44)</b>
<b>Cash Flow from Investing Activities</b>		
Purchase of Fixed Assets including Capital Work in Progress	(3.49)	0.05
Advances from Holding Company	0.34	0.32
Interest Income	0.23	0.09
Others	-	
<b>B Net Cash from / (used in) Investing Activities</b>	<b>(2.92)</b>	<b>0.47</b>
<b>Cash Flow from Financing Activities</b>		
<b>C Net Cash from / (used in) Financing Activities</b>	<b>-</b>	<b>-</b>
<b>D Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)</b>	<b>(0.01)</b>	<b>0.03</b>
<b>E Cash and Cash Equivalents at the beginning of the year</b>	<b>0.14</b>	<b>0.11</b>
<b>F Cash and Cash Equivalents at the end of the year (D+E)</b>	<b>0.13</b>	<b>0.14</b>
<b>Reconciliation of Cash Flow statements as per the cash flow statement</b>		
<b>Cash Flow statement as per above comprises of the following</b>		
Cash and cash equivalents	0.14	0.14
Bank balances other than cash and cash equivalents	-	-
<b>Balances as per statement of cash flows</b>	<b>0.14</b>	<b>0.14</b>

As per our attached report of even date

**For Udeshi Shukla & Associates**

Chartered Accountants

Firm Registration No. 114886W

**CA Paresh Vijaysinh Udeshi**

Partner

Membership No. 042082



Place : Mumbai

Date : 06.08.2020

**For and on behalf of the Board of Directors**
**R.S. Joshi**

Director

DIN No. 00218927

**Visalakshi Sridhar**

Director

DIN No. 07325198

Place : Mumbai / Jaipur

Date : 06.08.2020

## R.B.G. MINERALS INDUSTRIES LIMITED

(A subsidiary of Edayar Zinc Limited)

Notes to financial statements for the year ended 31<sup>st</sup> March, 2020

### 1. Company information

R.B.G. Minerals Industries Limited is a public limited company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The registered office of the Company is located at 22, Shubham Enclave, Parivahan Marg, C-Scheme, Jaipur, Rajasthan-302001.

The financial statements are approved for issue by the Company's board of directors on August 06<sup>th</sup>, 2020.

### 2. Basis of Preparation of financial statements

#### Compliance with Indian Accounting Standards

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 and relevant provisions of the Companies Act, 2013 ("the Act"). The policies set out below have been consistently applied during the year presented.

These financial statements for the year ended 31 March 2020 are the financials statement of the Company prepared in accordance with Ind AS.

#### Historical cost convention

The financial statements have been prepared under the historical cost convention, as modified by the following:

- Certain financial assets and financial liabilities (including derivative instruments) at fair value;
- Defined benefit plans – plan assets that are measured at fair value; and
- Freehold land included in PPE are measured at fair value

The financial statements are presented in INR, which is also the Company's functional currency and all amounts are rounded to the nearest Lacs, unless otherwise stated.

### 3. Summary of significant accounting policies

The financial statements have been prepared using the significant accounting policies and measurement basis summarised below. These were used throughout all periods presented in the financial statements, except where the Company has applied certain accounting policies and exemptions upon transition to Ind AS.

#### 3.1 Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period



**R.B.G. MINERALS INDUSTRIES LIMITED**

(A subsidiary of Edayar Zinc Limited)

**Notes to financial statements for the year ended 31<sup>st</sup> March, 2020**

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The company has identified twelve months as its operating cycle.

**3.2 Foreign currency**

**Initial recognition**

Foreign currency transactions are recorded in the functional currency, by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction.

**Conversion**

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

**Exchange differences**

Exchange differences arising on the settlement of monetary items or on reporting such monetary items of Company at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or as expenses in the year in which they arise. The gain or loss arising on translation of non-monetary items measured at cost is treated in line with the recognition of the gain or loss on the change in the value of the item (i.e., translation differences on items whose gain or loss is recognised in OCI or statement of profit & loss are also recognised in OCI or statement of profit & loss, respectively).

**3.3 Fair Value Measurement**

The Company discloses fair values of financial instruments measured at amortised cost in the financial statements.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability Or



## R.B.G. MINERALS INDUSTRIES LIMITED

(A subsidiary of Edayar Zinc Limited)

### Notes to financial statements for the year ended 31<sup>st</sup> March, 2020

- In the absence of a principal market, in the most advantageous market for the asset or liability The Company must be able to access the principal or the most advantageous market at the measurement date.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. Valuation process and assumption used to measure the fair value of Assets and Liabilities is disclosed.

#### 3.4 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Amount disclosed as revenue are inclusive of excise duty and net of discounts, returns and value added taxes and amount collected on behalf of third party. The Company recognizes revenue when the amount of revenue can be reliably measured; when it is probable that future economic benefits will flow to the entity; and when specific criteria have been met, as described below.

