Binani

BRAJ BINANI GROUP

EDAYAR ZINC LIMITED

ANNUAL REPORT 2018-19

Edayar Zinc Limited

(A Subsidiary of Binani Industries Limited)

Binani
BRAJ BINANI GROUP

BOARD OF DIRECTORS

Mr. Rakesh Kumar Rawal	:	Whole Time Director [upto March 20, 2019]
Mrs. Visalakshi Sridhar	:	Managing Director [as Director w.e.f. February 23, 2019] [as Managing Director w.e.f. April 08, 2019]
Ms. Kirti Mishra	:	Director
Mr. Rajeev Puri	:	Director [upto December 19, 2018]
Mr. Pradeep Sharma	:	Director [w.e.f. January 22, 2019]
Mr. Gour Chandra Das	:	Director [w.e.f. January 22, 2019]

AUDITORS
M/s. Udeshi Shukla & Associates,
Chartered Accountants, Mumbai
B220, Pranik Chambers,
2nd Floor, Sakivihar Road, Saki Naka,
Andheri East, Mumbai-400 072.
Tel: +91 22 67088200

SECRETARIAL AUDITORS
Aabid & Co.,
Company Secretaries, Mumbai
12, 4th Floor, Sai Sadan,
68, Janma Bhoomi Marg,
Fort, Mumbai-400 001.
Mob:+91 9892158830

BANKERS
Punjab National Bank
Oriental Bank of Commerce
Punjab & Sind Bank

REGISTERED OFFICE
37/2, Chinar Park, New Town,
Rajarhat Main Road
P.O. Hatiara, Kolkata - 700157.
Tel: +91 08100326795
Fax: +91 033-40088802
Email: sauvik.nayak@binani.net
CIN: U27204WB2000PLC091214

CORPORATE OFFICE
Mercantile Chambers
12, J.N. Heredia Marg,
Ballard Estate, Mumbai - 400 001.
Tel: 022-30263000
Fax:022-22634960
Email: mumbai@binani.net

PLANT LOCATION
Binanipuram, Ernakulam, Kerala - 683 502

REGISTRAR & SHARE TRANSFER AGENTS
M/s. Link Intime India Private Limited
247 Park, C-101, L.B.S. Marg,
Vikhroli (W), Mumbai-400 083.
Tel: 022 - 49186270
Fax: 022-49186060
Email: preet.rajgor@linkintime.co.in

SUBSIDIARY
R. B. G. Minerals Industries Limited
22 Shubham Enclave, Parivahan Marg,
C-Scheme, Jaipur - 302001

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EDAYAR ZINC LIMITED
(Formerly Binani Zinc Ltd)
CIN U27204WB2000PLC091214
Registered Office: Registered Office: 37/2 Chinar Park, New Town, Rajarhat Main Road, P O Hatiara, Kolkatta-700 157
website: www.binaniindustries.com; Tel: 08100326795 Fax: 033 – 40088802 Email – binanigroupcal@rediffmail.com

NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the 19th Annual General Meeting of the Members of **EDAYAR ZINC LIMITED** (Formerly known as Binani Zinc Ltd) will be held on Friday, 27th December, 2019 at 11.30 a.m. at Rotary Sadan, 94/2, Chowringhee Road, Kolkata – 700 020. to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Standalone and Consolidated Audited Financial Statements of the Company for the Year ended 31st March, 2019, including the Audited Balance Sheet as at 31st March, 2019, together with reports of the Directors and the Auditors thereon.

SPECIAL BUSINESS:

2. Appointment of Mrs Visalakshi Sridhar as a Director of the Company

To consider and if thought fit, to pass with or without modification(s), as an **Ordinary Resolution**, the following:-

"**RESOLVED THAT**, pursuant to the provisions of Section 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (the Act") read with Rules made thereunder (including any statutory modification(s), enactment(s) or re-enactment(s) thereof, for the time being in force), Mrs. Visalakshi Sridhar (DIN-07325198) who was appointed as an Additional Director, of the Company by the Board of Directors effective 23rd February 2019, and who holds office upto the date of this Annual General Meeting in terms of Section 161(1) of the Act and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a Member proposing her candidature for the office of Director, be and he is hereby appointed as a Director of the Company, liable to retire by rotation."

"**RESOLVED FURTHER THAT** the Board of Directors of the Company (including any Committee thereof) be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution.

3. Appointment of Mrs. Visalakshi Sridhar as Managing Director.

To consider and if thought fit, to pass with or without modification(s), as a **Special Resolution**, the following:-

"**RESOLVED THAT** Pursuant to the recommendation of Nomination and Remuneration Committee and approval of the Board of Directors of the Company in their respective meetings held on 8th April, 2019 and subject to provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 [including any statutory modification(s) or re-enactment thereof, for the time being in force] and subject to such other approvals as may be required, the Company hereby accords its approval to the appointment of Mrs. Visalakshi Sridhar (DIN 07325198) as a Managing Director of the Company for a period of two years effective from 8th April, 2019 till 8th April, 2021 upon NIL Remuneration and Perquisites and other terms and conditions as set out in the draft Agreement to be entered into between the Company and Mrs. Visalakshi Sridhar (a copy of which is placed before the meeting) with liberty to the Board of Directors to alter and vary the terms and conditions of the said Agreement as the Board of Directors may consider necessary and as may be agreed to by Mrs. Visalakshi Sridhar within the overall limits as specified in Schedule V of the Companies Act, 2013 for the time being in force or any statutory modification or re-enactment thereof and /or any rules or regulations framed thereunder and the terms of the aforesaid Agreement between the Company and Mrs Visalakshi Sridhar shall be suitably modified to give effect to such variation or increase, as the case may be."

"**RESOLVED FURTHER THAT** the Board be and is hereby authorised to do all acts and take all such steps, as may be necessary, proper or expedient to give effect to this Resolution."

4. Appointment of Mrs. Pradeep Sharma as Independent Director

To consider and if thought fit, to pass with or without modification(s), as an **Ordinary Resolution**, the following:-

"**RESOLVED THAT**, pursuant to the provisions of Section 149, 152 and any other applicable provisions of the Companies Act, 2013 (the Act) read with Schedule IV thereto (including any statutory modification(s), enactment(s) or re-enactment(s) thereof, for the time being in force), Companies (Appointment and Qualification of Directors) Rules, 2014 and such other Rules, as may be applicable, Mr. Pradeep Sharma (DIN - 06881915) being eligible to be an Independent Director, be and is hereby appointed as an Independent Director, not liable to retire by rotation, for a term upto the date of 21st Annual General Meeting of the Company to be held in the year 2021.

"**RESOLVED FURTHER THAT** the Board of Directors of the Company (including any Committee thereof) be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution.

5. Appointment of Mr. Gour Chandra Das as Independent Director

To consider and if thought fit, to pass with or without modification(s), as an **Ordinary Resolution**, the following:-

"**RESOLVED THAT**, pursuant to the provisions of Section 149, 152 and any other applicable provisions of the Companies Act, 2013 (the Act) read with Schedule IV thereto (including any statutory modification(s), enactment(s) or re-enactment(s) thereof, for the time being in force), Companies (Appointment and Qualification of Directors) Rules, 2014 and such other Rules, as may be applicable, Mr. Gour Chandra Das (DIN - 07575745) being eligible to be an Independent Director, be and is hereby appointed as an Independent Director, not liable to retire by rotation, for a term upto the date of 21st Annual General Meeting of the Company to be held in the year 2021.

RESOLVED FURTHER THAT the Board of Directors of the Company (including any Committee thereof) be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution."

6. Approval to sell lease or otherwise dispose off the assets of the company

To consider and if thought fit, to pass with or without modification(s), as an **Special Resolution**, the following:-

"**RESOLVED THAT**, pursuant to the provisions of Section 180(1)(a) of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, and subject to other applicable provisions, if any, of the Companies Act, 2013, (including any statutory modification or re-enactment thereof for the time being in force), the provisions of the Memorandum and Articles of Association of the Company, and such other approvals, consents and permissions being obtained from the appropriate authorities to the extent applicable and necessary, the consent of the Members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred as the "Board" which term shall be deemed to include any Committee which the Board may have constituted or hereinafter constitute from time to time to exercise its powers including the power conferred by this resolution), to sell / lease / transfer / dispose off the assets of the company ("Undertaking"), together with all tangible and intangible assets, including land, plant and machinery and other assets in relation to the Undertaking, either as scrap / as a going concern / on a slump sale basis on an "as is where is" basis or in any other manner as the Board may deem fit in the interest of the Company, to such party or parties to enable the Company to pay off its liabilities on such terms and conditions as may be deemed fit by the Board.

RESOLVED FURTHER THAT the Board be and is hereby authorised and empowered to finalise and execute necessary documents including but not limited to definitive Agreements, deeds of assignment / conveyance and other ancillary documents, with effect from such date and in such manner as is decided by the Board to do all such other acts, deeds, matters and things as they may deem necessary and/or expedient to give effect to the above Resolution including without limitation, to settle any questions, difficulties or doubts that may arise in regard to sale and transfer of the Undertaking as they may in their absolute discretion deem fit.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred, to any Committee of Directors or any one or more Directors of the Company with power to delegate to any Officers of the Company, with authorities as required, affixing the Common Seal of the Company on agreements/ documents, arranging delivery and execution of contracts, deeds, agreements and instruments."

By Order of the Board of Directors
For **Edayar Zinc Limited**

Kirti Mishra
Director
DIN: 07824918

Place: Kolkata
Date : 29.08.2019

NOTES:

1. The Statement pursuant to Section 102 (1) of the Companies Act, 2013 with respect to Special Business set out in the Notice is annexed hereto.

2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING, IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/ HERSELF AND THE PROXY NEED NOT BE MEMBER OF THE COMPANY.** A person can act as proxy on behalf of the Members not exceeding fifty (50) and holding in aggregate not more than 10% of the total share capital of the Company. A Member holding more than 10% of the total share capital of the Company may appoint a single person as proxy and such person shall not act as proxy for any other Member.

3. The instrument of proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed, stamped and signed, not less than 48 hours before the commencement of the Annual General Meeting ('AGM'). Proxies submitted on behalf of the companies/bodies corporate etc. must be supported by an appropriate resolution/authority, as applicable. A Proxy Form is appended with this Notice.

4. During the period beginning 24 hours before the time fixed for the commencement of the AGM and ending with the conclusion of the AGM, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, at its Registered Office provided that not less than three days of notice in writing is given to the Company.

5. Members/ Proxies should bring the dully filled Attendance Slip to attend the AGM.

6. The equity shares of the Company are eligible for dematerialisation with both the depositories, NSDL and CSDL. ISIN of the Company is INE310H01010. The Company's Shares however are not listed on any Stock Exchange.

7. A brief profile of Directors proposed to be appointed/reappointed is annexed hereto and forms part of this Notice.

8. The Register of Directors and Key Management Personnel and their shareholding, maintained under section 170 of the Companies Act, 2013 and the Register of Contracts and Arrangement in which the Directors are interested, maintained under section 189 of the Companies Act, 2013, shall be available for inspection by the Members at the AGM.

9. Members are requested to:

   a. bring their copy of the Annual Report for the AGM.

   b. address their queries relating to financial statements, if any, at the Registered Office of the Company at least ten working days in advance of the AGM, to enable the Company to keep the information ready.

   c. note that in respect of the shares held in physical form, all correspondence relating to share transfers, transmissions, sub-division, consolidation of shares or any other related matters and/or change in address or updation thereof, should be addressed to Registrar and Transfer Agents, viz. Link Intime India Private Limited, having address at C-101, 247 Park, L B S Marg, Vikhroli (West), Mumbai – 400 083. Shareholders, whose shareholding is in electronic form, are requested to direct change of address notifications, registration of e-mail address and updation of bank account details to their respective Depository Participant.

   d. quote their DP ID No. /Client ID No. or Folio Number in all their correspondence.

   e. Corporate Members intending to send their authorized representative to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.

   f. In case of Joint holders attending the Annual General Meeting, only such joint holder who is higher in the order of names will be entitled to vote.

   g. Members holding shares in single and physical form are advised to make nomination in respect of their shareholding in the Company.

   h. Members, holding shares in more than one folio in the same name(s) are requested to send share certificates so as to enable the Company to consolidate all their holding into one folio.

   I The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are therefore requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company or to the Registrar and Share Transfer Agents.

   j. Note that the electronic copy of the Annual Report for the FY 2018-19 is being sent to all the members whose email IDs are registered with the Company / Depository Participant (s) for communication purposes unless any Member has requested for hard copy of the same. For Members who have not registered their email address, physical copy of the Annual Report is being sent by permitted mode.

10. The Company had forwarded Share Certificates of the Company to all the Shareholders in the year 2004 consequent upon hive-off of Zinc Division from Binani Industries Limited. Those Shareholders, who have not received the Company's Share Certificates, are requested to contact the Registrar & Share Transfer Agents of the Company.

11. The telephone numbers and email ID of concerned official/s of the Company responsible to address investor grievances are as under :

    (i) At Mumbai: Ms. Vahini Kanojiya
    Tel. 022- 30263000/1/2
    Email: Vahini@binani.net

    (ii) At Kolkata: Mr. Sauvik Nayak
    Tel- +91 08100326795
    Email: sauvik.nayak@binani.net

12. The Annual Report for 2018-19 along with the notice of AGM, attendance slip and proxy form is being sent by electronic mode to all the Members who have registered their email IDs with the Depository Participants, Registrar and Share Transfer Agents and the Company unless where any Member has specifically requested for the physical copy. The physical copies of the Financial Statements along with annexure thereto will be available for inspection at the registered office and corporate office of the Company during business hours on all working days. Members, who require physical copy of Annual Report, may write at the Registered Office or Registrar and Share Transfer Agents. Members may further note that the Annual Report will also be available on the website of Binani Industries Ltd, holding company of the Company at www.binaniindustries.com for download.

13. Pursuant to Section 101 of the Companies Act, 2013 and rules made thereunder, the companies are allowed to send notice of AGM to shareholders electronically. We thus, request you to kindly register/update your email IDs with your respective Depository Participant and in the case of physical holding of shares with the Company's Registrar and Share Transfer Agents or the Company and make this Green Initiative a success.

14. Pursuant to Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended, the Company is pleased to provide the facility to Members to exercise their right to vote on the Resolutions proposed to be passed at the AGM by electronic means on the platform being availed from the National Security Depository Participant (NSDL). The Members, whose names appear in the Register of Members/List of Beneficial Owners as on Friday 20, December 2019, i.e. the cut-off date for the purpose of voting at AGM, are entitled to vote on the Resolutions set forth in this Notice. The Members may cast their votes on electronic voting system from a place other than the venue of the AGM ('Remote e-Voting'). The remote e-voting period commences on 24th December, 2019 (9:00 AM) and ends on 26th December, 2019 (5:00 PM). The entire e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by a member, the member shall not be allowed to change it subsequently.

15. After the introduction of Rule 9A of Companies (Prospectus and Allotment of Securities) Rules, 2014 dated 10th September, 2018, physical transfer of shares of all Unlisted Public Companies w.e.f. 2nd October 2018, have been restricted (exemptions provided in notification of the MCA dated 22/01/2019). Hence the shareholders who desire to transfer their shares are requested to dematerialize the same before transfer.

16. Members desiring to vote through Remote e-Voting are requested to refer to the detailed procedure given herein below:

PROCEDURE FOR REMOTE E-VOTING

i. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.

ii. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.

iii. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

iv. Your User ID details are given below :

a. For NSDL : 8 Character DP ID followed by 8 Digit Client ID;

b. For CDSL : 16 digits beneficiary ID;

c. For Members holding shares in Physical Form.

v. Your password details are given below:

a) If you are already registered for e-Voting, then you can user your existing password to login and cast your vote.

b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

c) How to retrieve your 'initial password'?

I If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The pdf file contains your 'User ID' and your 'initial password'.

ii) If your email ID is not registered, your 'initial password' is communicated to you on your postal address.

vi. If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:

a) Click on "Forgot User Details/Password?"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.

d) Members can also use the OTP (One Time Password) based login for casting the votes on e-Voting system of NSDL.

vii. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

viii. Now, you will have to click on "Login" button.

ix. After you click on the "Login" button, Home page of e-Voting will open.

x. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.

xi. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.

xii. Select "EVEN" of company for which you wish to cast your vote.

xiii. Now you are ready for e-Voting as the Voting page opens.

xiv. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.

xv. Upon confirmation, the message "Vote cast successfully" will be displayed.

xvi. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

xvii. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

xviii. General Guidelines for shareholders a Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to aabid@aacs.in with a copy marked to evoting@nsdl.co.in.

b. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.

c. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in

17. In addition to Remote e-Voting, the facility for voting, either through electronic voting system or ballot/polling paper, shall also be made available at the venue of AGM and the Members attending the AGM who have not cast their vote through remote e-voting shall be eligible to vote at the AGM.

18. The route map to the venue of AGM is provided in this Annual Report for easy location.

19. The Company has appointed Mr. Mohammad Aabid (Membership No. F6579, Certificate of Practice No. 6625) M/s Aabid & Co., Practicing Company Secretary, to act as the Scrutinizer, to scrutinize the entire voting process (including Remote e-Voting) in a fair and transparent manner.

20. Any member, who has voted by Remote e-Voting on the Resolutions contained in this Notice prior to the AGM may also attend the meeting but shall not be entitled to vote at the AGM.

21. Any person who is not a Member as on the cut-off date i.e. Friday 20, December 2019 shall treat this Notice for information purpose only.

22. Any person, who acquires shares of the Company and becomes a Member of the Company after dispatch of Notice and holding shares as of the cut-off date i.e. Friday 20, December 2019, may obtain the Annual Report by sending a request at vahini@binani.net; sauvik.nayak@binani.net.

23. The Scrutinizer, immediately after the conclusion of voting at the AGM, will count the votes cast at the AGM, thereafter unblock the votes cast through Remote e-Voting in the presence of at least two witnesses not in the employment of the Company and make, not later than three days of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour of and against, if any, the Resolutions, to the Chairman or any other Director authorised by the Board who shall countersign the same. The Chairman or any other Director authorised by the Board will declare the result of the remote e-voting and voting at the AGM forthwith.

24. The results declared along with the Scrutinizer's Report will be placed on the website of NSDL viz. www.evoting.nsdl.com immediately after the result is declared. The same will also be displayed at the Notice Board of the Company at the registered office and the corporate office of the Company.