##### Revenue from sales of goods

Revenue from sale of goods is recognized when all the following conditions have been satisfied:

- a) The company has transferred to the buyer the significant risks and rewards of the ownership of the goods;
- b) The company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- c) The amount of revenue can be measured reliably;
- d) It is probable that the economic benefits associated with the transaction will flow to the company;
- e) The cost incurred or to be incurred in respect of the transaction can be measured reliably.



**R.B.G. MINERALS INDUSTRIES LIMITED**

(A subsidiary of Edayar Zinc Limited)

Notes to financial statements for the year ended 31<sup>st</sup> March, 2020

**Revenue from sales of services**

Revenue from sale of services is recognized when all the following conditions have been satisfied:

- (a) The amount of revenue can be measured reliably;
- (b) It is probable that the economic benefits associated with the transaction will flow to the entity;
- (c) The stage of completion of the transaction at the end of the reporting period can be measured reliably; and
- (d) The costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

**Other Revenue is recognized as follow:**

**Finance Income:**

Finance income is recognised as it accrues using the Effective Interest Rate (EIR) method. EIR is the rate that exactly discounts the estimated future cash payment or receipts over the expected life of the financial instruments or a shorter period, where appropriate, to the net carrying amount of the financial asset or liability. Finance income is included in other income in the profit & Loss Account.

**3.5 Property, Plant and equipment (PPE)**

**Recognition and initial measurement**

Freehold land is carried at fair value. All other items of property, plant and equipment acquired or constructed are initially recognized at cost net of recoverable taxes, duties, trade discounts and rebates, less accumulated depreciation and impairment of loss, if any. The cost of Tangible Assets comprises of its purchase price, borrowing costs and adjustment arising for exchange rate variations attributable to the assets, including any cost directly attributable to bringing the assets to their working condition for their intended use. The present value of the initial estimated cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision is met.

Expenditure incurred on assets which are not ready for their intended use comprising direct cost, related incidental expenses and attributable borrowing cost (net of revenues during constructions) are disclosed under Capital Work-in-Progress.

Spare parts are recognised when they meet the definition of property, plant and equipment, otherwise, such items are classified as inventory.

**Subsequent measurement (depreciation and useful lives)**

When significant parts of plant and equipment are required to be replaced at regular intervals, the company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repairs and maintenance costs are recognized in the statement of profit & loss as and when incurred.

Depreciation on property, plant and equipment (except for Office & Transport Equipment which is provided on Written Down Value Method) is provided on the Straight Line Method, computed on the basis of useful life prescribed in Schedule II to the Companies Act, 2013, on a pro-rata basis from the date the asset is ready to put to use.



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The residual values, useful lives and method of depreciation are reviewed at the end of each financial year and adjusted prospectively, if appropriate.

#### De-recognition

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognized in statement of profit & loss when the asset is derecognized.

#### Transition to Ind AS:

On transition to Ind AS, the company has elected to continue with the carrying value of all of its property, plant and equipment, except for land, recognized as at April 1, 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment. Freehold hold lands are fair valued on transition date and difference between revaluated and net carrying amount is recognized directly in retained earnings.

#### 3.6 Impairment of non-financial assets

Property, plant and equipment with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognized in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

For asset, an assessment is made at each reporting period end or whenever triggering event occurs as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Company makes an estimation of the recoverable amount.

A previously recognised impairment loss is reversed only if there has been a change in the estimations used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, or had no impairment loss been recognised for the asset in prior years.

#### 3.7 Trade Receivable

Trade receivables are amounts due from customers for sale of goods or services performed in the ordinary course of business. Trade receivables are recognized initially at fair value. They are subsequently

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measured at amortized cost using the effective interest method, net of provision for impairment. The carrying value less impairment provision of trade receivables, are assumed to be approximate to their fair values.

**3.8 Cash and cash equivalents**

Cash and cash equivalents include cash at bank and in hand and deposits held at call with banks.

For the purpose of the cash flows statements, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management. In the balance sheet, bank overdrafts are shown within borrowings in current liabilities.

**3.9 Financial Instruments**

**a) Investments and other financial assets**

**i. Initial recognition and measurement**

The Company recognizes financial assets when it becomes a party to the contractual provisions of the instrument. All financial assets are recognized at fair value on initial recognition. Transaction costs that are directly attributable to the acquisition or issue of financial assets, which are not at fair value through profit or loss, are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date.

**ii. Subsequent measurement**

For purposes of subsequent measurement, the Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortized cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows. For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

**Debt instruments**

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

**Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. A gain or loss on a debt investment that is subsequently measured at amortized cost is recognized in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.





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**Fair value through other comprehensive income (FVOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss. Interest income from these financial assets is included in other income using the effective interest rate method.

**Fair value through profit or loss (FVTPL):** Assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognized in profit or loss in the period in which it arises. Interest income from these financial assets is included in other income.

**Equity investments**

The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses for an equity investments, that is not held for trading, in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss as other income when the Company's right to receive payments is established. Changes in the fair value of financial assets at fair value through profit or loss are recognised in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

**iii. Derecognition**

A financial asset is derecognised only when:

- i. the rights to receive cash flows from the asset have expired, or
- ii. the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows to one or more recipient

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

**iv. Impairment of Financial Assets**

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

The impairment methodology for each class of financial assets stated above is as follows:

**Debt investments measured at amortised cost and FVOCI:** Debt investments at amortised cost and those at FVOCI where there has been a significant increase in credit risk, lifetime expected credit loss provision method is used and in all other cases, the impairment provision is determined as 12 months expected credit losses.

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**Trade receivables and lease receivables from customers:** The Company applies the simplified approach to providing for expected credit losses prescribed by Ind AS 109, which requires the use of the lifetime expected loss provision for all trade receivables and lease receivables.

v. **Offsetting Financial instruments**

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or realize the asset and settle the liability simultaneously.

b) **Derivative financial instruments**

The Company uses derivative financial instruments, such as forward currency contracts, option contract and cross currency swap, to hedge its foreign currency risks and interest rate risks. Such derivatives are initially recognized at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value with changes in fair value recognized in the statement of profit and loss, under financial income or financial cost, in the period when they arise.

c) **Share Capital:**

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

d) **Financial Liabilities**

i. **Classification as debt or equity**

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definition of a financial liability and an equity instrument. An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

ii. **Initial recognition and measurement**

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

iii. **Subsequent measurement**

The measurement of financial liabilities depends on their classification, as described below:

- 1) **Borrowings:** Borrowings are subsequently carried at amortized cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognized in the statement of profit and loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalized as a pre-payment for liquidity services and amortized over the period of the facility to which it relates.



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- 2) **Trade and other payable:** These amounts represent obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade and payables are subsequently measured at amortized cost using the effective interest method.

**iv. Derecognition**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

**3.10 Income tax**

Income tax expense comprises current and deferred income tax. Income tax expense is recognized in net profit in the statement of profit and loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in other comprehensive income. Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized. The company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

**3.11 Provisions, contingent liabilities and contingent assets**

**Provisions**

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

**Contingent liabilities**

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. A present obligation that arises from past



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events where it is either not probable that an outflow of resources will be required to settle or reliable estimate of the amount cannot be made, is termed as contingent liability.

**Contingent Assets**

Contingent assets is disclosed where an inflow of economic benefit is probable.

**3.12 Earnings per share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

**3.13 Cash flow statement**

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

**3.14 Critical accounting estimates and judgements**

Preparing the financial statements under Ind AS requires management to take decisions and make estimates and assumptions that may impact the value of revenues, costs, assets and liabilities and the related disclosures concerning the items involved as well as contingent assets and liabilities at the balance sheet date. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Company make estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

**(a) Impairment of Non-Financial Assets**

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate the cash inflow that is largely independent of those from other asset or group of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing the value in use, the estimated future cash flow are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risks

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specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted shares prices for publicly traded subsidiaries or other available fair value indicators.

**(b) Impairment of Financial Assets**

The impairment provisions for financial assets are based on assumption about risk of default and expected loss rate. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

**(c) Income taxes**

There are transactions and calculations for which the ultimate tax determination is uncertain and would get finalized on completion of assessment by tax authorities. Where the final tax outcome is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

Deferred tax on temporary differences reversing within the tax holiday period is measured at the tax rates that are expected to apply during the tax holiday period, which is the lower tax rate or the nil tax rates.

**(d) Recoverability of advances /receivables**

At each balance sheet date, based on historical default rates observed over expected life, the management assesses the expected credit loss on outstanding receivables and advances.

**3.15 Standards issued but not yet effective and have not been adopted early by the Company**

**a.) Ind AS 7, 'Statement of Cash Flows**

The Ministry of Corporate Affairs has issued the Companies (Indian Accounting Standards) (Amendment) Rules, 2017 (the 'Amendment rules') on 17 March 2017, notifying amendment to Ind AS 7, 'Statement of Cash Flows'.

The amendment to Ind AS 7 introduces an additional disclosure that will enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes.