The Company has obtained approval for extension of time from Government of India, Ministry of Corporate Affairs, Registrar of Companies, West Bengal for holding Annual General Meeting upto 31st December, 2019

By Order of the Board of Directors
For **Edayar Zinc Limited**

Kirti Mishra
Director
DIN: 07824918

Place: Kolkata
Date : 29.08.2019

ANNEXURE TO NOTICE

Statement pursuant to Section 102 (1) of the Companies Act, 2013.

Item No: 2

Mrs. Visalakshi Sridhar was appointed as an Additional Director of the Company w.e.f. 23rd February, 2019 at the meeting of the Board held on that date. She holds office upto the date of this 19th Annual General Meeting. The Company has received a notice in writing from a member signifying his intention to propose her candidature as a Director of the Company. Moreover the Nomination and Remuneration Committee has also recommended her appointment. Hence approval of the members is being sought for the appointment of Mrs Visalakshi Sridhar as a Director of the Company.

Your Directors recommend the Resolution for your approval as an Ordinary Resolution. Except Mr. Visalakshi Sridhar, none of the Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested in this Ordinary Resolution

Item No 3

Mr. Visalakshi Sridhar was appointed as an Additional Director w.e.f. 23rd February, 2019. She was appointed as the Managing Director of the Company, at the meeting of the Board of Directors held on 8th April, 2019, subject to the approval of the members at the Annual General Meeting, for a period of 2 (two) years effective from 8th April, 2019 till 8th April, 2021 for NIL Remuneration and Perquisite. The Nomination and Remuneration Committee has also recommended her appointment as the Managing Director of the Company; hence the approval of the members is sought for her appointment as the Managing Director.

The information and disclosures, as required under Section-II of Part-II of Schedule V of the Companies Act, 2013, are given herein below:-

I. General Information:

(1) Nature of industry:

The company is engaged in production of various types of Zinc and Alloys etc.

(2) Date or expected date of commencement of commercial production:

Commercial Production commenced in the year 2000.

(3) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:

Not Applicable

(4) Financial performance based on given indicators:

₹ In Lakhs

Financial Parameters	2018-19	2017-18*	2016-17*	2015-16*	2014-15**
Net Sales & Other Income	3.61	27.84	200.74	909.15	11,314.99
Interest & Financial Charges	0.01	0.26	1.4	3640.41	2,560.21
Depreciation & Amortisation	374.84	380.65	389.43	401.45	814.40
Profit/ (loss) before tax	(486.51)	(618.50)	(615.92)	(4,665.67)	(5,202.52)
Profit/ (loss) after tax	(494.32)	(3475.85)	(615.92)	(4,665.67)	(5,202.52)
Exceptional items / Prior period items	7.81	2857.35	-	-	-
Other Comprehensive Income	-	-	15.47	(78.04)	-
Profit/(Loss) and other Comprehensive Income	(494.32)	(3475.85)	(600.45)	(4,743.71)	(5,202.52)

* Net sales and Other Income including Excise Duty as per Ind As.

** Figures as per IGAAP.

(5) Export performance and net Foreign Exchange

The Company has not earned foreign exchange through exports for the period under review.

(6) Foreign investments or collaborations, if any.

The Company has not made any foreign investment during the period under review

II. Information about the appointee:

(1) Background details:

Mrs. Visalakshi Sridhar aged about 54 years holds B.com AICWA & ACS. She has experience of over 32 years in diversified business in the domain of Finance. Strategy Accounts and Company Secretary. She has been associated with the Group for over 20 years in various capacities. During her association with the Group, the Group has completed organic and inorganic expansion in Cement and Glass Fibre.

In addition to the above she is also a Managing Director, CFO and Company Secretary of the Holding Company.

(2) Past remuneration:

Details of remuneration received from the Company in last three years:

₹ In Lakh

Particulars	2018-19	2017-18	2016-17
Remuneration received	Nil	Nil	Nil

(3) Recognition or awards:

NIL

(4) Job profile and his suitability:

Mrs. Sridhar as Managing Director is responsible for the day to day affairs of the Company and control of the Board of Directors of the Company.

She possess expertise in Accounting Secretarial, Finance, Strategy etc.

(5) Remuneration proposed:

Mrs Visalakshi Sridhar is appointed as Managing Director of the Company on NIL Remuneration.

(6) **Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person**

Mrs. Visalakshi Sridhar is drawing NIL remuneration in the Company.

III. OTHER INFORMATION

1. **Reason of loss or inadequate profits:**

Company has not been operating the plant since November 27, 2014 and incurring losses for the last three financial years.

2. **Steps taken or proposed to be taken for improvement:**

Lenders to the Company have taken physical possession of the plant. You Company is working on OTS proposal with the Lenders which would also put all the petitions filed by the Lenders in abeyance.

Your Company is hopeful that Lenders, creditors and Authorities will take measured stand to safeguard interest of all stakeholders.

Your Directors recommend the Resolution for your approval as a Special Resolution. Except Mrs. Visalakshi Sridhar, none of the Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested in this Special Resolution.

A copy of the Agreement referred to in the Resolution as Item No. 3 is available for inspection by the Members at the registered office of the Company between 11:00 a.m. to 1:00 p.m. on any working day except Saturdays and Sundays up-to the date of the Annual General Meeting.

Item No. 4:

Mr. Pradeep Sharma (DIN 06881915) was appointed as an Additional Director (Category Independent) of the Company w.e.f. 22nd January, 2019 in accordance with the provision of Section 161 of the Companies Act, 2013 ("the Act") and holds office up to the date of this Annual General Meeting.

In terms of Section 149 of the Companies Act, 2013 (Act) read with Rules 4 to 5 of the Companies (Appointment and Qualification of Directors) Rules, 2014, the Company is required to appoint Independent Directors and based on the recommendation of the Nomination and Remuneration Committee, it is proposed to appoint Mr Pradeep Sharma as an Independent Director of the Company. Mr. Sharma has already provided a declaration that he meets the criteria of independence as prescribed under section 149(6) of the Act. In the opinion of the Board, Mr. Sharma fulfils the conditions specified in the Act and Rules made thereunder for his appointment as an Independent Director and hence recommends his appointment as an Independent Director, not liable to retire by rotation, for a term up to the conclusion of the 21st Annual General Meeting of the Company, to be held in the year 2021.

A copy of the draft letter of appointment of setting out the terms and conditions, is available for inspection by the Members at the Registered Office of the Company between 11:00 a.m. to 1:00 p.m. on any working day except Saturdays and Sundays up-to the date of the Annual General Meeting.

Your Directors recommend the Resolution as set out in Item No. 4 for your approval as an Ordinary Resolution. Except Mr. Pradeep Sharma, none of the Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested in this Ordinary Resolution.

Item No. 5

Mr. Gour Chandra Das (DIN 07575745) was appointed as an Additional Director (Category Independent) of the Company w.e.f. 22nd January, 2019 in accordance with the provision of Section 161 of the Companies Act, 2013 ("the Act") and holds office up to the date of this Annual General Meeting.

In terms of Section 149 of the Companies Act, 2013 (Act) read with Rules 4 to 5 of the Companies (Appointment and Qualification of Directors) Rules, 2014, the Company is required to appoint Independent Directors and based on the recommendation of the Nomination and Remuneration Committee, it is proposed to appoint Mr Das as an Independent Director of the Company. Mr. Das has already provided a declaration that he meets the criteria of independence as prescribed under section 149(6) of the Act. In the opinion of the Board, Mr. Das fulfils the conditions specified in the Act and Rules made thereunder for his appointment as an Independent Director and hence recommends his appointment as an Independent Director, not liable to retire by rotation, for a term, up to the conclusion of the 21st Annual General Meeting of the Company, to be held in the year 2021.

A copy of the draft letter of appointment of setting out the terms and conditions, is available for inspection by the Members at the Registered Office of the Company between 11:00 a.m. to 1:00 p.m. on any working day except Saturdays and Sundays up-to the date of the Annual General Meeting.

Your Directors recommend the Resolution set out in Item No. 5 for your approval as an Ordinary Resolution. Except Mr. Gour Chandra Das, none of the Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested in this Ordinary Resolution.

Item No. 6

According to Section 180(1)(a) of the Companies Act, 2013, sale, lease transfer or otherwise dispose off the whole or substantially the whole of an undertaking of the Company or where the Company owns more than one undertaking, of the whole or substantially the whole of any such undertaking, requires the approval of the shareholders by way of a special resolution.

The Company is in the process of entering into a Debt Settlement Agreement with the secured Lenders. The Company also has liabilities to be settled towards other stakeholders including the ex-workers / ex-employees.

Towards honouring of the commitment under the settlement, it proposes to sell/ lease or otherwise dispose off all its assets ("Undertaking") to such party or parties to be approved by the Board of Directors of the Company together with all tangible and intangible assets in relation to the Undertaking, either as scrap / as a going concern / on a slump sale basis on an "as is where is" basis or in any other manner as the Board may deem fit in the interest of the Company, to such party or parties to enable the Company to pay off its liabilities on such terms and conditions as may be deemed fit by the Board.

The Company is therefore seeking your consent for the said proposal as contained in the Special Resolution as set out in Item No. 6.

None of the Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested in this Special Resolution.

By Order of the Board of Directors
For **Edayar Zinc Limited**

Kirti Mishra
Director
DIN: 07824918

Place: Kolkata
Date : 29.08.2019

A brief profile of Directors proposed to be appointed/ reappointed

Name of the Director	Visalakshi Sridhar	Pradeep Sharma	Gour Chandra Das
Date of Birth	12.04.1966	20.07.1978	14.06.1979
Qualification and Expertise in Specific Functional Areas	B.com, ACS, AICWA Finance Accounts, Taxation & Secretarial Compliance	Business strategy, liaison and accounts	Business strategy, liaison and accounts
Date of first appointment on the Board	23.02.2019	22.01.2019	22.01.2019
Shareholding in the Company	Nil	Nil	Nil
Relationship with other Directors or with KMP	Not Related	Not Related	Not Related
Number of meetings attended during 2018-19	1	1	-
Other Directorships	Binani Industries Limited Royalvision Projects Private Limited Nirbhay Management Services Private Limited Remsons Industries Limited (Listed)	Indigo Vinicom Pvt. Ltd. Tigerhill Merchants Pvt. Ltd. Parag Dealtrade Pvt. Ltd. Mayukh Commosale Pvt. Ltd. Monark Merchants Pvt. Ltd. Karni Emporium Pvt. Ltd Jimit Agencies Limited Ritmond Retailers Limited	NIL
Membership/ Chairmanship of Committees of other Boards	Remsons Industries Limited (Listed) Audit Committee – Chairman Stakeholders Relationship Committee - Member	NIL	NIL

DIRECTORS' REPORT

Dear Members,

Your Directors present the Nineteenth Annual Report along with Audited Financial Statements for the financial year ended 31st March, 2019.

1. Financial Performance

(₹ in Lacs)

Particulars	**Year ended 31/03/2019**	Year ended 31/03/2018
Total Revenue	**3.61**	27.84
Profit/(Loss) before Interest, Depreciation & Tax	**(111.66)**	(237.59)
Interest and finance charges	**0.01**	0.26
Provision for Depreciation	**374.84**	380.65
Profit/(Loss) before Tax	**(486.51)**	(618.50)
Provision for Tax	**-**	-
Loss after Tax	**(494.32)**	(3475.85)
Other Comprehensive income	**0.00**	0.00
Balance carried forward	**(494.32)**	(3475.85)

(Figures have been rounded off)

2. Review of Operations

During Financial Year 2018-19 (FY 2019), the Company did not operate its plant. During FY 2019 ("the year under review"), total revenue was ₹ 3.61 lakhs (comprising of other income) as against ₹ 27.84 lacs during corresponding previous FY 2018. The Company recorded negative EBIDTA of ₹111.66 lacs in FY 2019 vis-à-vis negative EBITDA of ₹ 237.59 lacs in the previous year.

Lenders to the Company took physical possession of the assets for recovery of their dues on 23rd July, 2019 under Section 13(4) of The Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (SARFAESI Act 2002) and have been trying to sell the mortgaged assets under auction. Meanwhile the Company is working with the banks for an amicable settlement in the matter. Your company is hopeful that Lenders, Creditors and Authorities will take a measured stand to safeguard interest of all stakeholders.

3. Dividend

In view of loss, no dividend is recommended.

4. Deposits

The Company has not accepted any deposits from the public within the meaning of Section 2(31) and Section 73 of the Companies Act 2013 and Rules framed thereunder. The Company however has filed the Return of Exempted Deposits in Form DPT-3 with the MCA.

5. Reserves

In view of absence of profit, no amount is proposed to be transferred to Reserves

6. Share Capital

The authorized and paid-up Equity Share Capital of the Company as on March 31, 2019 was ₹ 7500 Lakhs and ₹ 6761.81 lakhs respectively which remained unchanged during the financial year under review.

7. Particulars of Loans, Guarantees, Investments or Securities under section 186 of the Act.

During the year under review, the Company has not given any fresh Loan, made investments nor provided any fresh guarantee or securities under Section 186 of the Companies Act 2013.

It may be noted that there was unconditional and irrevocable Corporate Guarantee to IDBI Bank, Dubai in respect of loans availed by 3B Binani Glass Fibre Sarl, Luxembourg (Wholly owned subsidiary of Binani Industries Limited) jointly and severally with Binani Industries Limited (BIL), Binani Cement Limited (BCL) and Goa Glass Fibre Limited (GGFL) and to Exim Bank of India in respect of loans availed by Binani Industries Limited (Holding Company). The Company Ultratech Nathdwara Cement Ltd (UNCL) earlier known as Binani Cement Limited has repaid to IDBI Bank Ltd and Exim Bank of India in response to the decision of National Company Law Appellate Tribunal, New Delhi [(Company Appeals (AT) (Insolvency) Nos 82, 123, 188, 216 & 234 of 2018. NCLAT Order dated 14th November 2018)].

The Company has obtained as legal opinion from a reputed legal firm confirming that the Company has been legally discharged from its Guarantee Obligations.

8. Contracts or Arrangements with Related Parties:

All transactions entered into by the Company with Related parties were in the ordinary course of business and at Arm's length basis except that the Managing Director of the Company is associated with M/s Binani Industries Limited (holding company) and is drawing nil remuneration. The Audit Committee from time to time reviewed and approved the said transactions. Disclosures as required as per Ind AS-24 are made in notes to accounts.

During the year 2018-19, the Company has not entered into any fresh material contracts with any of the related parties during the year under review. Form AOC-2 is attached as Annexure B which forms part of this Report.

9. Consolidated Financial Statements

In accordance with the provision of sub section (3) of Section 129 of the Companies Act 2013, the Consolidated Financial Statements of the Company including the financial details of the subsidiaries of the Company forms part of this Annual Report. The Consolidated Financial Statements have been prepared in accordance with the Accounting Standards prescribed under Section 133 of the Act.

10. Subsidiary Company

R.B.G. Minerals Industries Limited

The Company has one subsidiary company viz., R.B.G. Minerals Industries Ltd (RBG).

RBG has not yet commenced its business operations. The transfer of Ambaji and Deri mines by the Gujarat and Rajasthan Government is still underway and the company continues to pay dead rent for the Basantgarh mines to M/s Rajasthan State Minerals and Mines Limited. There were no material changes in the financial position of RBG during FY 2018-19.

In terms of the proviso to sub section (3) of section 129 of the Act, the salient features of the financial statement of subsidiary are provided in the prescribed form AOC-1, **(Annexure C)** which forms part of the Annual Report.

The Company does not have any Associate Company within the meaning of Section 2(6) of the Act.

The financial statements in respect of RBG will be kept open for inspection by the Members at the Registered Office of the Company from 11 AM to 1 PM (except Saturdays and Sundays and other Public Holidays) till the ensuing Annual General Meeting. Members, interested in obtaining a copy of the audited annual financial statements of RBG may write to the Corporate Office of the Company, who shall provide a copy of the same upon receipt of such request.

11. Directors' Responsibility Statements

Pursuant to the provisions of clause (c) of sub section (3) and sub-section (5) of Section 134 of the Act, the Board of Directors of the Company hereby state and confirm that:-

(a) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;

(b) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year 2018-19 and of the profit and loss of the Company for the Financial year ended 31st March, 2019;

(c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(d) the Directors have prepared the annual accounts on a going concern basis;

(e) the Directors have laid down internal financial controls and the same have been followed by the company and that such internal financial controls are adequate and were operating effectively; and

(f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

12. Corporate Social Responsibility

The Braj Binani Group, through its operating Indian Subsidiaries, undertakes the activities on an on-going basis for upliftment of the weaker sections and welfare of the society.

The mandatory provisions of Section 135 of the Act, and Rules made thereunder, with respect to Corporate Social Responsibility, are not applicable to your Company. The Group is socially conscious about its participative role in development of society. The Group continues to undertake CSR activities in places where the plants of group companies are situated and the same are well appreciated by the local community.

13. Board & Committees and their Meetings

During the year under review, the Board of Directors met 5 times on 28th May, 2018, 25th September, 2018, 24th December, 2018, 22nd January, 2019 and 20th March, 2019.