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**Notes to financial statements for the year ended 31st March, 2020**

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**Note 4: Property, plant and equipment & Capital Work in Progress :**

Particulars	Leasehold Land	Freehold Land	Maps & Periodicals	Survey Instruments	Total PPE	Capital Work in Progress
<b>As at and Year ended March 31, 2019</b>						
Gross carrying amount						
As at April 01, 2018	31.85	133.60	2.76	0.68	168.89	472.67
Additions	-	-	-	-	-	3.72
<b>As at March 31, 2019</b>	<b>31.85</b>	<b>133.60</b>	<b>2.76</b>	<b>0.68</b>	<b>168.89</b>	<b>476.39</b>
<b>Accumulated depreciation and impairment</b>						
As at April 01, 2018	-	-	2.62	0.64	3.26	-
Depreciation charged during the year	-	-	-	-	-	-
<b>As at March 31, 2019</b>	<b>-</b>	<b>-</b>	<b>2.62</b>	<b>0.64</b>	<b>3.26</b>	<b>-</b>
<b>Net carrying amount as on March 31, 2019</b>	<b>31.85</b>	<b>133.60</b>	<b>0.14</b>	<b>0.03</b>	<b>165.63</b>	<b>476.39</b>
<b>As at and Year ended March 31, 2020</b>						
Gross carrying amount						
As at April 01, 2019	31.85	133.60	2.76	0.68	168.89	476.39
Additions	-	-	-	-	-	-
<b>As at March 31st, 2020</b>	<b>31.85</b>	<b>133.60</b>	<b>2.76</b>	<b>0.68</b>	<b>168.89</b>	<b>476.39</b>
<b>Accumulated depreciation and impairment</b>						
As at April 01, 2019	-	-	2.62	0.64	3.26	-
Depreciation charged during the year	-	-	-	-	-	-
<b>As at March 31st, 2020</b>	<b>-</b>	<b>-</b>	<b>2.62</b>	<b>0.64</b>	<b>3.26</b>	<b>-</b>
<b>Net carrying amount as on June 30, 2019</b>	<b>31.85</b>	<b>133.60</b>	<b>0.14</b>	<b>0.03</b>	<b>165.63</b>	<b>476.39</b>

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**Notes to financial statements for the year ended 31st March,2020**

Particulars	As at 31st March, 2020	As at 31 March, 2019
<b>Capital work in progress (Preoperative Expenditure)</b>		
Balance b/f	472.32	468.60
Payment & Provision for Administration charges for PF	0.00	0.00
Audit fees	0.00	0.00
Bank Charges & Commission	0.00	0.07
Depreciation	0.00	0.00
Legal & Other Expenses	0.13	0.11
Misc expenses	0.01	0.00
Office expenses / Mine Maintenance expenditure	0.00	0.00
Printing & Stat./Computer Exp.	0.00	0.00
Dead Rent - Basantgarh Mines	3.33	3.12
Surcharge Expenses - DMFT	0.00	0.00
Beneficiation Plant-Lease Rent	0.00	0.00
Interest expense	0.00	0.00
Board Sitting Fees	0.00	0.00
Income Tax	0.00	0.00
Service Tax	0.00	0.00
Swach Bharat Cess payable	0.00	0.00
Krishi Kalyan Cess payable	0.00	0.00
Filing Fees	0.03	0.60
Travelling Exps	0.00	0.06
Interest on Bank F.D.R./Others	(0.23)	(0.23)
	<b>475.59</b>	<b>472.32</b>
Add: Preliminary Expenditure	4.08	4.08
<b>CWIP (Total)</b>	<b>479.66</b>	<b>476.40</b>

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**Notes to financial statements for the year ended 31st March,2020**

(All amounts in INR lakhs, unless otherwise stated)