The Board has three Committees viz., Audit Committee (AC), Nomination and Remuneration Committee (NRC) and Stakeholders' Relationship Committee (SRC). The attendance of Directors in the Board and Committee meetings during FY 2018-19 is given below:

a. Board Meetings

Name of the Director	Number of Board meetings attended
Mr. Rakesh Kumar Rawal (Resigned w.e.f. 20/03/2019)	4
Mrs. Kirti Mishra	5
Mr. Rajeev Puri (Resigned w.e.f. 19/12/2018)	-
Mr. Pradeep Sharma (appointed w.e.f. 22/01/2019)	1
Mr. Gour Chandra Das (appointed w.e.f. 22/01/2019)	-
Mrs. Visalakshi Sridhar (Appointed w.e.f. 23/02/2019 as Additional Director & MD w.e.f. 08/04/2019)	1

b. Audit Committee

The Audit Committee has been constituted by the Board as per the provisions and terms of reference specified under Section 177 of the Companies Act 2013 and Rules made thereunder. The Audit Committee comprised of the following Members as on 31st March, 2019:

1. Mrs. Kirti Mishra - Chairperson
2. Mr. Pradeep Sharma - Member
3. Mr. Gour Chandra Das - Member
4. Mrs. Visalakshi Sridhar - Member

The Audit Committee meetings are convened generally once a quarter and also as and when considered necessary. During the year under review, the Audit Committee met 4 times during the year under review on 28/05/2018, 25/09/2018, 24/12/2018 and 20/03/2019. There were no recommendations made by the Audit Committee which were not accepted by the Board. The attendance of the members of the Audit Committee during the year 2018-19 is given below:

Name of the Director	No. of Audit Committee Meetings attended in 2018-19
Mr. Rakesh Kumar Rawal (Resigned w.e.f. 20/03/2019)	3
Mrs. Kirti Mishra	4
Mr. Rajeev Puri (Resigned w.e.f. 19/12/2018)	0
Mr. Pradeep Sharma (appointed w.e.f. 22/01/2019)	1
Mr. Gour Chandra Das (appointed w.e.f. 22/01/2019)	0
Mrs. Visalakshi Sridhar (Appointed w.e.f. 23/02/2019)	1

c. Stakeholders Relationship Committee (SRC)

The Stakeholders Relationship Committee has been constituted under the provisions of section 178 of the Companies Act. Presently the Committee comprises of Mrs Kirti Mishra as the Chairperson with Mrs Visalakshi Sridhar, Mr Pradeep Sharma and Mr Gour Chandra Das as members. During the year under review 1 meeting of the Committee have been held on 05.03.2019. No application for issue of Duplicate shares was received and the normal transfers / transmission / replacement were approved by the Executive Committee whose minutes were approved by the Stakeholders Relationship Committee. The attendance of the members, at the meetings of the Committee are given below:

Name of the Director	No. of SRC Meetings attended in 2018-19
Mrs. Kirti Mishra	0
Mr. Pradeep Sharma	0
Mr. Gour Chandra Das^	0
Mrs. Visalakshi Sridhar#	1
Mr. Rakesh Kumar Rawal	1

d. Nomination & Remuneration Committee

The Nomination and Remuneration Committee has been constituted as per the provisions of Section 178 of the Companies Act, 2013 and Rules made thereunder. The terms of reference of the Committee inter alia include matters related to appointment of Directors/Key Managerial Personnel/ Senior Management Personnel and their remuneration, evaluation of the performance of the Directors, formulating criteria to determine the qualification, positive attribute and independence of a director, etc

The Committee presently comprises as Mrs Kirti Mishra as the Chairperson with Mr Pradeep Sharma and Mr Gour Chandra Das as Members.

There are no employees except the Managing Director who was appointed on NIL remuneration. During the year under review, one meeting of the Nomination and Remuneration Committee have been held on 20-03-2019.

The attendance of the members, at the meetings of the Committee are given below"

Name of the Director	No. of NRC Meetings attended in 2018-19
Mrs. Kirti Mishra	1
Mr. Pradeep Sharma	1
Mrs. Visalakshi Sridhar	1

14. Board Evaluation

The annual evaluation of Directors, the Board and also the Committees was conducted without the participation of the Director being evaluated on the basis of certain criteria recommended by the Nomination and Remuneration Committee and adopted by the Board.

15. Directors & KMP

Independent Director

The Board had appointed Mr. Pradeep Sharma and Mr Gour Chandra Das as Additional Directors (Independent) on 22nd January, 2019. In terms of Section 161 of the Act read with Article 92 of the Articles of Association, they will hold office upto the date of the ensuing Annual General Meeting (AGM). The Board recommends their appointment as Independent Director at the ensuing AGM for a period up to the conclusion of the 21st AGM to be held in the year 2021. The Company has received separate declaration of Independence under Section 149(7) of the Companies Act 2013 from Mr Sharma and Mr Das.

During the year 2018-19, the Independent Directors were appointed by circular resolution approved by all the existing Directors.

The meeting of Independent Directors was held on 29th August, 2019 as per the terms of requirement of Schedule IV of the Act.

Mr. Rajeev Puri, Additional Director (Independent) of the Company has resigned on 19th December, 2018. Mr Rakesh Kumar Rawal had resigned as the Whole-time Director of the Company on 20th March 2019.

Executive Director

Mrs. Visalakshi Sridhar was appointed as an Additional Director on 23rd February, 2019 and holds office up to the date of the ensuing AGM of the Company.

She was also appointed as Managing Director of the Company for a period of two years w.e.f. 8th April, 2019 to 8th April, 2021 for nil remuneration, subject to the approval of the members. The Board recommends her appointment as a Director and also as a Managing Director at the ensuing AGM for the approval of the members.

A brief profile of all directors proposed to be appointed or re-appointed at the AGM is provided in the Notice of the AGM which forms part of this Annual Report.

Key Managerial Personnel:

Mrs Visalakshi Sridhar, Managing Director, CFO and Company Secretary (w.e.f. 8th April, 2019) is the only Key Managerial Personnel of the Company in terms of Section 203 of the Companies Act 2013.

Remuneration to Directors

The Independent and Non-Executive Directors are paid sitting fees for attending the Board and Committee meetings.

Mrs. Visalakshi Sridhar did not receive any remuneration from the Company during the year under review as per the terms of her appointment.

16. Nomination and Remuneration Policy

Pursuant to Section 178(4) of the Act, the Board has adopted a Policy on nomination and remuneration of Directors and Key Managerial Personnel and Senior Managerial Personnel of the Company, as recommended by the Nomination and Remuneration Committee. The said Policy is enclosed as Annexure - C and forms part of this Report.

17. Auditors

M/s Udeshi Shukla & Associates, Chartered Accountants, Mumbai (Firm Registration Number – 114886W) were appointed at the 15th AGM held in the year 2015 for a term upto 20th AGM to be held in the year 2020. The Audit Committee at its meeting held on 29th May, 2019 has reviewed the performance and independence of Statutory Auditors.

The Auditors have given the declaration that they continue to be eligible in terms of Section 139 read with Section 141 of the Companies Act, 2013.

It may be noted that ratification of appointment of Statutory Auditors is no more a legal requirement by virtue of the Companies Amendment Act 2017; hence the notice of the Annual General Meeting does not contain any resolution for ratification of appointment of statutory auditors.

18. Auditors' Observations

The Auditors, in their report have made observations under the head "Key Audit Matters " with respect to

a) Note No. 43 of the financial statements stating that the financial statements have been prepared on the going concern basis as per the opinion of the Management, however the flow of events and current status of the proceedings initiated by Banks under Section 13(4) of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (SARFAESI Act),where in bankers have taken symbolic possession of the assets mortgaged with them and have issued a notice for auction of the Property "Land and Building and Plant and Machinery situated at Edayar Zinc Ltd in an extent of 95.34 acres in Binanipuram, kadungaloor, Village Parur Taluka, Ernakulam District admeasuring area 117483 sq. Meters mortgaged to consortium as collateral security and in the absence of any evident plan to pay back, we are of the opinion that the going concern assumption of the company is not true.

b) Note No.44 of the financial statements stating that in the opinion of the management, there is no impairment in the value of the fixed assets to be recognized in the accounts at this stage, within the meaning of Indian Accounting Standard (Ind AS) 36– Impairment of Assets, notified by the Companies Accounting Standards Rules 2006, which is however dependent on various uncertainties over its ability to continue as a going concern, as stated therein.

c) Non-Provision for interest: Note No. 16(a) of the Financial Statements stating that interest of ₹ 43.20 Crores (P.Y. ₹ 40.23 Crores) for the financial year 2018-19 has not been provided in the financial statements as the Company's accounts have been declared as NPA by it's bankers.

d) Electricity charges of ₹ 5056.36 lakhs (P.Y. ₹ 5056.36 lakhs) till 31/03/2019 has not been provided as a liability in the financial statements.

e) As per information and explanation provided to us, the bankers have filed the case with High Court of Bombay to declare the directors of the Company as willful defaulter, as informed to us the matter is sub-judice.

f) Non-Provision for Interest: Note No. 24(a) of the Financial Statements stating that the settlement with the workers vide Agreement dated 06/02/2018 for a consolidated amount of ₹ 2724.04 lakhs is to be paid on or before 120 days & delay in payment shall attract 12% p.a. till the date of payment. While the payment has not been made in terms of agreement, the company has not provided for the interest liability.

g) Non- Provision for Contractual Liability: Note No. 24(b) of the Financial Statements stating that the company is in receipt of a settlement agreement with Contract Laborers dated 11/04/2018 for an amount of ₹ 2 Crores is to be paid within 120 days & delay in payment shall attract 7% p.a. till the date of payment. No Liability & interest has been recognized in the books for this as the authorized officials of the company have not participated or agreed with the settlement.

h) We draw attention to the fact that the net worth of the company has been fully eroded and this indicates the existence of a material uncertainty that cast significant doubt about the Company's ability to continue as a going concern

The auditors have also in their report observed under "Emphasis of Matters". Attention is drawn to the fact that the net worth of the company has been fully eroded and this indicates the existence of a material uncertainty that cast significant doubt about the Company's ability to continue as a going concern. Their report is not qualified in respect of these matters.

Your Company is in the process of arriving at a settlement with the secured Lenders and it believes that it will arrive at an amicable settlement with all the stake holders.

19. Secretarial Auditors

Pursuant to provisions of Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had engaged M/s Aabid & Co, Practising Company Secretary, Mumbai, to conduct the secretarial audit in the Company for the financial year 2018-19.

The Secretarial Audit Report (In Form MR-3) is attached as Annexure - D to this Report.

The Secretarial Auditors have commented on the requirement of Section 203(1)(iii) read with rule 8 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 Company is required to appoint Chief Financial Officer and Company Secretary which is not compiled during the reporting period.

As the Company's operations have been closed and bank accounts are attached by Banks under SARFAESI Act, appointment of a CFO & CS at this time would require considerable amount of financial resources.

Mrs. Visalakshi Sridhar, CFO and Company Secretary of Holding Company has been appointed as Managing Director, CFO & Company Secretary of the Company w.e.f. 8th April, 2019.

20. Cost Auditors

As the turnover of the Company is less than the threshold limit as per Section 148 of the Companies Act 2013 read alongwith the said rules, there is no requirement for appointment of Cost Auditor for the financial year 2019-20.

21. Internal Financial Controls

In view of the suspension of business operation and constraint of resources, the processes and procedures are curtailed to ensure minimal administrative expenses. The Company adopted policies and procedures to extent required to ensure safeguarding of its assets, prevention of frauds, completeness of accounting records and timely preparation of reliable financial information.

The internal financial controls are reviewed periodically and its weakness found, if any, is reported to Audit Committee from time to time.

22. Risk Management

The Holding Company had carried out a risk assessment exercise, which was facilitated by a well known firm of Consultants when certain risks were identified for the Company. A mitigation plan was also drawn up. The Audit Committee reviews risks from time to time and instructs the mitigation steps, if any, required to eliminate/minimise the risk/s on on-going basis. The Audit Committee has additional oversight in the areas of financial risks and controls.

As per section 138 and other applicable rules (including any statutory modification) of the Companies Act 2013 the Company has appointed M/s Ayaz Parekh & Associates Chartered Accountants as Internal Auditors of the Company for the financial year 2018-19.

23. Vigil Mechanism

The Board has adopted a Whistle Blower Policy which provides a platform to report unethical behaviour, actual or suspected fraud, concerns and grievances regarding violation of Code of Conduct of the Company.

The policy facilitates direct reporting of concerns to the Chairman of the Audit Committee. During the year, the Company did not receive any complaints.

24. Policy against Sexual Harassment at workplace

The Company has adopted a policy against Sexual Harassment and constituted Internal Compliant Committee in terms of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. During the year under review, the Company did not receive any complaint.

25. Other disclosures as per the provisions of the Companies Act, 2013

- An extract of the annual return in Form MGT-9 as on 31st March, 2019, is enclosed as Annexure E and forms part of this Report.
- Since the operations at plant were shut during the year under review, the Company has nothing specific to report relating to conservation of energy, Technology Absorption.

- The details of Foreign Exchange Earnings and Outgo for the year 2018-19 are as below:

(₹ in lacs)

Particulars	**2018-19**	2017-18
Foreign exchange earned	Nil	Nil
Foreign Exchange outgo	Nil	Nil

- In terms of the provisions of Section 197(12) of the Companies Act, 2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company did not have any employee during the year under review who was in receipt of remuneration above the threshold limit specified therein and hence no details are required to be disclosed.

- The Company has entered into settlement with the workers vide Agreement dated 06/02/2018 for a consolidated amount of Rs 2724.04 Lakhs. The payment under the settlement shall be on or before 120 days from the date of the Agreement and delay in payment shall attract 12% p.a. till the date of payment. The Company has received settlement agreement with Contract Labourers of the Company duly signed by the "District Labour Officer and District Conciliatory Officer" dated 11/04/2018 for an amount of Rs 2 crore; the payment for which falls due within 120 days from the date of the settlement agreement and delay in payment shall attract 7% p.a. till the date of payment. As the authorised officials of the Company have not participated or agreed to the settlement, no liability is being recognised in the books of accounts.

- Managerial staff has been retrenched as on 31st July 2015. Retrenchment compensation has been provided.

- The Company has not issued any equity shares with differential rights, sweat equity shares or granted any ESOP to its employees. Therefore, no disclosure is required to be given in respect thereof.

The Directors wish to express their appreciation for the continued co-operation of the Central and State Governments, bankers, financial institutions, customers, dealers, suppliers and Shareholders. The Directors also wish to thank all the employees for their contribution, support and continued co-operation throughout the year.

For and on behalf of the Board of Directors

Kirti Mishra
Director
DIN : 07824918

Visalakshi Sridhar
Managing Director,
CFO & Company Secretary
DIN:07325198
M. No. ICSI-A13849
AICWA-M21132

Date : 29.08.2019
Place: Kolkata

ANNEXURE-A

The information required under section 197 of the Companies Act 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel Rules, 2014, a statement showing the name and other particulars of the top ten employees of the Company:

The Company has entered into settlement with the workers vide Agreement dated 06/02/2018 for a consolidated amount of ₹ 2724.04 lakhs. The payment under the settlement shall be on or before 120 days from the date of the Agreement and delay in payment shall attract 12% p.a. till the date of payment.

The Company has received settlement agreement with Contract Labourers of the Company duly signed by the "District Labour Officer and District Conciliatory Officer" dated 11/04/2018 for an amount of ₹ 2 crore; the payment for which falls due within 120 days from the date of the settlement agreement and delay in payment shall attract 7% p.a. till the date of payment. As the authorised officials of the Company have not participated or agreed to for the settlement, no liability is being recognised in the books of accounts.

Managerial staff has been retrenched as on 31st July, 2015, Retrenchment compensation has been provided.

ANNEXURE-B

FORM NO.AOC-2

(Pursuant to clause (h) of sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

Details of contracts or arrangements or transactions not at arm's length basis:

The details of the contracts or arrangements or transactions which were earlier on arms length but varied to suit business requirements is as follows:-

Name(s) of the related party	**Binani Industries Ltd ("BIL")**
Nature of relationship	Holding Company
Nature of contracts/ arrangements/ transactions	Deputation of Mr. Rakesh Rawal, Consultant of Binani Industries Limited is appointed as Whole Time Director into Edayar Zinc Ltd. ("EZL") Subsidiary Company
Duration of the contracts / arrangements/transactions	From 29th December, 2017 till 20th March, 2019
Salient terms of the contracts or arrangements or transactions including the value, if any	No reimbursement of Remuneration.
Justification for Variation done in contract during the year	There were no variation in the existing contract
Date(s) of approval by the Board	29th December, 2017
Amount paid as advances, if any	Nil
Date on which the special resolution was passed in general meeting as required under first proviso to Section 188	As per section 188 of the Companies Act, 2013, the actual remuneration paid is less than the threshold limit. The Company has not paid any remuneration during the year under review nor there is any provision made to reimburse the holding company for the said remuneration paid.

For and on behalf of the Board of Directors of Edayar Zinc Ltd.

Date : 29.08.2019
Place : Kolkata

Kirti Mishra
Director
DIN : 07824918

Visalakshi Sridhar
Managing Director,
CFO & Company Secretary
DIN:07325198
Membership No. ICSI-A13849
AICWA-M21132

ANNEXURE-C

NOMINATION AND REMUNERATION POLICY OF Edayar ZINC LIMITED

1. BACKGROUND

The Board of Directors ("Board") of Edayar Zinc Limited ("the Company") had constituted the Nomination and Remuneration Committee (the Committee) in terms of the provisions of Section 178 of the Companies Act, 2013 (the Act). Pursuant to the said Section, the Committee shall formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board of Directors a Policy relating to the remuneration for the Directors, Key Managerial Personnel and other employees.

2. OBJECTIVES

The primary objective of the Policy is to provide a framework and set standards for the nomination, remuneration and evaluation of the Directors, Key Managerial Personnel and Officials in the cadre of the senior management. The Company aims to achieve a balance of merit, experience and skills amongst its Directors, Key Managerial Personnel and Senior Management. The Key Objectives of the Committee would be:

2.1 To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management Personnel;

2.2 To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation by the Board;

2.3 To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management Personnel;

2.4 To determine remuneration commensurate with the Company's size and financial position and trends with respect to the adopted by the peers in the industry;

2.5 To formulate a Policy which will ensure long term sustainability and retention of talented managerial personnel.

2.6 To develop a succession plan for the Board and to regularly review thereof.

3. DEFINITIONS

3.1 **Act** means the Companies Act, 2013 and Rules framed thereunder, as amended from time to time.

3.2 **Board** means Board of Directors of the Company.

3.3 **Directors** mean Directors of the Company.

3.4 **Key Managerial Personnel** ("KMP")means

3.4.1 Chief Executive Officer or the Managing Director or the Manager or in their absence a Whole time Director;

3.4.2 Company Secretary;

3.4.3 Chief Financial Officer; and

3.4.4 Such other officer as may be prescribed under the Act.

3.5 **Senior Management Personnel ("SMP")** means personnel of the Company who are members of Company's core management team. This would also include all members of management one level below the Executive Directors including all functional heads.

4. ROLE OF COMMITTEE

4.1 **Terms of Reference**

4.1.1. To identify persons who are competent to become Directors and who may be appointed as Key Managerial Personnel and Senior Management Personnel in accordance with the criteria laid down, and recommend to the Board their appointment and removal.

4.1.2 To formulate the criteria for determining qualifications, positive attributes and independence of a Director, and recommend to the Board the policy, relating to the remuneration of the Directors, Key Managerial Personnel and other employees. The Committee shall ensure that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully.

4.1.3 To recommend/review remuneration of the Managing Director(s) and Whole-time Director(s) based on their performance.

4.1.4 To formulate criteria for evaluation of Independent Directors and the Board;

4.1.5 To carry out evaluation of every director's performance.

4.1.6 To carry out any other function, as may be mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.

5. COMPOSITION AND FUNCTIONING OF THE COMMITTEE

5.1 **Composition**

5.1.1 The Committee shall be comprised of a minimum of three Non-Executive Directors, majority of them being Independent Directors.

5.1.2 Any two members of the Committee shall constitute a quorum for the Committee meetings.

5.1.3 Term of the Committee shall be continued unless terminated by the Board of Directors

5.2 **Chairperson of the Committee**

5.2.1 Chairperson of the Committee shall be an Independent Director.

5.2.2 Chairperson of the Company may be appointed as a member of the Committee but shall not be a Chairman of the Committee.

5.2.3 In the absence of the Chairperson, the Members of the Committee present at the meeting, shall choose one amongst them to act as Chairperson.

5.3 **Frequency of Meetings:**

5.3.1 The meeting of the Committee shall be held at such regular intervals, as may be considered necessary.

5.3.2 The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

5.4 **Secretary**

The Company secretary of the Company shall act as Secretary of the Committee.

5.5 **Voting**

5.5.1 Matters arising at Committee meetings, shall be decided by a majority of votes of Members present and any such decision shall for all purposes be deemed a decision of the Committee.

5.5.2 In the case of equality of votes, the Chairman of the meeting will have a casting vote.

5.6 **Interested Committee Member not to participate in the meeting.**

A Member of the Committee is not entitled to be present when his/her remuneration is discussed at such meeting or when his/her performance is being evaluated.

6. POLICY FOR APPOINTMENT AND REMOVAL OF DIRECTOR, KMP AND SENIOR MANAGEMENT PERSONNEL.

6.1 Appointment criteria and qualifications

6.1.1. The Committee shall identity and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or SMP and recommend to the Board his/her appointment.

6.1.2 A person should possess adequate qualification, expertise and experience for the position he/she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient/satisfactory for the concerned position.

6.1.3 The Company shall not appoint or continue the employment of any person as Managing Director/Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution.

6.1.4 Appointment of Independent Directors shall be subject compliance of provisions of section 149 of the Companies Act, 2013, read with schedule IV and Rules made thereunder

6.2 **Term / Tenure**

6.2.1. **Managing Director / Whole-time Director:**

The Company shall appoint or re-appoint any person as its Managing Director or Executive Director for a term not exceeding five years at a time . No re-appointment shall be made earlier than one year before the expiry of term.

6.2.2 **Independent Director**

- An Independent Director shall hold officer for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on the Company passing of a Special Resolution by the Company and disclosure of such appointment in the Board's Report to the Shareholders.
- No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

6.3 **Evaluation**

The Committee shall carry out evaluation of performance of every Director, KMP and SMP on yearly basis or at such frequent intervals, as its Members may decide.

6.4 **Removal**

In case any Director or KMP incurs any disqualification as provided under the Actor Rules made thereunder, the Committee may recommend, to the Board with reasons recorded in writing, removal of such Director or KMP subject however, to the provisions and compliance of the said Act, rules and regulations.

6.5 **Retirement**

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. As per the current Policy, a KMP or SMP (excluding the Directors) shall be liable to retire upon completion of 60 years of age. The Board if it considers to be in the Company's interest, shall have the discretion to retain KMP and SMP in the same position / remuneration or otherwise even after attaining the retirement age.

6.6 Policy relating to the Remuneration for the Managing Directors, Whole-time Director, KMP and SMP.

6.7 Remuneration to the KMP and SMP:

6.7.1. **Fixed pay:**

The KMPs and SMPs shall be eligible for a monthly remuneration, as may be approved by the Board on the recommendation of the Committee. The remuneration shall include salary, allowances, perquisites and Company's contribution to Provident Fund, as the case may be, in accordance with Company's Policy as amended from time to time and approved by the Shareholders and Central Government, wherever required.

6.7.2 **Minimum Remuneration:**

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration as determined above, to its Managing Director/ Whole-time Director subject to the approval of the Central Government, wherever necessary.

6.7.3 **Provisions for excess remuneration:**

If any Managing / Whole-time Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Act or without the prior sanction of the Central Government, where required, he/she shall refund such sums to the Company and until such sum is refunded, hold the same in trust for the Company.

6.8 **Remuneration to Non-Executive/ Independent Director.**

6.8.1 **Remuneration:**

Non-Executive / Independent Directors shall not be entitled to any remuneration.

6.8.2 **Sitting Fees:**

The Non-Executive / Independent Directors will be paid Sitting Fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed Rupees One Lac per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

6.9 **General**

6.9.1 The remuneration to the KMPs and SMPs will be determined by the Committee and recommended to the Board for approval. The remuneration shall be subject to the approval of the Shareholders of the Company and Central Government, wherever required.

6.9.2 Upon evaluation of the performance, Annual Increments in the remuneration may be recommended by the Committee to the Board which shall be within the limits approved by the Shareholders, wherever applicable.

6.9.3 Where any insurance is taken by the Company for its Directors, KMPs and SMPs for protecting them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to such persons. Provided that if such person is provided to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2019

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Edayar Zinc Limited
(Formerly Known as Binani Zinc Limited)

We have conducted the Secretarial Audit of the compliances of applicable statutory provisions and the adherence to good corporate practices by **Edayar Zinc Limited** (CIN: U27204WB2000PLC091214) (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the Corporate Conducts/Statutory Compliances and expressing opinion thereon.

Based on our verification of the Books, Papers, Minute Books, Forms and Returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, We hereby report that in our opinion, the Company has, during the audit period covering the Financial Year ended on 31st March, 2019complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the Books, Papers, and Minute-Books, Forms and Returns filed and other records maintained by the Company as given in **ANNEXURE- I** for the Financial Year ended on 31st March, 2019according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the Rules made thereunder,

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder.

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder.

(iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;

c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;

e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and

h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

(vi) The other Laws applicable specifically to the company is Annexed with this Report as **ANNEXURE- II**.

The Company is not listed on any Stock Exchange in India; hence only clause (i), (iii) and (vi) are applicable to the Company.

We have also examined Compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by the Institute of Company Secretaries of India.

(ii) The Company is not listed on any Stock Exchange in India hence compliance related to Securities and Exchange Board of India (Listing Obligations and disclosure requirements) Regulations, 2015 is not applicable to the Company.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

1. As per requirement of Section 203(1)(i)(ii)(iii) read with Rule 8 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 Company is required to appoint Chief Executive Officer/ Managing Director, Company Secretary and Chief Financial Officer.

   However, the Company has not appointed a Chief Financial Officer and a whole time Company Secretary during the period under review.

We further report that The Board of Directors of the Company is duly constituted with proper balance of Executive Directors and Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notices has been given to all Directors to schedule the Board Meetings, Agenda and detailed notes on agenda were sent at least seven days in advance and a system exist for seeking and obtaining further information and clarification on the agenda items before the meeting and for meaningful participation at the meeting.

We Further Report that there are adequate systems and processes in the company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable Laws, Rules, Regulations and Guidelines.

We further report on the specific events which were held during the financial year 2018-19

I. We report that as per section 96(1) of the Companies act 2013, the Company is required to hold an annual general meeting within a period of six months, from the date of closing of the financial year. The company held its AGM on 24th December 2018 after obtaining an extension letter from the Registrar of the companies.

II. The proceedings have been initiated by Banks under Section 13(4) of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (SARFAESI Act),where in bankers have taken symbolic possession of the assets mortgaged with them and have issued a notice for auction of the Property, Land and Building and Plant and Machinery situated at Edayar Zinc Ltd in an extent of 95.34 acres in Binanipuram, kadungaloor, Village Parur Taluka, Ernakulam District Kerela – 683110 admeasuring area 117483 sq. Meters mortgaged to consortium as collateral security. T Company has proposed an OTS

III. The PNB Bank has auctioned the Land and Building and Plant and machinery of the company five times and has been unsuccessful. The bank has acquired the possession of its properties on 21 July 2016.

IV. The Parent company Binani Industries Limited has provided ₹ 213.31 Lakhs in the year ended March 31, 2019 as a promoter contribution to meet expenses of the company.

Note: This report is to be read with our letter of even date which is annexed as 'Annexure-III' and forms an integral part of this report.

For **Aabid & Co.**
Company Secretaries

Mohammed Aabid
Partner
Membership No.: F6579
COP No.: 6625

Date: 29.05.2019
Place: Mumbai

ANNEXURE - I

List of documents verified

1. Memorandum & Articles of Association of the Company
2. Annual Report for the Financial Year ended 31st March, 2018.
3. Minutes of the meetings of the Board of Directors, Audit Committee, Nomination & Remuneration committee, held during the financial year under report.
4. Minutes of General Body Meetings held during the financial year under report.
5. Declarations received from the Directors of the Company pursuant to the provisions of Section 164 (2) and 184 (1) of Companies Act, 2013.
6. E-forms filed by the company, from time to time, under applicable provisions of the Companies Act, 2013 and attachments thereof during the financial year under report.
7. Statutory Registers viz.
   - Register of Directors' & Key Managerial Personnel (KMP) and their Shareholding
   - Register of Members
   - Register of Charges

ANNEXURE - II

LIST OF OTHER LAWS SPECIFICALLY APPLICABLE TO THE COMPANY

1. The Maternity Benefit Act, 1961.
2. The Payment of Gratuity Act, 1972.
3. The Employee's State Insurance Act, 1948.
4. Employee's Compensation Act, 1923.
5. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.
6. The Employees Provident Funds and Miscellaneous Provisions Act, 1952.
7. The Professional Tax Act, 1975.
8. Mines Act, 1952.
9. Mines and Minerals (Development and Regulation) Act 1957.
10. Iron Ore Mines, Manganese Ore Mines and Chrome Ore Mines Labour Welfare Cess Act, 1976.
11. Explosives Act, 1884.
12. Legal Metrology Act, 2009.
13. The Environment(Protection)Act, 1986.
14. Water (Prevention and Control of Pollution) Act, 1974.
15. Air (Prevention and Control of Pollution) Act, 1981.
16. Hazardous Waste (Management Handling & Transboundary Movement) Rules, 2008.
17. Income Tax Act, 1961.
18. Goods & Service Taxes for the respective States where hotels are located.
19. The Bombay Shops and Establishment Act, 1948.
20. Relevant provisions of the Service Tax and Rules and Regulations thereunder.

For **Aabid & Co.**
Company Secretaries

Mohammed Aabid
Partner
Membership No.: F6579
COP No.: 6625

Date: 29.05.2019
Place: Mumbai

ANNEXURE - III

To,
The Members,
Edayar Zinc Limited,
(Formerly Known as Binani Zinc Limited)

Our report of even date is to be read with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of Secretarial records. The verification was done on a test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of accounts of the Company.

4. Wherever required, we have obtained Management Representation about the compliance laws, rules and regulations, and happening of events etc.

5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on a test basis.

6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

ANNEXURE - E

FORM NO. MGT-9
EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31st March, 2019

(Pursuant to section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014)

I REGISTRATION AND OTHER DETAILS

i)	CIN	U27204WB2000PLC091214
ii)	Registration Date	25/02/2000
iii)	Name of the Company	**Edayar Zinc Limited**
iv)	Category/Sub-Category of the Company	Public Company/limited by shares
v)	Address of the Registered office and contact details	37/2. Chinar Park, New Town, Rajarhat, Main Road, P.O. Hatiara, West Bengal - 700157 Tel : 08100326795 Fax : +91- 33 4008 8802
vi)	Whether Listed Company	No
vii)	Name, Address and Contact details of Registrar and Transfer Agents, if any	Link Intime India Pvt. Ltd L.B.S. Marg, Vikhroli (West),Mumbai – 400 083 Tel: +91 22 49186270 Fax: +91 22 49186060 email: rnt.helpdesk@linkintime.co.in

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

(All the business activities contributing 10% or more of the total turnover of the Company shall be stated)

Sr. No.	Name and Description of main products/ services	NIC Code of the Product/Service	% to total turnover of the Company
1	Zinc and its alloys	24203	-

III PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	Binani Industries Limited 37/2. Chinar Park, New Town, Rajarhat, Main Road, P.O. Hatiara, West Bengal - 700157	L24117WB1962PLC025584	Holding Company	89.90	2(46)
2	R.B.G. Minerals Industries Limited 22, Shubham Enclave, Parivahan Marg, C-Scheme, Jaipur - 302001	U27101RJ1997PLC014021	Subsidiary	100	2(87)

IV SHARE HOLDING PATTERN
(Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	Shareholding at the beginning of the year - 2018				Shareholding at the end of the year - 2019				% Change during the year
	Demat	Physical	Total	Percentage of Total Shares	Demat	Physical	Total	% of Total Shares	
(A) Shareholding of Promoter and Promoter Group									
[1] Indian									
(a) Individuals / Hindu Undivided Family	-	-	-	-	-	-	-	-	-
(b) Central Government / State Government(s)	-	-	-	-	-	-	-	-	-
(c) Financial Institutions / Banks	-	-	-	-	-	-	-	-	-
(d) Any Other (Specify)			-	-			-	-	-
Bodies Corporate	-	6,07,88,138	6,07,88,138	89.90%	-	6,07,88,138	6,07,88,138	89.90%	-
Sub Total (A)(1)	**-**	**6,07,88,138**	**6,07,88,138**	**89.90%**	**-**	**6,07,88,138**	**6,07,88,138**	**89.90%**	**-**
[2] Foreign									
(a) Individuals (Non-Resident Individuals / Foreign Individuals)	-	-	-	-	-	-	-	-	-
(b) Government	-	-	-	-	-	-	-	-	-
(c) Institutions	-	-	-	-	-	-	-	-	-
(d) Foreign Portfolio Investor	-	-	-	-	-	-	-	-	-
(e) Any Other (Specify)			-	-			-	-	-
Sub Total (A)(2)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total Shareholding of Promoter and Promoter Group(A)= (A)(1)+(A)(2)	**-**	**6,07,88,138**	**6,07,88,138**	**89.90%**	**-**	**6,07,88,138**	**6,07,88,138**	**89.90%**	**-**
(B) Public Shareholding									
[1] Institutions		-	-	-	-	-	-	-	-
(a) Mutual Funds / UTI	-	103	103	-	-	46	103	149	-
(b) Venture Capital Funds	-	-	-	-	-	-	-	-	-
(c) Alternate Investment Funds	-	-	-	-	-	-	-	-	-
(d) Foreign Venture Capital Investors	-	-	-	-	-	-	-	-	-
(e) Foreign Portfolio Investor	1,793	-	1,793	-	1,793	-	1,793	-	-
(f) Financial Institutions / Banks	654117	5119	659236	0.98	649502	5119	654621	0.98	-
(g) Insurance Companies	-	-	-	-	-	-	-	-	-

Category of Shareholders	Shareholding at the beginning of the year - 2018				Shareholding at the end of the year - 2019				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(h) Provident Funds/ Pension Funds	-	-	-	-	-	-	-	-	-
(I Any Other (Specify)	-	-	-	-	-	-	-	-	-
Foreign Financial Institution	-	1,042	1,042	-	-	1,042	1,042	-	-
Sub Total (B)(1)	**655910**	**6264**	**662174**	**0.98**	**651341**	**6264**	**657605**	**0.98**	**-**
[2] Central Government/ State Government(s)/ President of India	-	-	-	-	-	-	-	-	-
Central Government / State Government(s)	-	20	20	-	-	20	20	-	-
Sub Total (B)(2)	**-**	**20**	**20**	**-**	**-**	**20**	**20**	**-**	**-**
[3] Non-Institutions	-	-	-	-	-	-	-	-	-
(a) Individuals	-	-	-	-	-	-	-	-	-
(Iindividual shareholders holding nominal share capital upto ₹1 lakh.	929665	1375659	2305324	3.41	611557	1359108	1970665	2.91	-0.49
(ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	25211	32524	57735	0.09	25211	407321	432532	0.64	0.55
(b) NBFCs registered with RBI	-	-	-	-	92	-	92	-	-
(c) Employee Trusts	-	-	-	-	-	-	-	-	-
(d) Overseas Depositories (holding Drs) (balancing figure)	-	-	-	-	-	-	-	-	-
(e) Any Other (Specify)	-			-			-	-	-
Trusts	23	34	57	-	23	34	57	-	-
Foreign Nationals	-	1163	1163	-	-	1163	1163	-	-
Hindu Undivided Family	18926	12815	31741	0.05	14310	12815	27125	0.04	-0.01
Non Resident Indians (Non Repat)	12970	303790	316760	0.47	11131	303790	314921	0.42	-
Non Resident Indians (Repat)	23585	168457	192042	0.28	16835	168013	184848	0.27	-0.01
Office Bearers	-	2103	2103	-	-	2103	2103	-	-
Overseas Bodies Corporates	576	2006	2582	-	576	2006	2582	-	-
Clearing Member	2573	-	2573	-	222	-	222	-	-
Bodies Corporate	44796	3210874	3255670	4.82	25204	3210828	3236032	4.79	-0.03
Sub Total (B)(3)	**1058325**	**5109425**	**6167756**	**9.12**	**705138**	**5467181**	**6172319**	**9.13**	**0.01**

Category of Shareholders	Shareholding at the beginning of the year - 2018				Shareholding at the end of the year - 2019				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
Total Public Shareholding(B)= (B)(1)+(B)(2)+(B)(3)	**1714235**	**5115709**	**6829944**	**10.1007**	**1356479**	**5473465**	**6829944**	**10.10**	**-**
Total (A)+(B)	**1714235**	**65903813**	**67618082**	**100.0000**	**1356479**	**66261603**	**67618082**	**100.00**	**-**
(C) Non Promoter - Non Public			-	-			-		
[1] Custodian/DR Holder	-	-	-	-	-	-	-	-	-
[2] Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)	-	-	-	-	-	-	-	-	-
Total (A)+(B)+(C)	**1714235**	**65903813**	**67618082**	**100.00**	**1356479**	**66261603**	**67618082**	**100.00**	**-**

ii) Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year - 2018			Shareholding at the end of the year - 2019			% change in shareholding during the year
		NO.OF SHARES HELD	% of total Shares of the company	%of Shares Pledged/ encumbered to	NO.OF SHARES HELD	% of total Shares of the company	%of Shares Pledged/ encumbered to	
1	BINANI INDUSTRIES LIMITED	60788138	89.90%	-	60788138	89.90	-	-

iii) Change in Promoters Shareholding

Sr. No.	Name & Type of Transaction	Shareholding at the beginning of the year - 2018		Transactions during the year		Cumulative Shareholding at the end of the year - 2019	
		NO.OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY	DATE OF TRANSACTION	NO. OF SHARES	NO OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY
1	BINANI INDUSTRIES LIMITED	60788138	89.90			60788138	89.90
	AT THE END OF THE YEAR	60788138	89.90			60788138	89.90