Particulars	31st March 2020		31 March 2019	
	Current	Non-Current	Current	Non-Current
<b>5. Financial Assets :</b>				
<b>(a) Cash and Cash Equivalents</b>				
Balances with banks				
- In Current Accounts	0.14	-	0.14	-
Cash on hand	-	-	-	-
<b>Total</b>	<b>0.14</b>	<b>-</b>	<b>0.14</b>	<b>-</b>
<b>(b) Other Financial Assets :</b>				
Fixed Deposits with more than twelve months maturity *	-	3.45	-	3.45
Refer Note (i) below				
Accrued Interest	0.33	-	0.09	-
others				
<b>Total</b>	<b>0.33</b>	<b>3.45</b>	<b>0.09</b>	<b>3.45</b>
<b>Note:</b>				
(i) Fixed deposit for Rs. 3.03 lakhs of PNB Bank is given to Indian Bureau of Mines (IBM), Ajmer towards non-compliance of proposals for reclamation / rehabilitation & protection of environment. Fixed deposit for Rs. 0.04 lakhs & Rs. 0.18 lakhs is with Bank of Baroda (A/c Mining Engineer, Bhilwara & Sirohi)				
<b>6. a) Balances with Statutory Authorities</b>				
Others	0.22	5.10	0.16	5.10
<b>Total</b>	<b>0.22</b>	<b>5.10</b>	<b>0.16</b>	<b>5.10</b>
<b>7. Income Tax Assets (Net) :</b>				
Advance Tax	0.87	-	0.66	-
Provision for Income tax (Refer Note No. 21)	(0.38)	-	(0.32)	-
<b>Total</b>	<b>0.50</b>	<b>-</b>	<b>0.34</b>	<b>-</b>
<b>8. Current Liabilities</b>				
Trade Payables (Refer Note No. 23)	0.64	-	0.46	-
other current liabilities	3.39	-	-	-
<b>Total</b>	<b>4.03</b>	<b>-</b>	<b>0.46</b>	<b>-</b>
<b>9. Deferred Tax (Net)</b>				
Deferred Tax Liabilities				
On Land (Refer Note No. 21)	-	26.96	-	27.31
<b>Total</b>	<b>-</b>	<b>26.96</b>	<b>-</b>	<b>27.31</b>
<b>10. Other Financial Liabilities :</b>				
Advance from Holding Company (Refer Note No. 16)	18.50	-	18.16	-
Advance from Related Party (Refer Note No. 16)	0.00	-	-	-
<b>Total</b>	<b>18.50</b>	<b>-</b>	<b>18.16</b>	<b>-</b>
<b>11. Provisions :</b>				
Provision for Bonus	0.12	-	0.12	-
<b>Total</b>	<b>0.12</b>	<b>-</b>	<b>0.12</b>	<b>-</b>
<b>12. Other Current Liabilities :</b>				
Statutory dues	0.06	-	0.06	-
<b>Total</b>	<b>0.06</b>	<b>-</b>	<b>0.06</b>	<b>-</b>

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**Notes to financial statements for the year ended 31st March, 2020**

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**Note 13 : Equity Share Capital**

	As at 31st March, 2020	As at 31 March, 2019
<b>Authorised</b>		
5,000,000 Equity Shares of Rs. 10/- each	500.00	500.00
<b>Total</b>	<b>500.00</b>	<b>500.00</b>
<b>Issued, subscribed and fully paid up</b>		
5,000,000 Equity Shares of Rs. 10/- each	500.00	500.00
<b>Total</b>	<b>500.00</b>	<b>500.00</b>

**a) Reconciliation of number of shares**

	As at 31st March, 2020		As at 31 March 2019	
	No. of shares	Amount (Rs.)	No. of shares	Amount (Rs.)
<b>Equity Shares:</b>				
Balance as at the beginning of the year	5,000,000	500.00	5,000,000	500.00
Add : Issued during the year	-	-	-	-
Balance as at the end of the year	<b>5,000,000</b>	<b>500.00</b>	<b>5,000,000</b>	<b>500.00</b>

**b) Rights, preferences and restrictions attached to shares**

The entire Share Capital is held by Edayar Zinc Ltd. The company has only one class of equity shares having face value of Rs 10/- per share. Each holder of the equity share is entitled to one vote per share. The company has not issued any bonus shares or any shares for the period of five immediately preceding the previous year for consideration other than cash, nor the company has bought shares during the period of five immediately preceding the previous year. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after

**c) Shares held by Holding Company**

	As at 31st March, 2020	As at 31 March, 2019
5,000,000 Equity Shares of Rs. 10/- each held by Edayar Zinc Limited	500.00	500.00

**d) Details of equity shares held by shareholders holding more than 5% of the aggregate shares in the Holding Company**

	As at 31st March, 2020		As at 31 March 2019	
	No. of shares	% of share holding	No. of shares	% of share holding
Equity shares				
Edayar Zinc Limited	5,000,000	100%	5,000,000	100%





**R.B.G. MINERALS INDUSTRIES LIMITED**

(A subsidiary of Edayar Zinc Limited)

**Notes to financial statements for the year ended 31st March,2020**

(All amounts in INR lakhs, unless otherwise stated)

**Note 14 : Other Equity**

Particulars	31st March,2020		31st March,2019	
	Reserves and Surplus	Attributable to the equity holders of the parent	Reserves and Surplus	Attributable to the equity holders of the parent
	Retained Earnings		Retained Earnings	
Balance as at 31st March 2019	105.21	105.21	105.10	105.10
Profit /(Loss) for the year	0.15	0.15	0.11	0.11
Other Comprehensive Income for the year	-	-	-	-
Total Comprehensive Income for the year	0.15	0.15	0.11	0.11
Balance as at 31st March, 2020	105.36	105.36	105.21	105.21

**Note 15: Other Expenses :**

Particulars	For the year ended 31 March, 2020	For the year ended 31 March, 2019
Payment to Auditors		
Audit Fees	0.15	0.15
Professional Fees		
Filing Expenses		
Miscellaneous Expenses		
Interest others		
	0.15	0.15



**R.B.G. MINERALS INDUSTRIES LIMITED**  
**(A subsidiary of Edayar Zinc Limited)**  
**Notes to financial statements for the year ended 31st March,2020**  
**(All amounts in INR lakhs, unless otherwise stated)**

**Note 16 : Related Party Disclosure**

**A) Names of related parties and description of relationship:**

**(a) Holding Company**

Edayar Zinc Limited

**(b) Investing parties/promoters having significant influence on the Company directly or indirectly**

**Companies**

Binani Industries Limited

Triton Trading Company Pvt Ltd

**Directors**

Mr. Gopal Gandhi (appointed w.e.f. 30.12.2011)

Mr. R. S. Joshi (appointed w.e.f. 18.04.2016)

Mr. Mahesh Gupta (resigned w.e.f. 21st May 2018)

Mr. Visalakshi Sridhar (appointed w.e.f. 15.04.2019)

**(c) Enterprises over which Companies described in clause (b) above have control**

Binani Industries Limited, Edayar Zinc Limited (EZL), Goa Glass Fibre Limited (GGFL), Global Composite Holdings Inc (Formerly Known as CPI Binani Inc.), (U.S.A) (CPI), 3B Binani Glass Fibre SARL (Luxembourg), Project Bird Holding II S.a.r.l. (Luxembourg), 3B - Fibreglass SPRL (Belgium), 3B - Fibreglass A/S (Norway), TunFib SARL (Tunisia), BIL Infratech Limited, Nirbhay Management Services Private Limited (Nirbhay), Dharmik Commodeal Private Limited, Vijayshree Holdings Private Limited, K.B. Vyapar Private Limited, Lucknow Properties & Finance Private Limited, Akror Traders Private Limited, Triton Trading Co. Private Limited, Megha Mercantile Private Limited, Atithi Tie-Up Private Limited.

**B) Transactions with related parties**

Following transactions have occurred with the related parties during the financial year:

	31st March,2020	31 March 2019
<b>Advance taken from Holding Company</b> Edayar Zinc Ltd *		7.10
<b>Advance taken from Related Party</b> Binani Industries Limited*	-	-
<b>Advance Repaid to Related party</b> Binani Industries Limited	-	3.20

**C) Balances as on 31.03.2019:**

	31st March,2020	31 March 2019
<b><u>Other Financial liabilities</u></b>		
<b>Advance from Holding Company</b> Edayar Zinc Ltd *	18.50	18.16
<b>Advance from Related Party</b> Binani Industries Limited*	0.00	0.00

**\*Terms and conditions:**

Payable on demand without interest.

**D) Details of equity shares held by holding company**

Company	Relationship	As at 31st March,2020		As at 31 March 2019	
		% of share holding	No. of shares	% of share holding	No. of shares
Edayar Zinc Ltd.	Holding Company	100%	5,000,000	100%	5,000,000



**R.B.G. MINERALS INDUSTRIES LIMITED**

(A subsidiary of Edayar Zinc Limited)

**Notes to financial statements for the six month ended '31st March 2020**

(All amounts in INR lakhs, unless otherwise stated)

**Note 17 : Fair value measurements****i) Financial instruments by category**

	31st March 2020			31 March 2019		
	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
<b>Financial assets</b>						
Cash and cash equivalents	-	-	0.14	-	-	0.14
Bank deposits with more than 12 months maturity	-	-	3.45	-	-	3.45
Other financial assets	-	-	0.33	-	-	0.09
<b>Total financial assets</b>	-	-	<b>3.92</b>	-	-	<b>3.69</b>
<b>Financial liabilities</b>						
Trade Payables	-	-	4.03	-	-	0.46
Other financial liabilities	-	-	18.50	-	-	18.16
<b>Total financial liabilities</b>	-	-	<b>22.53</b>	-	-	<b>18.62</b>

**ii) Fair value of financial assets and liabilities measured at amortised cost**

	31st March 2020		31 March 2019	
	Carrying amount	Fair value	Carrying amount	Fair value
<b>Financial assets</b>				
Cash and cash equivalents	0.14	0.14	0.14	0.14
Other bank balances	-	-	-	-
Bank deposits with more than 12 months maturity	3.45	3.45	3.45	3.45
Other financial assets	0.33	0.33	0.09	0.09
<b>Total financial assets</b>	<b>3.92</b>	<b>3.92</b>	<b>3.69</b>	<b>3.69</b>
<b>Financial Liabilities</b>				
Borrowings	-	-	-	-
Trade payables	4.03	4.03	0.46	0.46
Other financial liabilities	18.50	18.50	18.16	18.16
<b>Total financial liabilities</b>	<b>22.53</b>	<b>22.53</b>	<b>18.62</b>	<b>18.62</b>

Financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.