Note: 1. Paid up Share Capital of the Company (Face Value ₹ 10.00) at the end of the year is 67618082 Shares.
2. The details of holding has been clubbed based on PAN.
3. % of total Shares of the Company is based on the paid up Capital of the Company at the end of the Year.

iv) Shareholding pattern of top ten shareholders (other then Directors, promoters and Holder's of GDR's and ADR's)

Sr No.		Shareholding at the beginning of the year - 2018		Transactions during the year		Cumulative Shareholding at the end of the year - 2019	
	Name & Type of Transaction	NO.OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY	DATE OF TRANSACTION	NO. OF SHARES	NO OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY
1	TRITON TRADING CO PVT LTD	2955467	4.37			2955467	4.37
	Transfer			18 May 2018	(23)	2955444	4.37
	Transfer			05 Oct 2018	(23)	2955421	4.37
	AT THE END OF THE YEAR					2955421	4.37
2	LIFE INSURANCE CORPORATION OF INDIA	366794	0.5424			366794	0.54
	AT THE END OF THE YEAR					366794	0.54
3	KALPANA BINANI	0	0.0000			0	0.00
	AT THE END OF THE YEAR					0	0.00
4	THE NEW INDIA ASSURANCE COMPANY LIMITED	247373	0.3658			247373	0.37
	AT THE END OF THE YEAR					247373	0.37
5	MIRACLE SECURITIES PRIVATE LIMITED	0	0.0000			0	0.00
	AT THE END OF THE YEAR					0	0.00
6	TRITON TRADING COMPANY PRIVATE LIMITED	0	0.0000			0	0.00
	AT THE END OF THE YEAR					0	0.00
7	SUSHIL BHATTER	32490	0.0480			32490	0.048
	AT THE END OF THE YEAR					32490	0.048
8	SAJJID A KHAN	25211	0.0373			25211	0.037
	AT THE END OF THE YEAR					25211	0.037
9	LOK PRAKASHAN LTD	0	0.0000			0	0.00
	AT THE END OF THE YEAR					0	0.00
10	ORIENTAL BANK OF COMMERCE	23076	0.03			23076	0.03
	AT THE END OF THE YEAR					23076	0.03

Note:
1. Paid up Share Capital of the Company (Face Value ₹ 10.00) at the end of the year is 67618082 Shares.
2. The details of holding has been clubbed based on PAN.
3. % of total Shares of the Company is based on the paid up Capital of the Company at the end of the Year.

v) Shareholding of Directors and Key Managerial Personnel:

None of the Directors and Key Managerial Personnel are not holding any shares in the Company.

V INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(₹ in Lakhs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	18,865.74	552.24	-	19,417.98
ii) Interest due but not paid	5,419.85	-	-	5,419.85
iii) Interest accrued but not due				-
Total(i+ii+iii)	**24,285.59**	**552.24**	**-**	**24,837.83**
Change in Indebtedness during the financial year				**-**
- Addition		213.32		213.32
- Reduction	143.14			143.14
- Adjustment				-
Net Change	**143.14**	**213.32**	**-**	**70.18**
Indebtedness at the end of the financial year				**-**
i) Principal Amount	18,722.60	765.56	-	19,488.16
ii) Interest due but not paid	5,419.83			5,419.83
iii) Interest accrued but not due				-
Total (i+ii+iii)	**24,142.43**	**765.56**	**0.00**	**24,907.99**

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director (MD), Whole-time Directors (WTD) and/or Manager :

Sl. no.	Particulars of Remuneration	Name of WTD	Name of MD	Total Amount (₹)
1		Rakesh Kumar Rawal@	Visalakshi Sridhar*	
	Gross salary	Nil		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961			
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961			
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961			
2	Stock Option			
3	Sweat Equity			
4	Commission - as % of profit - others, specify...			
5	Others, please specify			
	Total (A)			
	Ceiling as per the Act	NA	NA	NA

@ Resigned w.e.f. 20th March, 2019
*Appointed w.e.f. 8th April, 2019

B. Remuneration to other Directors: **(Amount in ₹)**

Sl. no.	Particulars of Remuneration	Name of Directors	Total
1	Independent Directors	Mrs. Kirti Mishra	
	Fee for attending board/committee meetings	90,000	90,000
	Commission		-
	Others, please specify		-
	Total (1)	90,000	90,000
2	Total Managerial Remuneration		
3	Overall Ceiling as per the Act		

* As per provisions of the Act, the managerial remuneration does not include the sitting fees paid to Directors for attending meetings

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD / MANAGER / WTD

Sl. no.	Particulars of Remuneration	CFO and CS#	Total
1	Gross salary	Nil	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961		
2	Stock Option		
3	Sweat Equity		
4	Commission		
	as % of profit		
	others, specify		
5	Others, please specify		
	Total		

\# Mrs. Visalakshi Sridhar has been appointed as CFO and Company Secretary, w.e.f. 8th April, 2019

VII PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	NIL				
Punishment					
Compounding					
B. DIRECTORS					
Penalty	NIL				
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty	NIL				
Punishment					
Compounding					

INDEPENDENT AUDITORS' REPORT

To
The Members of Edayar Zinc Limited

Opinion

We have audited the accompanying standalone Ind AS financial statements of **Edayar Zinc Limited** ("the Company"), which comprise the balance sheet as at March 31, 2019, and the Statement of Profit and Loss (Including Other Comprehensive Income), the statement of cash flows & the statement of changes in equity 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 standalone Ind AS 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 Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India of the state of affairs of the Company as at March 31, 2019, the profit and total comprehensive income, 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 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 standalone Ind AS 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 standalone Ind AS 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

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements of the current period. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Reporting of Key Audit Matters as per SA 701, Key Audit Matters are not applicable to the company as it is an unlisted company.

Emphasis of Matters

We draw attention to the following matters in the Notes to the Financial Statements:

a) Note No. 43 of the financial statements stating that the financial statements have been prepared on the going concern basis as per the opinion of the Management, however the flow of events and current status of the proceedings initiated by Banks under Section 13(4) of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (SARFAESI Act),where in bankers have taken symbolic possession of the assets mortgaged with them and have issued a notice for auction of the Property "Land and Building and Plant and Machinery situated at Edayar Zinc Ltd in an extent of 95.34 acres in Binanipuram, kadungaloor, Village Parur Taluka, Ernakulam District admeasuring area 117483 sq. Meters mortgaged to consortium as collateral security and in the absence of any evident plan to pay back, we are of the opinion that the going concern assumption of the company is not true.

b) Note No.44 of the financial statements stating that in the opinion of the management, there is no impairment in the value of the fixed assets to be recognized in the accounts at this stage, within the meaning of Indian Accounting Standard (Ind AS) 36– Impairment of Assets, notified by the Companies Accounting Standards Rules 2006, which is however dependent on various uncertainties over its ability to continue as a going concern, as stated therein.

c) Non-Provision for interest: Note No. 16(a) of the Financial Statements stating that interest of ₹ 43.20 Crores (P.Y. ₹ 40.23 Crores) for the financial year 2018-19 has not been provided in the financial statements as the Company's accounts have been declared as NPA by it's bankers.

d) Electricity charges of ₹ 5056.36 lakhs (P.Y. ₹ 5056.36 lakhs) till 31/03/2019 has not been provided as a liability in the financial statements.

e) As per information and explanation provided to us, the bankers have filed the case with High Court of Bombay to declare the directors of the Company as willful defaulter, as informed to us the matter is sub-judice.

f) Non-Provision for Interest: Note No. 24(a) of the Financial Statements stating that the settlement with the workers vide Agreement dated 06/02/2018 for a consolidated amount of ₹ 2724.04 lakhs is to be paid on or before 120 days & delay in payment shall attract 12% p.a. till the date of payment. While the payment has not been made in terms of agreement, the company has not provided for the interest liability.

g) Non- Provision for Contractual Liability: Note No. 24(b) of the Financial Statements stating that the company is in receipt of a settlement agreement with Contract Laborers dated 11/04/2018 for an amount of ₹ 2 Crores is to be paid within 120 days & delay in payment shall attract 7% p.a. till the date of payment. No Liability & interest has been recognized in the books for this as the authorized officials of the company have not participated or agreed with the settlement.

h) We draw attention to the fact that the net worth of the company has been fully eroded and this indicates the existence of a material uncertainty that cast significant doubt about the Company's ability to continue as a going concern.

Our report is 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.

Our opinion on the standalone Ind AS 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 Ind AS 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 standalone 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 standalone Ind AS financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. 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 standalone Ind AS 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 standalone financial statements

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

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

- Identify and assess the risks of material misstatement of the standalone 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 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 standalone Ind AS financial statements, including the disclosures, and whether the standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone Ind AS 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, the statement of cash flows and the statement of changes in equity dealt with by this Report are in agreement with the books of account;

(d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Ind AS 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, 2019 taken on record by the board of directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act;

(f) We have been informed that the company has discontinued its operations since 2014 and in absence of any activity and manpower; no internal financial control policies have been separately framed. In absence of any such defined policies we cannot comment on the effectiveness of the internal financial control.

(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;

(i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note No 40.1, 40.2, 43 and 45 in the standalone Ind AS Financial Statements.

(ii) The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts.

(iii) 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 and therefore the question of delay in transferring such sums does not arise.

For **Udeshi Shukla & Associates**
Chartered Accountants
FRN: 114886W

CA Sheel Rajendra Shukla
Partner
MRN: 046775

Place : Mumbai
Date : 29th May, 2019

Annexure A to the Auditor's Report

1. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.

   (b) In the absence of any physical verification report of fixed assets we are not in position to comment on the frequency of verification of fixed assets.

   (c) According the information and explanation given to us and on the basis of our examination of the records of the company, the title deeds of all immovable properties except for freehold land of ₹ 41.42 lakhs are held in the name of the company.

2. In the absence of any physical verification report of Inventory we are not in position to comment on reasonableness of the frequency of verification and the discrepancies noticed on physical verification of inventory as compared to book records.

3. (a) According to the information and explanations given to us and the records of the company examined by us, the company had placed inter-corporate deposits with its holding company, Binani Industries Limited. However it has not granted any loans during the year, to the parties covered in the register maintained under Section 189 of the Companies Act, 2013 except for the advance given to subsidiary company.

   (b) The principal amount of the inter-corporate deposit is repayable on demand. According to the information and explanations given to us no demands have been made by the Company for the repayment of the principal. The party has not been regular in remitting the amount of interest. We have been informed that interest is not being charged on the deposit and an amount of ₹ 949.63 lakhs is outstanding towards interest as at 31st March, 2019.

   (c) According to the information and explanations given to us, we have been informed that the Company is taking reasonable steps for recovery of the overdue interest amounts in respect of the above inter-corporate deposits; however we are not in a position to comment on the reasonableness of the steps taken by the company.

4. According to the information and explanations given to us and based on the legal opinion obtained by the company, we are of the opinion that the Company has complied with the provisions specified under section 185 and section 186 of the Act with respect to the loans and guarantee given by the company. No security has been given by the company. The company has not made any investment during the year.

5. The Company has not accepted any deposits from the public during the year 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 rules framed there under are not applicable.

6. The maintenance of cost records has been prescribed by the Central Government under Section 2(13) read with section 148 of the Act. We have been informed that as the plant has not operated during the year and as there is no production, the maintenance of cost records under section 148 of the Act may not be necessary.

7. (a) As per the information and explanations furnished to us and according to our examination of the records of the Company, the Company, except for statutory dues payable for workers as per the settlement with the workers vide Agreement dated 06/02/2018 as mentioned in Note No. 24(a) in the standalone Ind AS Financial Statements, has been generally regular in depositing undisputed statutory dues including Provident Fund, Employee's State Insurance, Income Tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, and other statutory dues as applicable to the Company with the appropriate authorities during the year.

   There are no arrears of undisputed statutory dues outstanding at the last day of the financial year for a period of more than six months from the date on which they became payable except for import duties amounting to ₹ 2,944.68 lakhs which is not paid pending the final assessment thereof.

   (b) According to the information and explanations given to us and the records of the Company examined by us, the following disputed amounts of tax demanded (including those related to the erstwhile Zinc Division of the holding company Binani Industries Limited) have not been deposited with the authorities as at 31st March, 2019 as per the details given below.

Name of the Statute	Nature of Dues	Amount (₹ in lakhs)	Year to which the amount relates	Forum where dispute is pending
Central Excise Act, 1944	Excise duty including penalty (Service tax credit on Forward Exchange Contracts)	1.35	2007-08	Customs, Excise and Service Tax, Appellate Tribunal, Bangalore
	Excise duty (Modvat credit)	2.40	2000-01* 2001-02* 2002-03*	High Court of Kerala, Ernakulam
	Excise duty including penalty (Service tax credit on Forward Exchange Contracts)	0.70	2008-09	Customs, Excise and Service Tax, Appellate Tribunal, Bangalore
	Excise duty including penalty (Service tax credit on Forward Exchange Contracts)	0.71	2009-10	Customs, Excise and Service Tax, Appellate Tribunal, Bangalore
	Excise duty including penalty (Service tax credit on Public Welfare Activities)	0.22	2010-11	Commissioner of Central Excise, Customs & Service Tax (Appeals)
	Excise duty including penalty (Service tax credit on Forward Exchange Contracts)	1.19	2012-13	Commissioner of Central Excise, Customs & Service Tax (Appeals)
Central Excise Act, 1944	Excise duty including penalty (Service tax credit on Forward Exchange Contracts)	1.22	2010-11	Commissioner of Central Excise, Customs & Service Tax (Appeals)
	Excise duty including penalty (Service tax credit on Forward Exchange Contracts)	1.13	2010-11	Commissioner of Central Excise, Customs & Service Tax (Appeals)
	Excise duty including penalty (Service tax credit on Forward Exchange Contracts)	0.39	2010-11	Commissioner of Central Excise, Customs & Service Tax (Appeals)
	Excise Duty/Service Tax	10.85	Various	Commissioner of Central Excise, Customs & Service Tax (Appeals)
	Excise duty including penalty (Service tax credit on forward exchange contracts)	0.31	2011-12	Commissioner of Central Excise, Customs & Service Tax (Appeals)
	Excise duty including penalty (Service tax credit on Carriage Outwards)	24.29	2005-06 & 2006-07	Commissioner of Central Excise, Customs & Service Tax (Appeals)
	Excise duty including penalty (Service tax credit on Carriage Outwards)	90.88	2007-08	Customs, Excise and Service Tax, Appellate Tribunal, Bangalore
	Excise duty (service tax credit on selling commission)	13.49	2005-06	Customs, Excise and Service Tax, Appellate Tribunal, Bangalore
	Custom Duty	77.32	Appeal No. C/22692/2014	Customs, Excise and Service Tax, Appellate Tribunal, Cochin
	Custom Duty	155.80	Appeal No. C/22693/2014	Customs, Excise and Service Tax, Appellate Tribunal, Cochin
	Custom Duty	0.91	Appeal No. C/22694/2014	Customs, Excise and Service Tax, Appellate Tribunal, Cochin
	Excise duty penalty (service tax credit on Rent & Hire Charges)	2.19	2010-11 2011-12	Commissioner of Central Excise, Customs & Service Tax (Appeals)
	Excise duty penalty (service tax credit on Supplementary bills of work contractors)	31.83	2008-09	Commissioner of Central Excise, Customs & Service Tax (Appeals)

Name of the Statute	Nature of Dues	Amount (₹ in lakhs)	Year to which the amount relates	Forum where dispute is pending
Indian Customs Act, 1962	Customs duty (Concessional Duty)	78.40	1984-85*	Asst. Commissioner of Customs, Kochi
	Custom Duty (Item Classification)	2.11	Various	Customs, Excise & Service Tax Appellate Tribunal, Chennai
	Custom Duty (Item Classification)	11.09	1993-94*	Customs, Excise & Service Tax Appellate Tribunal, Chennai
Kerala VAT Act, 2005	Central Sales Tax dues and interest thereon	6.08	2009-10	Appeal before DC (Appeals) to be filed. Rectification to be filed to AC
	Central Sales Tax dues and interest thereon	126.97	2010-11	Appeal to be filled before DC (Appeals) , Commercial Taxes, Ernakulam
	Central Sales Tax dues and interest thereon	194.69	2007-08	Appeal to be filled before DC (Appeals) , Commercial Taxes, Ernakulam
	Central Sales Tax dues and Interest thereon	82.91	2012-13	Deputy Commissioner (Appeals), Commercial Taxes, Ernakulam
	Sales Tax dues and interest thereon	21.62	2005-06	Appellate Tribunal
	Sales Tax dues and interest thereon	243.75	2006-07	Deputy Commisioner (Appeals), Commercial Taxes, Ernakulam
	Sales Tax dues and interest thereon	162.63	2011-12	Deputy Commissioner (Appeals), Commercial Taxes, Ernakulam [Appeals to be Filed]
	Central Sales Tax dues and Interest thereon	62.04	2007-08	Appellate Tribunal
	Sales Tax dues and interest thereon	178.34	2008-09	Deputy Commisioner (Appeals), Commercial Taxes, Ernakulam
	Sales Tax dues and interest thereon	92.44	2009-10	Deputy Commissioner (Appeals), Commercial Taxes, Ernakulam
	Sales Tax dues and interest thereon	32.42	2013-14	Appeal to be filled before Deputy Commissioner (Appeals), Commercial Taxes, Ernakulam
Income Tax Act, 1961	Tax deducted at Source on Foreign remittance	3.69	2009-10 & 2013-14	Commissioner of Income Tax (Appeals)

* Relates to the erstwhile Zinc Division of Binani Industries Limited.

8. According to the information and explanations given to us and the records of the Company examined by us, the Company has defaulted in repayment of dues to banks, particulars of which are as follows:

Name of bank	Nature of Instrument	Period of default (in Days)	Amount of Default (₹ in lakhs)
Punjab National Bank	Letter of credit	1839	4141.12
Oriental Bank of Commerce	Letter of credit	1838	4881.83
Punjab National Bank	Letter of credit	1764	4581.98
Oriental Bank of Commerce	Letter of credit	1697	5,401.33
Punjab National Bank	Letter of credit	1568	4,645.19
Punjab National Bank	Bank Guarantee Invoked	1272	115.82
Punjab National Bank	Bank Guarantee Invoked	1272	16.10
Punjab National Bank	Bank Guarantee Invoked	1272	13.63
Oriental Bank of Commerce	Bank Guarantee Invoked	1272	157.13
Oriental Bank of Commerce	Bank Guarantee Invoked	1123	20.30
Oriental Bank of Commerce	Bank Guarantee Invoked	1123	30.30

Note: LC devolved and Bank Guarantees invoked have been included in the Cash Credit balance.

9. According to the information and explanations given to us and based on the records of the company examined by us, the Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Also no term loan has been obtained by the company during the year.

10. 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.

11. 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.

12. In our Opinion and according to the information and explanations given to us, the Company is not a Nidhi company; accordingly clause (xii) of paragraph 3 of the said order is not applicable to the company.

13. 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.

14. The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.

15. According to the information and explanations given to us and based on the records of the company examined by us, the Company has not entered into any non-cash transactions with directors or persons connected with him.

16. 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 11886W

CA Sheel Rajendra Shukla
Partner
MRN 046775

Place : Mumbai
Date : 29th May, 2019

BALANCE SHEET AS AT 31ST MARCH, 2019

(All amounts in INR lakhs, unless otherwise stated)

(₹ in Lakhs)

PARTICULARS	Note No.	31st March 2019	31st March 2018
ASSETS			
Non Current Assets			
Property, Plant and Equipment	4	**5,408.91**	5,783.58
Capital Work-in-Progress	4	**2,752.27**	2,752.27
Other Intangible assets	5	**-**	0.17
Financial Assets			
(i) Investments	6	**522.89**	522.89
Tax Assets	7	**17.43**	17.08
Other Non Current Assets	8	**244.42**	244.42
Total Non Current Assets		**8,945.92**	9,320.41
Current assets			
Inventories	9	**2,636.06**	2,636.06
Financial Assets			
(i) Cash and cash equivalents	10	**4.42**	4.35
(ii) Bank Balance other than cash and cash equivalents	10.1	**0.00**	63.50
(iii) Loans	11	**3,364.75**	3,357.64
(iv) Other Financial Assets	12	**2,301.67**	2,302.25
Other Current Assets	13	**2,258.70**	2,245.79
Total Current Assets		**10,565.60**	10,609.59
Total Assets		**19,511.52**	19,930.00
EQUITY AND LIABILITIES			
Equity			
Equity Share capital	14	**6,761.81**	6,761.81
Other Equity	15	**(19,124.28)**	(18,629.96)
Total Equity		**(12,362.47)**	(11,868.15)
LIABILITIES			
Current liabilities			
Financial Liabilities			
(i) Borrowings	16	**24,908.00**	24,837.83
(ii) Trade payables	17	**161.07**	148.37
(iii) Other Financial Liabilities	18	**4,290.21**	4,297.24
Other current liabilities	19	**475.19**	475.19
Provisions	20	**2,039.52**	2,039.52
Total Liabilities		**31,873.99**	31,798.15
Total Equity and Liabilities		**19,511.52**	19,930.00
Summary of Significant Accounting Policies	**2 & 3**		
The accompanying notes are an integral part of the financial statements.			

As per our report of even date attached

For and on behalf of the Board of Directors

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

CA Sheel Rajendra Shukla
Partner
Membership No: 046775

Place : Mumbai
Date : 29th May, 2019

Visalakshi Sridhar
Managing Director,
CFO & Company Secretary
DIN: 07325198
Membership No. ICSI-A13849
AICWA-M21132

Kirti Mishra
Director
DIN - 07824918

Pradeep Sharma
Director
DIN 06881915

Place : Mumbai
Date : 29th May, 2019

STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2019

(All amounts in INR lakhs, unless otherwise stated)

PARTICULARS	Note No.	31st March 2019	31st March, 2018
Revenue From Operations	21	-	9.67
Other Income	22	3.61	18.17
Total Income		3.61	27.84
EXPENSES			
Changes in inventories	23	-	9.67
Employee benefits expense	24	-	22.04
Finance costs	25	0.01	0.26
Depreciation and amortization expense	26	374.84	380.65
General, administration and other expenses	27	115.27	233.72
Total expenses		490.12	646.34
Profit/(Loss) before exceptional items and tax		(486.51)	(618.50)
Exceptional Items	28	7.81	2,857.35
Profit/(Loss) before Tax		(494.32)	(3475.85)
Tax expense:			
Current tax		-	-
Deferred Tax charged / (Credit)		-	-
Profit /(Loss) for the Year (A)		(494.32)	(3475.85)
OTHER COMPREHENSIVE INCOME			
Items that will not be reclassified subsequently to profit or loss			
Re-measurement of Post Employment Benefit Obligation		-	-
Tax Expense		-	-
Total Other Comprehensive Income (B)		-	-
Total Comprehensive Income (A + B)		(494.32)	(3475.85)
Earnings per Equity Share :			
Basic & Diluted	29	(0.73)	(5.14)
Nominal value per Equity Share		10.00	10.00
Summary of Significant Accounting Policies	2 & 3		
The accompanying notes are an integral part of the financial statements.			

As per our report of even date attached

For and on behalf of the Board of Directors

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

CA Sheel Rajendra Shukla
Partner
Membership No: 046775

Place : Mumbai
Date : 29th May, 2019

Visalakshi Sridhar
Managing Director,
CFO & Company Secretary
DIN:07325198
Membership No. ICSI-A13849
AICWA-M21132

Kirti Mishra
Director
DIN - 07824918

Pradeep Sharma
Director
DIN 06881915

Place : Mumbai
Date : 29th May, 2019

STATEMENTS OF CHANGES IN EQUITY

(All amounts in INR lakhs, unless otherwise stated)

A. Equity Share Capital (Refer Note 14)

(₹ in Lakhs)

Balance as at 31 March 2018	6,761.81
Changes in equity share capital	-
Balance as at 31 March 2019	6,761.81

B. Other Equity (Refer Note 15)

(₹ in Lakhs)

Particulars	Reserves and Surplus	Attributable to the equity holders of the parent
	Retained Earnings	
Balance as at 31 March 2017	(15,154.11)	(15,154.11)
Profit /(Loss) for the year	(3,475.85)	(3,475.85)
Other Comprehensive Income for the year	-	-
Total Comprehensive Income for the year	(3,475.85)	(3,475.85)
Balance as at 31 March 2018	**(18,629.96)**	**(18,629.96)**
Profit /(Loss) for the year	**(494.32)**	**(494.32)**
Other Comprehensive Income for the year	**-**	**-**
Total Comprehensive Income for the year	**(494.32)**	**(494.32)**
Balance as at 31 March 2019	**(19,124.28**	**(19,124.28)**

As per our report of even date attached

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

CA Sheel Rajendra Shukla
Partner
Membership No: 046775

Place : Mumbai
Date : 29th May, 2019

For and on behalf of the Board of Directors

Visalakshi Sridhar
Managing Director,
CFO & Company Secretary
DIN:07325198
Membership No. ICSI-A13849
AICWA-M21132

Kirti Mishra
Director
DIN - 07824918

Pradeep Sharma
Director
DIN 06881915

Place : Mumbai
Date : 29th May, 2019

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019

(All amounts in INR lakhs, unless otherwise stated)

(₹ in Lakhs)

	PARTICULARS	31st March, 2019	31st March, 2018
A	**Cash Flow From Operating Activities**		
	Earnings before exceptional and extraordinary items and tax	**(486.51)**	(618.50)
	Adjustments for:		
	Depreciation / Amortization /Impairment	**374.84**	380.65
	Interest and Finance Charges	**0.01**	0.26
	Interest and Dividend Income	**(3.54)**	(4.52)
	Exceptional Item	**(7.81)**	(2857.35)
	Operating Profit Before Working Capital Changes	**(123.01)**	(3099.46)
	Change in operating assets and liabilities		
	(Increase)/Decrease in trade receivables and other assets	**(13.26)**	(13.49)
	(Increase)/Decrease in other Financial Assets	**0.58**	259.10
	(Increase)/Decrease in trade payables and other payables	**5.67**	2755.06
	Cash Generated from Operations	**(130.02)**	(98.79)
	Net Cash from/(used in) Operating Activities	**(130.02)**	(98.79)
B	**Cash Flow from Investing Activities**		
	Loans and advances to subsidiaries	**(7.11)**	(2.48)
	Interest and Dividend Income Received	**3.54**	4.52
	Net Cash from/(used in) Investing Activities	**(3.57)**	2.04
C	**Cash Flow from Financing Activities**		
	Proceeds / Repayment from Short Term Borrowings (Net)	**70.17**	87.39
	Finance cost	**(0.01)**	-0.26
	Net Cash from / (used in)Financing Activities	**70.16**	87.13
D	**Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)**	**(63.43)**	(9.61)
E	**Opening Cash & Cash Equivalents**	**67.85**	77.46
F	**Closing Cash & Cash Equivalents (D+E)**	**4.42**	67.85

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019

(All amounts in INR lakhs, unless otherwise stated)

(₹ in Lakhs)

Reconciliation of Cash Flow statements as per the cash flow statement	**31st March, 2019**	31st March, 2018
Cash Flow statement as per above comprises of the following		
Cash and cash equivalents	**4.42**	67.85
Balances as per statement of cash flows	**4.42**	67.85

As per our report of even date attached

For and on behalf of the Board of Directors

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

CA Sheel Rajendra Shukla
Partner
Membership No: 046775

Place : Mumbai
Date : 29th May, 2019

Visalakshi Sridhar
Managing Director,
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DIN:07325198
Membership No. ICSI-A13849
AICWA-M21132

Kirti Mishra
Director
DIN - 07824918

Pradeep Sharma
Director
DIN 06881915

Place : Mumbai
Date : 29th May, 2019

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

Note No.1

1. Company information

Edayar Zinc Limited ("the Company") is primarily engaged in the business of manufacturing of zinc and its by-products. The company 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 37/2, Chinar Park, New Town, Rajarhat Main Road, P.O. Hatiara, Kolkata, West Bengal - 700157.

The financial statements are approved for issue by the Company's Board of Directors on May 29, 2019.

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 2019 are the first 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
- Land included in PPE are measured at Carrying 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

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
- 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 from sales of goods

Effective 1 April 2018, the Company has adopted Ind AS 115 'Revenue from Contracts with Customers' using the cumulative effect method. Accordingly, the standard is applied only to the contracts that were not completed as at 1 April 2018 and the comparative information in the statement of profit and loss is not restated. The impact of adoption of the standard on the financial statements of the Company is insignificant.

Ind AS 115 Revenue from contracts with customers outlines a single comprehensive model of accounting for revenue arising from contracts with customers and supersedes current revenue recognition guidance under Ind AS 18.

The Company recognises revenue from contracts with customers based on a five step model as set out in Ind AS 115:

Step 1: Identify contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2: Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

Step 3: Determine the transaction price: The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4: Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Company allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.

Step 5: Recognise revenue when (or as) the Company satisfies a performance obligation.

For the year ended March 31, 2018, based on the Educational Material on Ind AS 18 issued by the ICAI, the company has assumed that recovery of excise duty flows to the Company on its own account. This is for the reason that it is a liability of the manufacturer which forms part of the cost of production, irrespective of whether the goods are sold or not. Since the recovery of excise duty flows to the Company on its own account, revenue includes excise duty for the period from 1 April 2017 to 30 June 2017.

However, sales tax/ value added tax (VAT) / Goods and Service Tax (GST) is not received by the Company on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue with effect from 1 July 2017; hence sale of products of current year is not strictly comparable with 1 July 2017 of previous year.

The specific recognition criteria described below must also be met before revenue is recognized.

Sale of goods

Revenue from the sale of goods is recognised when the control of the goods is transferred i.e. when the significant risks and rewards of ownership of the goods have passed to the buyer. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable. Revenue from the sale of goods is measured at amount of transaction price (net of variable consideration) allocated to that performance obligation. Revenue (net of variable consideration) is recognized only to the extent that it is highly probable that the amount will not be subject to significant reversal when uncertainty relating to its recognition is resolved. Revenue is measured after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government which are levied on sales such as goods and services tax, etc.

Revenue from sale of products is recognized when the control on the goods have been transferred to the customer. The performance obligation in case of sale of product is satisfied at a point in time i.e., when the material is shipped to the customer or on delivery to the customer, as may be specified in the contract.

Sale of services

Revenue from rendering of services is recognized over time by measuring the progress towards complete satisfaction of performance obligations at the reporting period.

Interest Income

Interest Income is recognized on a basis of effective interest method as set out in Ind AS 109, Financial Instruments, and where no significant uncertainty as to measurability or collectability exists.

Dividend Income

Dividend income from investments is recognized when the Company's right to receive dividend is established.

3.5 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are included in the cost of that asset. Qualifying asset are asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective assets. All other borrowing costs are expensed in the statement of profit & loss in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing costs is reduced to the extent of income arising from temporary parking of funds in fixed deposits and mutual funds.

The capitalisation of borrowing costs is suspended if there are prolonged periods when active development is interrupted. Interest expense for such period has been charged to statement of profit & loss account.

3.6 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 Office equipment & Transport Equipment) is provided on the straight line method, and others are provided on written down value 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.

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

Lease hold land is amortised over the lease period from the date of receipt of advance possession or execution of lease deed, whichever is earlier.

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, 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.

3.7 Intangible assets

Recognition and initial measurement

Intangible assets are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price.

The useful lives of intangible assets are assessed to be finite. Intangible assets are amortised over their useful life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each financial year end. The intangibles are depreciated on a straight line basis over a period of 5 Years.

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

Depreciation and Amortisation of the assets commences when the assets are ready for their intended use. Depreciation and amortisation ceases when the net book value of the asset is zero or the asset is no longer in use.

Gains or losses arising from derecognizing of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss at the moment that the asset is derecognised.

3.8 Impairment of non-financial assets

Property, plant and equipment and intangible assets 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 assets 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.

3.9 Inventories

Raw Materials, Stores and Spares and work in process is valued at lower of weighted average cost (net of Cenvat) and Net Realizable Value (NRV)

Finished Goods have been valued at lower of cost and net realisable value. Cost for this purpose includes direct cost, attributable overheads and excise duty.

By-products are valued at estimated selling price.

NRV is the estimated selling price in the ordinary course of business less the estimated cost of completion and estimated cost necessary to make the sale.

3.10 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 measured at amortised 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.

3.11 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.

3.12 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 amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost is recognised 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.

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 recognised 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 amortised 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 recognised 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 on equity investments 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.

Investment in subsidiaries

Investment in subsidiaries is carried at cost less impairment (if any).

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.

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 recognised 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 amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised 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 recognised 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 capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

   Preference shares, which are mandatorily redeemable on a specific date, are classified as liabilities. The dividends on these preference shares are recognized in profit or loss as finance costs.

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.

3) **Financial Guarantee Contracts:**

   Financial Guarantee Contracts are recognized as a financial liability at the time the guarantee is issued. The liability is initially is measured at fair value and subsequently at the higher of the amount determined in accordance with IND AS 37 and the amount initially recognized less cumulative amortization, where appropriate.

   The fair value of financial guarantee is determined as the present value of the differences in net cash flows between the contractual payments under the debt instruments and the payments that would be required without the guarantee, for the estimated that would be payable to third party for assuming the obligation.

   There is a restriction in the agreement executed with the financial instruments for charging of guarantee commission for guarantees given.

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.

3.14 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.

3.14 Employee Benefits

a) Short-term / long term obligations

All employee benefits payable wholly within twelve months of rendering the service including performance incentives and compensated absences are classified as short term employee benefits. The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are charged off to the Statement of Profit and Loss/ Capital Work-in-Progress, as applicable. The employee benefits which are not expected to occur within twelve months are classified as long term benefits and are recognised as liability at the net present value.

b) Defined contribution plan

Contributions to defined contribution schemes such as provident fund, Employees State Insurance and Pension Plans are charged off to the Statement of Profit and Loss/ Capital Work-in-Progress, as applicable, during the year in which the employee renders the related service.

c) Defined benefit plan

i) Gratuity :

The liability or asset recognized in the balance sheet in respect of defined benefit gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets.
The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of government bond and that have terms to maturity approximating to the terms of the related gratuity.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through Other Comprehensive Income (OCI) in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.

ii) Other Long term employee benefits:

The company has a policy on compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary at each balance sheet date using projected unit credit method on the additional amount expected to be paid/availed as a result of the unused entitlement that has accumulated at the balance sheet date. Expense on non-accumulating compensated absences is recognized in the statement of profit or loss in the period in which the absences occur.

The Company has a scheme for payment of Loyalty on retirement to eligible employees. The scheme is unfunded. The expected cost of loyalty obligation is determined by actuarial valuation performed by an independent actuary at each balance sheet date using projected unit credit method. Expense on loyalty obligation is recognized in the statement of profit or loss in the period in which they occur.

3.15 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 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.

3.16 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.

3.17 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.

3.18 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 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) Defined benefit obligations

The present value of the defined benefit obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) for post employments plans include the discount rate. Any changes in these assumptions will impact the carrying amount of such obligations.

The Company determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the defined benefit obligations. In determining the appropriate discount rate, the Company considers the interest rates of government bonds of maturity approximating the terms of the related plan liability.

(d) 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 rate.

(e) 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.