**R.B.G. MINERALS INDUSTRIES LIMITED**

(A subsidiary of Edayar Zinc Limited)

Notes to financial statements for the six month ended '31st March 2020

(All amounts in INR lakhs, unless otherwise stated)

**Note 18 : Financial risk management**

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's financial risk management policy is set by the Managing Board.

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and loans and borrowings.

The Company manages market risk through a treasury department, which evaluates and exercises independent control over the entire process of market risk management. The treasury department recommend risk management objectives and policies, which are approved by Senior Management and the Audit Committee. The activities of this department include management of cash resources, implementing hedging strategies for foreign currency exposures like foreign exchange forward contracts, borrowing strategies and ensuring compliance with market risk limits and policies.

**(A) Credit risk**

The company is exposed to credit risk, which is the risk that counterparty will default on its contractual obligation resulting in a financial loss to the group. Credit risk arises from cash and cash equivalents, financial assets carried at amortised cost, derivative products and deposits with banks and financial institutions, as well as credit exposures to trade/non-trade customers including outstanding receivables.

**(i) Credit risk management**

Credit risk arises from the possibility that the counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assesses financial reliability of customers and other counter parties, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of financial assets. Individual risk limits are set and periodically reviewed on the basis of such information.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis through each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of default occurring on asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as:

- i) Actual or expected significant adverse changes in business,
- ii) Actual or expected significant changes in the operating results of the counterparty,
- iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations,
- iv) Significant increase in credit risk on other financial instruments of the same counterparty,
- v) Significant changes in the value of the collateral supporting the obligation or in the quality of the third-party guarantees or credit enhancements.

Financial assets are written off when there is no reasonable expectations of recovery, such as a debtor failing to engage in a repayment plan with the Company. Where loans or receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized as income in the statement of profit and loss.

The Company measures the expected credit loss of trade receivables and loan from individual customers based on historical trend, industry practices and the business environment in which the entity operates. Loss rates are based on actual credit loss experience and past trends. Based on the historical data, loss on collection of receivable is not material hence no additional provision considered.

**Ageing of Account receivables**

	As at 31st March 2020	As at 31st March 2019
Not due	-	-
0-180 Days	-	-
181-360 Days	-	-
1 years to 2 years	-	-
More than 2 years	-	-
Total	-	-



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**R.B.G. MINERALS INDUSTRIES LIMITED**

(A subsidiary of Edayar Zinc Limited)

**Notes to financial statements for the year ended 31st March, 2020**

(All amounts in INR lakhs, unless otherwise stated)

**(B) Liquidity risk**

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, group treasury maintains flexibility in funding by maintaining availability under committed credit lines.

Management monitors rolling forecasts of the group's liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows. This is generally carried out at local level in the operating companies of the group in accordance with practice and limits set by the group. These limits vary by location to take into account the liquidity of the market in which the entity operates. In addition, the group's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

**(i) Maturities of financial liabilities**

The tables below analyse the group's financial liabilities into relevant maturity groupings based on their contractual maturities for:

- all non-derivative financial liabilities

The amounts disclosed in the table are the contractual undiscounted cash flows.

**1) Maturity patterns of other Financial Liabilities**

As at 31st March, 2020	0-180 Days	181-360 Days	1 years to 2 years	More than 2 years	Total
Trade Payable	4.03	-	-	-	4.03
Other Financial liability (Current and Non Current)	18.50	-	-	-	18.50
<b>Total</b>	<b>22.53</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>22.53</b>

As at 31st March, 2019	0-180 Days	181-360 Days	1 years to 2 years	More than 2 years	Total
Trade Payable	0.46	-	-	-	0.46
Other Financial liability (Current and Non Current)	18.16	-	-	-	18.16
<b>Total</b>	<b>18.62</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>18.62</b>

**(C) Market risk**

Considering the present structure of the company, the company is not facing any market risk - foreign exchange & interest rate.

**Note 19 : Contingent Liabilities & Capital Commitments**

Claims against the Company not acknowledged as debts : Nil  
Capital commitments : Nil

**Note 20 : Capital management****(a) Risk management**

The Company aim to manage its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to our shareholders.