3.19 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

NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS

(All amounts in INR lakhs, unless otherwise stated)

NOTE NO. 4 - PROPERTY, PLANT AND EQUIPMENT AND WORK IN PROGRESS

(₹ in Lakhs)

Particulars	Leasehold Land	Buildings	Plant and Machinery	Furniture and Fixtures	Motor Vehicle	Total PPE	Capital Work in Progress
As at and Year ended March 31, 2018							
Gross carrying amount							
As at April 01, 2017	274.74	1,625.32	22,950.70	204.32	146.37	25,201.45	2,752.27
Additions	-	-	-	-	-	-	-
As at March 31, 2018	274.74	1,625.32	22,950.70	204.32	146.37	25,201.45	2,752.27
Accumulated Depreciation and Impairment							
As at April 01, 2017	-	1,182.98	17,515.96	196.51	142.19	19,037.64	-
Depreciation charged during the year	-	35.42	341.95	1.42	1.45	380.24	-
As at March 31, 2018	-	1,218.40	17,857.91	197.93	143.64	19,417.88	-
Net carrying amount as on March 31, 2018	274.74	406.92	5,092.79	6.39	2.73	5,783.57	2,752.27
As at and Year ended March 31, 2019							
Gross carrying amount							
As at April 01, 2018	**274.74**	**1,625.32**	**22,950.70**	**204.32**	**146.37**	**25,201.45**	**2,752.27**
Additions	**-**	**-**	**-**	**-**	**-**	**-**	**-**
As at March 31, 2019	**274.74**	**1,625.32**	**22,950.70**	**204.32**	**146.37**	**25,201.45**	**2,752.27**
Accumulated Depreciation and Impairment							
As at April 01, 2018	**-**	**1,218.40**	**17,857.91**	**197.93**	**143.64**	**19,417.88**	**-**
Depreciation charged during the year		**30.90**	**341.95**	**1.04**	**0.77**	**374.66**	**-**
As at March 31, 2019	**0.00**	**1,249.30**	**18,199.86**	**198.97**	**144.41**	**19,792.54**	**-**
Net carrying amount as on March 31, 2019	**274.74**	**376.02**	**4,750.84**	**5.35**	**1.96**	**5,408.91**	**2,752.27**

* The Projects in progress is net of some equipments taken away by the suppliers on account of non payment of their dues.

NOTES:

4.1 (a) Furniture and Fixtures include office equipments, the amount of which is not material.

4.1 (b) The plant was not operational during the entire financial year. However normal depreciation has been charged to all the assets as the management is of the opinion that there has been no unusual deterioration in the condition of the asssets due to non operation.

NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS

(All amounts in INR lakhs, unless otherwise stated)

NOTE NO.5 - INTANGIBLE ASSETS

(₹ in Lakhs)

PARTICULARS	Computer Software	Total
As at and Year ended March 31, 2018		
Gross carrying amount		
As at April 01, 2017	8.41	8.41
Additions	-	-
As at March 31, 2018	**8.41**	**8.41**
Accumulated Depreciation and Impairment		
As at April 01, 2017	7.82	7.82
Depreciation charged during the year	0.42	0.42
As at March 31, 2018	**8.24**	**8.24**
Net carrying amount as on March 31, 2018	**0.17**	**0.17**
As at and Year ended March 31, 2019		
Gross carrying amount		
As at April 01, 2018	8.41	8.41
Additions	-	-
As at March 31, 2019	**8.41**	**8.41**
Accumulated Depreciation and Impairment		
As at April 01, 2018	8.24	8.24
Depreciation charged during the year	0.17	0.17
As at March 31, 2019	**8.41**	**8.41**
Net carrying amount as on March 31, 2019	**0.00**	**0.00**

NOTE NO. 6 - NON CURRENT INVESTMENTS

PARTICULARS	Face value	**31st March, 2019**		31st March, 2018	
		No. of shares/Units	**Rupees in lakhs**	No. of shares/Units	Rupees in lakhs
Investment in equity instruments (fully paid-up)					
Unquoted					
Others					
Investment in Equity Instruments of Subsidiaries, fully paid up					
50,00,000 (Previous Year 50,00,000 Shares of ₹10/- each) in R.B.G. Minerals Industries Limited	10	50,00,000	**505.39**	50,00,000	505.39
Other Investments					
Investment in Equity Instruments of Other Companies, fully paid up					
1,75,000 (Previous Year 1,75,000 Shares of ₹10/- each) in Kerala Enviro Infrastructure Limited	10	1,75,000	**17.50**	1,75,000	17.50
Total			**522.89**		**522.89**
Total Non-Current Investments			**522.89**		**522.89**
Aggregate amount of Quoted Investment - At Market Value			-		-
Aggregate amount of Unquoted Investment - At Cost			**522.89**		522.89
Aggregate amount of impairment in the value of investments			-		-
@ Amount is below the rounding off norm adopted by the group.					

NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS

(All amounts in INR lakhs, unless otherwise stated)

NOTE NO. 7 - TAX ASSETS (NET)

(₹ in Lakhs)

PARTICULARS	31st March 2019	31st March 2018
Unsecured, Considered good		
Advance Tax/TDS	**17.43**	17.08
Total	**17.43**	17.08

NOTE NO. 8 - OTHER NON-CURRENT ASSETS

(₹ in Lakhs)

PARTICULARS	31st March 2019	31st March 2018
Capital Advances	**244.42**	244.42
Total	**244.42**	244.42

NOTE NO. 9 - INVENTORIES

(₹ in Lakhs)

PARTICULARS	31st March 2019	31st March 2018
Raw Materials	**1,421.18**	1,421.18
Work-In Process	**304.09**	304.09
Finished Goods	**6.96**	6.96
Stores and Spares	**903.83**	903.83
Total	**2,636.06**	2,636.06

NOTE NO. 9.1 METHOD OF VALUATION OF INVENTORIES - Refer Notes 9.4 & 9.5

NOTE NO. 9.2 BREAK - UP OF INVENTORIES OF FINISHED GOODS

(₹ in Lakhs)

PARTICULARS	31st March 2019	31st March 2018
Sulphuric Acid	**3.97**	3.97
Zinc Alloy	**2.99**	2.99
Total	**6.96**	6.96

NOTE NO. 9.3 BREAK - UP OF INVENTORIES OF WORK IN PROCESS

(₹ in Lakhs)

PARTICULARS	31st March 2019	31st March 2018
Calcine	**299.99**	299.99
Zinc Dust	**4.10**	4.10
Total	**304.09**	304.09

NOTE NO. 9.4

The Raw Materials and WIP valuation-Symbolic Possession of the assets has been taken by the banks and the banks have been conducting e-auction. For sale of mortgaged properties are on as is where is basis carried. Hence the inventories are valued as per 31-3-2018 have been continued. The valuation of Raw Material and WIP has not been done by the management.

NOTE NO. 9.5

Finished Goods valuation-Symbolic Possession of the assets has been taken by the banks and the banks have been conducting e-auction. For sale of mortgaged properties are on as is where is basis carried. Hence the inventories are valued as per 31-3-2018 have been continued. The valuation of Raw Material and WIP has not been done by the management. the valuation of Finished Goods has not been done by the Management.

NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS
(All amounts in INR lakhs, unless otherwise stated)

NOTE NO. 10 - CASH AND CASH EQUIVALENTS

(₹ in Lakhs)

PARTICULARS	31st March 2019	31st March 2018
Balances with banks (Refer Note below)		
- in current accounts	**4.36**	4.29
Cash on hand	**0.06**	0.06
Total	**4.42**	4.35

NOTE NO 10.1 - BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENTS

(₹ in Lakhs)

PARTICULARS	31st March 2019	31st March 2018
Balances with banks in Deposit Accounts to the extent held as security against Letter of Credit facilities & Guarantees includes interest accrued on the deposits.	**00.00**	63.50
Total	**00.00**	63.50

Note: The Bankers have adjusted the amount against their dues on 15th February 2019.

NOTE NO. 11 - LOANS

(₹ in Lakhs)

PARTICULARS	31st March 2019	31st March 2018
Unsecured, considered good		
Loans & Advances to Related Parties (Unsecured Considered Good)		
Due from Subsidiary Companies (Refer Note No. 34C)	**18.16**	11.05
Due from Holding Company (Refer Note No. 34C)	**3,346.59**	3346.59
Total	**3,364.75**	3,357.64

NOTE NO. 12 - OTHER FINANCIAL ASSETS

(₹ in Lakhs)

PARTICULARS	31st March 2019	31st March 2018
Deposits	**120.94**	120.97
Advances Recoverable in Cash or Kind	**1,231.10**	1,231.65
Interest Receivable (Refer Note No. 35C)	**949.63**	949.63
Total	**2,301.67**	2,302.25

NOTE NO. 13 - OTHER CURRENT ASSETS

(₹ in Lakhs)

PARTICULARS	31st March 2019	31st March 2018
Balance with Customs and Excise Authorities	**2,223.91**	2,223.90
Balance with Revenue Authorities	**34.79**	21.89
Total	**2,258.70**	2,245.79

NOTE NO. 14 - EQUITY SHARE CAPITAL

(₹ in Lakhs)

PARTICULARS	31st March 2019	31st March 2018
Authorised:		
7,50,00,000 (Previous Year 7,50,00,000) Equity Shares Par Value of ₹10/- per Share	**7,500.00**	7,500.00
Total	**7,500.00**	7,500.00
Issued, Subscribed and Fully Paid up:		
6,76,18,082 (Previous Year 6,76,18,082) Equity Shares Par Value of ₹ 10/- per Share	**6,761.81**	6,761.81
Total	**6,761.81**	6,761.81

NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS

(All amounts in INR lakhs, unless otherwise stated)

14 (I)- RECONCILIATION OF NUMBER OF SHARES

(₹ in Lakhs)

PARTICULARS	31st March, 2019		31st March, 2018	
	No of Shares	Amount	No of Shares	Amount
Number of shares outstanding at the beginning of the year	6,76,18,082	6,761.81	6,76,18,082	6,761.81
Number of shares outstanding at the end of the year	6,76,18,082	6,761.81	6,76,18,082	6,761.81

14 (ii) - Terms/Rights attached to Equity Shares

The company has only one class of equity shares having a par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed by the board of directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

During the year ended 31st March, 2019 the amount of dividend proposed for distribution to equity shareholders is ₹ Nil per share (previous year - ₹ Nil per share)

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

14(iii) - Number of shares held by Holding Company, Binani Industries Limited are given in Note 14(iv) below.

14(iv) - Details of Shareholders holding more than 5% shares in the Company as at the end of the period:

(₹ in Lakhs)

NAME OF SHAREHOLDER	31st March, 2019		31st March, 2018	
	% of Holding	No of Shares	% of Holding	No of Shares
Binani Industries Limited	**89.90%**	**6,07,88,138**	89.90%	6,07,88,138

NOTE NO. 15 OTHER EQUITY

(₹ in Lakhs)

PARTICULARS	Reserves and Surplus	Attributable to the equity holders of the parent
	Retained Earnings	
Balance as at 31st March 2018	**(18629.96)**	(18629.96)
Profit /(Loss) for the year	**(494.32)**	(494.32)
Other Comprehensive Income for the year	**-**	-
Total Comprehensive Income for the year	**(494.32)**	(494.32)
Balance as at 31 March 2019	**(19,124.28)**	(19,124.28)

NOTE NO. 16 CURRENT BORROWINGS

(₹ in Lakhs)

PARTICULARS	31st March 2019	31st March 2018
Secured		
Cash Credit from Banks	**24,142.44**	24,285.58
Unsecured		
Advances from Holding company	**765.56**	552.25
Total	**24,908.00**	24,837.83

NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS

(All amounts in INR lakhs, unless otherwise stated)

16(a) Punjab National Bank & Oriental Bank of Commerce has declared the account as NPA w.e.f. 30/06/2014 & in case of Punjab & Sind Bank, It was w.e.f. 30/09/2014. Interest on bank loan has not been charged in books from 01/04/2016. Total Interest amount of ₹ 4320.89 lakhs for F.Y. 2018-19 (₹ 4023.16 lakhs in FY 2017-18) aggregating ₹ 12,436.23 lakhs (₹ 8115.34 lakhs in F.Y. 2017-18) has not been recognised in the books of account. These interest amounts have been calculated on the basis of available information with the Company and are subject to changes as per records of the respective banks.

16(b) As per DRT Order dated 12.08.2016, the company has paid ₹ 100 lakhs upfront and is also paying ₹ 25,000/- per day towards outstanding dues to banks from 19th August, 2016. Till 31st March, 2019, the company has paid ₹ 323.75 lakhs (₹ 247.25 lakhs till 31st March 2018). Refer note 10.1.

16(c) Total repayment in case of Bank borrowings is adjusted against principal (requested by the Company). Total amount paid towards principal is ₹ 540.74 (Previous Year - ₹ 397.62 lakhs). Out of the same, ₹ 323.75 lakhs was paid as per DRT order and the balance amount of Rs. 216.99 lakhs was repaid from Fixed deposit held as lien on 15th February 2019

16(d) Cash Credit/Temporary Overdraft are secured by paripassu first charge by way of hypothecation of the whole of the Current Assets of the Company viz. stocks of raw materials, packing materials, stock in process, semi finished and finished goods, consumable stores and spares, export/local bills receivable, book debts, movable plant and machinery, stores and spares relating to the machinery and other movables belonging to the Company, both present and future, paripassu second charge on the fixed assets of the Company located at Binanipuram, Kerala and by way of Corporate Guarantee of Binani Industries Limited, the Holding Company.

16(e) Period and amount of default as on the balance sheet date in respect of loans devolved letter of credit and bank guarantee invoked (excluding interest) :

PARTICULARS	31st March, 2019 (₹ in Lakhs)	Period (In months)
L/C Devolved during 2013-14 *	4,141.12	61
	4,881.83	61
L/C Devolved during 2014-15 *	4,581.98	58
	5,401.33	56
	4,645.19	52
B/G Invoked during 2015-16	115.82	42
	16.10	42
	13.63	42
	157.13	42
	20.30	37
	30.30	37

Cash Credit includes outstanding as on 31st March 2019 against the L/C's Devolved of ₹ 16587.21 Lakhs (P.Y ₹ 16587.21 lacs) and ₹ 353.28 lacs against Bank Guarantee Invoked (PY ₹ 353.28).

* The amount represents full amount of L/C opened. The portion of amount was paid through Margin Money available.

NOTE NO. 17 TRADE PAYABLES

(₹ in Lakhs)

PARTICULARS	31st March 2019	31st March 2018
Trade Payables (including acceptances & Provisions)	**161.07**	148.37
Total	**161.07**	148.37

17(a) Amount Due to Micro and Small Enterprises

(i) The Company has 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. Company could identified two MSME as mentioned in note 17 (ii) (a) and 17 (iii)

(ii) (a) Chemical Process Ltd filed petition before Micro Small and Medium Enterprises Facilitation Council, Konkan Division under section 18 (1) of Micro, Small and medium Enterprises Development Act 2006 claiming outstanding amount of ₹ 281.72 lacs against the supply of product as per the contract dated 21st June 2013 for "Design, engineering, fabrication, testing, supply, supervision, commissioning assistance of FRP reactor for Tamzinco Project. BZL filed reply before the Facilitation Council on

NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS

(All amounts in INR lakhs, unless otherwise stated)

the ground that BZL is a sick company and its case is registered with the BIFR. BZL further stated that protection under section 22 (1) of SICA is available immediately after registration of reference with BIFR. Since BZL proceedings are still pending with BIFR, proceedings under Micro, Small and medium Enterprises Development Act 2006 can only be initiated with prior consent from BIFR or the appellate authority. This was turned down.

(ii) (b) M/s Chemical Process Equipments Pvt Limited an MSE had approached Micro and Small Enterprises Facilitation Council, Mumbai Region, Directorate of Industries, Government of Maharashtra for their claims and the latter has vide their order dated January 10, 2018 ordered the Company that "Respondent is required to pay to the Petitioner ₹ 281.72 lakhs alongwith interest on each and every due amount of the invoice when become payable after deduction of 30 days till the realization of the amount to the Petitioner. "As banks have taken action under SARFESI and is under symbolic possession of the Banks w.e.f 21st July 2016, no interest has been charged or considered in the Profit and Loss Accounts statements.

(iii) LADCO Galvanizers Pvt Limited has filed case with MSME counsel having registered office at SIPCOT. The amount outstanding is ₹ 5.58 lakhs as per our books of accounts. However they have claimed an outstanding of ₹ 5.62 lacs and interest of ₹ 4.69 lacs. matter is sub- judice. As banks have taken action under SARFESI and is under symbolic possession of the Banks w.e.f 21st July 2016, no interest has been charged or considered in the Profit and Loss Accounts statements.

NOTE NO. 18 - OTHER FINANCIAL LIABILITIES

(₹ in Lakhs)

PARTICULARS	31st March, 2019	31st March, 2018
Security Deposit	**61.48**	61.48
Creditors for Capital Goods	**297.23**	300.05
Advance from Customers	**80.79**	80.79
Retention Money Received	**265.10**	265.10
Others	**670.45**	674.66
Liabilities towards Employee's dues	**2,915.16**	2,915.16
Total	**4,290.21**	4,297.24

NOTE NO. 19 - OTHER CURRENT LIABILITIES

(₹ in Lakhs)

PARTICULARS	31st March, 2019	31st March, 2018
Other Liabilities - Refer note below 19(a)	**475.19**	475.19
Total	**475.19**	475.19

19(a) - OTHER LIABILITIES

(₹ in Lakhs)

PARTICULARS	31st March, 2019	31st March, 2018
Customs Duty on Zinc Concentrate	**474.88**	474.88
Other Statutory Dues	**0.31**	0.31
Total	**475.19**	475.19

NOTE NO. 20 - PROVISIONS

(₹ in Lakhs)

PARTICULARS	31st March, 2019	31st March, 2018
Provision for Employee Benefits		
- For Leave Encashment	**29.64**	29.64
- For Gratuity	**254.99**	254.99
- For Loyalty	**218.72**	218.72
Provision for Other Liabilities	**1,536.17**	1,536.17
Total	**2,039.52**	2,039.52

NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS

(All amounts in INR lakhs, unless otherwise stated)

NOTE NO. 20 (a)

The Company had not operated the plant from November 27, 2014. An application for closure of the plant was made to the Government of Kerala on June 12, 2015 and the same was rejected without granting us an opportunity to be heard. On October 16, 2015, the Labour Secretary rejected the review petition filed under Section 25(O)(5) of the Industrial Disputes Act, 1947. Consequently, the Company filed a writ Mandamus in High Court of Kerala seeking directive to refer the matter for adjudication. Under the circumstance the entire provisions for employee benefits has been classified as Short-Term liability. Some of the Employees have filed a case for payment of their full and final dues.

NOTE NO. 21 - REVENUE FROM OPERATIONS

(₹ in Lakhs)

PARTICULARS	31st March, 2019	31st March, 2018
Sale of Products - Refer Note No. 21(a)		
Sulphuric Acid	-	0.96
Stores and Spares	-	8.71
Total	-	9.67

NOTE NO. 21(a)

In the matter of Kerala State Pollution Control Board, High Court of Kerala, Ernakulam vide its order dated 27th March, 2019 constituted a committee with District Collector at the helm of affairs and removal of all the hazardous materials is being done in a phased manner. A detailed report shall be filed as to steps taken in this regard, the stage of proceedings giving the particulars of the materials sought to be removed and the time to complete the aforesaid work will be shared. During the year there has been no sale of hazardous chemicals / materials.