The capital structure of the Company is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. We consider the amount of capital in proportion to risk and manage the capital structure in light of hanges in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

**R.B.G. MINERALS INDUSTRIES LIMITED**  
(A subsidiary of Edayar Zinc Limited)  
**Notes to standalone financial statements**  
(All amounts in INR lakhs, unless otherwise stated)

**Note 21 : Income taxes**

The major components of income tax expense for the year ended 31st March, 2020 and 31 March 2019 are:

**(a) Tax Expense recognised in the Statement of profit and loss:**

	31st March, 2020	31 March 2019
<b>(a) Income tax expense</b>		
<b>Current tax</b>		
Current tax on profits for the year	0.06	0.06
Adjustments for current tax of prior periods	-	-
<b>Total current tax expense</b>	<b>0.06</b>	<b>0.06</b>
<b>Deferred tax</b>		
Decrease (increase) in deferred tax assets	-	-
(Decrease) increase in deferred tax liabilities	(0.36)	(0.32)
<b>Total deferred tax expense/(benefit)</b>	<b>(0.36)</b>	<b>(0.32)</b>
<b>Income tax expense</b>	<b>(0.30)</b>	<b>(0.26)</b>

**(b) The reconciliation of tax expense and the accounting profit multiplied by tax rate :**

	31st March,2020	31 March 2019
Profit before income tax expense	(0.15)	(0.15)
Enacted income tax rate in India	26.00%	26.00%
Income tax expense as per enacted rate	(0.04)	(0.04)
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Expenses disallowed since business not commenced	0.04	0.04
Decrease in Deferred tax on fair value of Freehold Land / Adjustments for Deferred tax of prior period		
Depreciation	-	-
Other items	0.06	0.06
DTA not recognised	-	-
Adjustments for current tax of prior periods	-	-
Tax losses for which no deferred income tax was recognised	-	-
<b>Income tax expense</b>	<b>0.06</b>	<b>0.06</b>

**(c) Deferred tax liabilities**

	31st March,2020	31 March 2019
Net deferred tax liability on depreciation due to timing difference	-	-
Less: Recoverable from beneficiaries	-	-
<b>Closing balance</b>	<b>-</b>	<b>-</b>
The tax effect of significant timing differences that has resulted in deferred tax assets and liabilities are given below:		
Particulars	31st March,2020	31 March 2019
(i) Deferred tax liability on fair valuation of Freehold Land	26.96	27.31
<b>Total (i)</b>	<b>26.96</b>	<b>27.31</b>
(ii) Deferred Tax Asset	-	-
<b>Total (ii)</b>	<b>-</b>	<b>-</b>
Deferred Tax Liability/ (Assets) - (a+b)	26.96	27.31
Less: Provided upto last year - Liability / (Assets)	27.31	27.64
<b>Deferred Tax for the year - Liability / (Assets)</b>	<b>(0.35)</b>	<b>(0.33)</b>
Changes recognised in P&L for the year - Liability / (Assets)	(0.35)	(0.33)



**R.B.G. MINERALS INDUSTRIES LIMITED**

(A subsidiary of Binani Cement Limited)

**Notes to financial statements for the year ended 31st March,2020**

(All amounts in INR lakhs, unless otherwise stated)

**Note 22 : Earnings per share**

	31st March 2020 No. of shares	31 March 2019 No. of shares
<b>(a) Basic and diluted earnings per share</b>		
Profit attributable to the equity holders of the company (A)	0.15	0.11
Basic and Diluted earnings per share attributable to the equity holders of the company (A/B)	0.00	0.00

	31st March 2020 No. of shares	31 March 2019 No. of shares
<b>(b) Weighted average number of shares used as the denominator</b>		
Weighted average number of equity shares used as the denominator in calculating basic and diluted earnings per share (B)	5,000,000	5,000,000

The Company had initiated the process of identifying the suppliers who qualify under the definition of micro and small enterprises, as defined under the Micro, Small and Medium Enterprises Development Act, 2006. Since no intimation has been received from the suppliers regarding their status under the said Act as at 'March 31, 2019, disclosures relating to amounts unpaid as at the year end, if any, have not been furnished. In the opinion of the management, the impact of interest, if any, that may be payable in accordance with the provisions of the Act is not expected to be material.

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24. The Company has not started business and therefore Segment disclosures as per IND AS 108 are not applicable.

25. There are no other disclosures applicable to the Company that need to be reported as per IND AS.

26. No events or transactions have occurred since the date of Balance Sheet or are pending that would have a material effect on the financial statements for the year ended, other than those reflected or fully disclosed in the books of accounts.

Note: Figures of previous years regrouped or restated wherever necessary.

As per our report of even date attached

**For Udeshi Shukla & Associates**

Chartered Accountants

Firm Registration No. 114886W

  
CA Paresh Vijaysinh Udeshi

Partner

Membership No. 042082

**For and on behalf of the Board of Directors**  
R.S. Joshi

Director

DIN No. 00218927

  
Visalakshi Sridhar

Director

DIN No. 07325198

Place : Mumbai

Date : 06.08.2020

Place : Mumbai / Jaipur

Date : 06.08.2020