NOTE NO. 21(b)

For the year 2017-18 - Sale of Sulphuric Acid and Waste Oils was effected pursuant to Kerala State Pollution Control Board Order No. PCB/ESC/CO-11/07 dated 25th February 2017 directing the sale / disposal of certain materials including sulphuric acid, diesel oils, etc. In terms of the said order, we have sold sulphuric acid and waste oils and the proceeds have been recognized as income.

NOTE NO. 21(c)

Pursuant to the order dated 6th December 2018 of Hon'ble High Court of Kerala at Ernakulam in respect of WP (C) No. 22772 of 2018, the Kerala State Pollution Control Board (KSPCB) has sold 1171.39 MT of Zinc Sulphate Solution (strong), and 250 Kg of Copper sulphate amounting to ₹ 70.32 lacs plus GST of ₹ 12.66 lacs (Total sales of ₹ 82.98 lacs). Bill has been issued by KSPCB and separate GST No. in the name of KSPCB has been obtained. The sale proceeds have been deposited by KSPCB a separate account opened by them in their name. Pending receipt of necessary documents / complete informations from them, we have not recognized sales of goods in FY 2018-19.

NOTE NO. 22 - OTHER INCOME

(₹ in Lakhs)

PARTICULARS	31st March, 2019	31st March, 2018
Interest Income from Banks	**3.46**	4.23
Interest Income - Others	**0.08**	0.09
Interest on Income Tax Refund	**0.00**	0.20
Liabilities no longer required written back	**0.00**	11.74
Misc. Income	**0.07**	1.91
Total	**3.61**	18.17

NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS

(All amounts in INR lakhs, unless otherwise stated)

NOTE NO. 23 - CHANGES IN INVENTORIES OF RAW MATERIALS, WORK-IN PROCESS, FINISHED GOODS & STORES & SPARE PARTS (Refer Note No 9)

(₹ in Lakhs)

PARTICULARS	31st March, 2019	31st March, 2018
Inventories as at the beginning of the year		
Raw Material	**1,421.18**	1,421.18
Work -In Process	**304.09**	304.09
Finished Goods	**6.96**	7.92
Stores & Spares	**903.83**	912.54
Total	**2,636.06**	2,645.73
Inventories as at the end of the year		
Raw Material	**1,421.18**	1,421.18
Work -In Process	**304.09**	304.09
Finished Goods	**6.96**	6.96
Stores & Spares	**903.83**	903.83
Total	**2,636.06**	2,636.06
Changes in Inventories		
Finished Goods	**-**	0.96
Stores & Spares	**-**	8.71
Total	**-**	9.67

NOTE NO. 24 - EMPLOYEE BENEFIT EXPENSES

(₹ in Lakhs)

PARTICULARS	31st March, 2019	31st March, 2018
Salaries and Wages	**-**	22.04
Contribution to Provident and Other Funds	**-**	0.00
Total	**-**	22.04

NOTE NO. 24(a)

The Company has entered into settlement with the workers vide Agreement dated 06/02/2018 for a consolidated amount of ₹ 2724.04 lakhs. The payment under the settlement shall be on or before 120 days from the date of the Agreement and delay in payment shall attract 12% p.a. till the date of payment. While the payment has not been made in terms of the agreement, the Company has not provided for the interest liability.

NOTE NO. 24(b)

The Company is in receipt of a settlement agreement with Contract Labourers of the Company duly signed by the "District Labour Officer and District Conciliatory Officer" dated 11/04/2018 for an amount of ₹ 2 crore; the payment for which falls due within 120 days from the date of the settlement agreement and delay in payment shall attract 7% p.a. till the date of payment. As the authorised officials of the Company have not participated or agreed to for the settlement, no liability is being recognised in the books of accounts.

NOTE NO. 24(c)

Managerial staff has been retrenched as on 31st July, 2015, Retrenchment compensation has been provided.

NOTE NO. 25 - FINANCE COST

(₹ in Lakhs)

PARTICULARS	31st March, 2019	31st March, 2018
Bank Charges	**0.01**	0.26
Total	**0.01**	0.26

NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS

(All amounts in INR lakhs, unless otherwise stated)

NOTE NO. 26 - DEPRECIATION AND AMORTISATION EXPENSES

(₹ in Lakhs)

PARTICULARS	31st March, 2019	31st March, 2018
Depreciation on Tangible Assets	**374.67**	380.23
Depreciation on Intangible Assets	**0.17**	0.42
Total	**374.84**	380.65

NOTE NO. 27 - GENERAL, ADMINISTRATION AND OTHER EXPENSES

(₹ in Lakhs)

PARTICULARS	31st March, 2019	31st March, 2018
Power and Fuel	**1.98**	17.16
Payment of Bldg Tax	**14.57**	0.00
Repaires & Maintenance - Electrical	**0.00**	0.77
Repaires & Maintenance - Others	**3.60**	4.56
Repaires & Maintenance - Plant & Mach	**0.00**	0.41
Repairs & Maintenance - IT	**0.00**	0.13
Service Charges	**0.00**	11.25
Advertisement Exp.	**0.39**	0.35
Insurance Expenses	**1.00**	4.32
Postage & Courier Charges	**0.92**	0.43
Printing & Stationary Expenses	**1.90**	1.75
Internet Expenses	**0.00**	0.06
Rates and Taxes	**0.03**	0.25
Director's Sitting Fees	**0.90**	1.70
Security Expenses	**16.50**	16.50
Secretarial Charges	**0.90**	2.58
Professional Fees	**23.73**	27.07
Legal Fees	**33.15**	42.46
Water Charges	**3.58**	10.27
Filing and Registration Fees	**2.13**	2.03
Telephone Expenses	**0.00**	0.07
Travelling and Conveyance Expenses	**7.20**	4.05
Interest Expenses	**0.22**	0.02
Interest Receivable Written Off	**0.00**	83.50
Misc Expenses	**1.57**	1.03
A	**114.27**	232.72

NOTE NO. 27(i) - AUDITOR'S REMUNERATION

(₹ in Lakhs)

PARTICULARS	31st March, 2019	31st March, 2018
Payment to auditors		
Statutory Auditors		
a) Audit Fees	**1.00**	1.00
b) Other Matters	**-**	-
B	**1.00**	1.00
Total (A + B)	**115.27**	233.72

NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS

(All amounts in INR lakhs, unless otherwise stated)

NOTE NO. 27(ii) - Misc Expenses

(₹ in Lakhs)

PARTICULARS	31st March, 2019	31st March, 2018
Guest House Food Exps	**0.00**	0.04
Hotel Exps	**0.09**	0.08
Entertainment Expenses	**0.00**	0.02
Unutilised Taxes	**1.02**	0.30
Pooja Expenses	**0.00**	0.04
AGM/Board Meeting Exps	**0.00**	0.10
Other Misc Exps	**0.46**	0.45
Total	**1.57**	1.03

NOTE NO. 27(ii)

In the financial year 2017-18, KSEB has raised a demand vide letter dated 19/02/2018 for payment of ₹ 4935 lakhs being arrears of electricity charges w.e.f. April 2014. The Company was also eligible for a refund of ₹ 22.92 lakhs based on Government of Kerala refund of Electricity Duty Order No. GO(Ms.) No.10/2016/PD dated 22/04/2016.

KSEB was to correct the bills and accounts consequent upon High Court Order dated 25th March 2013 (WA No. 336 of 2010).

The Company has requested for reduction in the contract demand in February 2015 for reduction to 1500 KVA and thereafter requested for further reduction to 300 KVA pursuant to the spot inspection done by KSEB in October 2015.

The Kerala Electricity Supply code, 2014 contains provisions for disposal of application for reduction of contract demand in a time bound manner i.e. 45 days in case of EHT connection. Regulation 60 of the said code also states that if the applicant fails to avail supply due to reasons beyond its control, the applicant shall not be liable to pay any compensation or charges for such failure.

KSEB's letter dated 05/04/2016 stated "As per Regulation in Supply Code 2014, the licensor is bound to reduce the Contract Demand as requested by the consumer. The KSEB has already directed the agreement authority to reduce the Contract Demand and the compliance from the agreement authority in this regard is not received till date. Thereafter the bills already issued will be revised and the excess payment made if any, will be adjusted in the arrears."

Due to reasons beyond the control, the Company could not operate the plant and therefore could not utilize the contract demand. Therefore the Company should not be held liable for fixed component of the contract demand. The charges on the contract demand are penalty in nature. The Company has requested KSEB to withdraw the same from the month of February 2015.

Kerala State Electricity Board have been raising electricity bills based on minimum payable contract demand (75% of 18mva) even though the plant has been shut since November 2014. The Company has made written representations before the Board to reduce the contract demand to 1.5mva from February 2015 and has been paying based on minimum payable of this contract demand from July 2015 onwards. KSEB has appointed a committee to study the matter which has recommended refixation of CD as 300kva. Company therefore submitted fresh application in December 2015. The Company has been effecting payments based on 300kva CD. KSEB has given a written confirmation that bills will be reworked as soon as they complete their internal procedures.

KSEB has raised a demand vide letter dated 19th February 2018 for payment of ₹ 49,35,29,508/- being arrears of electricity charges w.e.f April 2014. The notice states that in case the amount is not paid on or before March 24, 2018, supply shall be dismantled without any further notice. There is a cash deposit of ₹ 7.08 crore in October 2017 bill apart from Cash deposit in bund pump bill of ₹ 1.17 lakhs It is however, not clear as to whether or not KSEB has adjusted the amount especially when we have shifted to LT from EHT. Refund of Electricity Duty was approved as per Government of Kerala GO (Ms.) No.10/2016/PD dated April 22, 2016 of ₹ 22.92 lakhs. High Court vide Order dated 25th March 2013 (WA No.336 of 2010) stated that installation of additional rectifier and consequent no increase in the contract demand as rectifier is only a power transmitting equipment. Accordingly, KSEB was to revise the Bills for the period June 2004 till March 2013. Pending reconciliation / clarification / refund from KSEB, the income / demand has not been recognized in the books of accounts.

The Company vide its letter dated 28th November, 2018 raised a counter claim of ₹ 6.42 Crores to KSEB.

NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS

(All amounts in INR lakhs, unless otherwise stated)

NOTE NO. 27(iii)

In the matter of writ filed by Mr. P.E. Shamsudheen in which the Kerala High Court on 4th January, 2016 passed interim order against shifting of plants, machineries and equipment from factory till disposal of writ petition. The matter is subjudice.

Kerala Water Authority has demanded payment of the following:-

PARTICULARS	Amount (₹)
Deposit for supplying of water to existing residences (516 in number) in ward No. 15 of Kadungallor Panchayat as per agreement dated 9th March 2005. (Net of deposit of ₹ 16,02,635 vide cheque dated 8/8/2006 of South Indian Bank)	35,98,645.00
Incremental deposit as per revision of water charges for 10KL for 516 connections for the period October 2010 till march 2018*	9,28,800.00
Dues for water connection upto February 15, 2018	8,31,139.00
Additional demand of kadungaloor Panchayat as discussed in meeting dated 28th December 2017 where the beneficiaries are increasing the number of beneficiaries to 550 from 516 (calculation to be understood)	6,85,440.00
Additional deposit for future tariff increases	52,01,280.00
Pending water dues of 516 families after deduction of payment by EZL till November 2017	21,44,523.00
Total	**1,33,89,827.00**

* Delay in deposit of this amount would entail payment of ₹10,320 per month.

NOTE NO. 28 - EXCEPTIONAL ITEMS

(₹ in Lakhs)

Particulars	31st March, 2019	31st March, 2018
Salary & Wages payable as per Agreement	**0.00**	2,724.04
Prior Period Items	**7.81**	0.00
Unutilised Tax credit	**0.00**	133.31
Total	**7.81**	2,857.35

NOTE NO. 29 - EARNINGS PER SHARE (BASIC/DILUTED)

Earnings Per Share (Basic/Diluted) - Before Excluding Extraordinary Items

(₹ in Lakhs)

PARTICULARS	31st March, 2019	31st March, 2018
Loss for the year as per Statement of Profit and Loss (Rs.Lakhs)	**(494.32)**	(3,475.85)
Weighted Average number of Equity Shares of Rs.10/- each (fully paid)	**6,76,18,082**	6,76,18,082
Earnings Per Share (Basic/Diluted)	**(0.73)**	(5.14)

NOTE NO. 30

Bankers led by Punjab National Bank who had taken symbolic possession of the following mortgaged assets (on 21/07/2016) have issued a notice for auction of the property "Land and Building and Plant and Machinery situated at Edayar Zinc Limited in an extent of 95.34 acres in Binanipuram, Kadungaloor, Village Parur Taluka, Ernakulam District admeasuring area of Land: 95.34 acres Industrial Building admeasuring area 117483 sq. meters mortgaged to Consortium as collateral security."

NOTE NO. 31

EZL filed Insurance Claim before the consumer dispute Kerala State Commission against Oriental Insurance Co. Ltd. seeking order directing Oriental Insurance to pay an amount of ₹ 71.12 lakhs.

Oriental insurance company rejected EZL's claim citing non-disclosure of material facts by EZL ie. Non-disclosure that DG set was old. EZL's contention is that EZL have asked Oriental Insurance Co. Ltd to cover the existing DG set & not a new one.

NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS

(All amounts in INR lakhs, unless otherwise stated)

NOTE NO. 32

In respect of capital goods imported at concessional rate of duty under the EPCG Scheme, the Company received notice no. DRI/BZL/CHN/SCN-08/2016 from DRI dated 29/11/2016 for an export obligation of ₹ 965.02 lakhs which is required to be met at different dates before November 2019. In the event of non-fulfilment of the export obligation, the Company will be liable to refund the availment of concessional customs duties and penalties as applicable. The DRI authorities had come to the plant and seized the imported capital goods which was in carton, which is included in CWIP.

DRI vide order dated 01/02/2018 have ordered payment due of ₹1.95 crore as follows which would be made good by enforcing the Bond executed at the time of clearance of the consignment. The value of bonds issued at the time of Import is ₹ 1.32 crore (see break-up below). This apart, the goods imported of value Rs. 3.65 crores have been confiscated.

CALCULATION OF PENALTY UNDER DRI ORDER dated February 01, 2018		
	₹	₹
Rejection of Concessional duty		86,63,267
Interest from date of clearance of consignment		
Date of Licence (considered as date of BoE)	08-11-2013	
Balance Sheet date	31-03-2019	
Interest from date of clearance of consignment	18%	
Interest Amount		84,12,151
Fine		30,00,000
Penalty		10,00,000
Total payable under the DRI order (EPCG)		2,10,75,418
Bonds Issue in favour of President of India		
Bond dated		
25th February 2014	65,12,000	
17th April 2014	58,16,000	
28th November 2013	8,86,000	**1,32,14,000**

NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS

(All amounts in INR lakhs, unless otherwise stated)

NOTE NO. 33 - ASSETS PLEDGED AS SECURITY

The carrying amounts of assets pledged as security for current and non-current borrowings are:

(₹ in Lakhs)

PARTICULARS	31st March, 2019	31st March, 2018
Current (Second charge/ Exclusive Charge)		
Financial Assets		
First Charges		
Cash and cash equivalents	**4.42**	4.35
Other Bank balances	**-**	63.50
Loans	**3,364.75**	3,357.64
Other financial assets	**2,301.67**	2,302.25
Other current assets	**2,258.70**	2,245.79
Non Financial Assets		
Inventories	**2,636.06**	2,636.06
Total current assets pledged as security	**10,565.60**	10,609.59
Non-Current (Second charge/ Exclusive Charge)		
First Charges		
Factory Land (108.59 Acres) *	**29.70**	29.70
Buildings, Plant & Equipments & Furnitures *	**5,134.17**	5,506.11
Total non-current assets pledged as security	**5,163.87**	5,535.81
Total assets pledged as security	**15,729.47**	16,145.40

* The Company had given third party first charge on Fixed Assets in favour of EXIM Bank of India who is lender to Binani Industries Limited (Holding company) for the loan of ₹ 31670.17 lakhs (outstanding as on March 31, 2018). Binani Cement Limited another subsidiary of Binani Industries Limited has also given corporate guarantee for the said facility. Exim Bank invoked the guarantee of Binani Cement Limited and as per the NCLAT order dated 14th November 2018, Exim Bank of India was paid off by Ultratech Nathdwara Cement Limited (Formerly known as Binani Cement Limited). The Guarantees stand discharged (Please refer Note 34(c) (1)).

NOTE NO. 34 - RELATED PARTY DISCLOSURE AS PER AS 18 ISSUED UNDER ACCOUNTING STANDARD RULES 2006 (AS AMENDED)

A) Names of Related Parties and description of relationship:

a) **Holding Company :** Binani Industries Limited

b) **Subsidiaries :** R.B.G. Minerals Industries Limited

c) **Fellow Subsidiaries (including step down subsidiaries) :**

Goa Glass Fibre Limited, Global Composite Holdings Inc (formerly known as CPI Binani Inc), BIL Infratech Limited, 3B Binani Glassfibre Sarl, Project Bird Holding II SarL, 3B Fibreglass SprL, 3B Fibreglass AS Norway,Tunfib SarL Tunisia, Nirbhay Management Services Private Limited, Royal Vision Projects Pvt Ltd

d) **Key Management Personnel & Enterprises where Promoters have got significant influence:**

(Excluding holding company, subsidiaries and fellow subsidiaries) Mr. Braj Binani and Triton Trading Company Private Limited

Visalakshi Sridhar, Managing Director, CFO and Company Secretary wef 08.04.2019

NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS

(All amounts in INR lakhs, unless otherwise stated)

e) Directors:

Name of Directors	Designation	Period
Mr. Rakesh Kumar Rawal	Whole time Director	upto 20.03.2019
Mrs. Kirti Mishra	Director	w.e.f. 05.02.2018
Mr. Rajeev Puri	Additional Director	upto 19.12.2018
Mr. Gour chandra Das	Additional Director	wef 22.01.2019
Mr. Pradeep Sharma	Additional Director	wef 22.01.2019
Mrs. Visalakshi Shridhar	Managing Director, CFO and Company Secretary	wef 08.04.2019

B) TRANSACTIONS (₹ in Lakhs)

PARTICULARS	31st March, 2019	31st March, 2018
Directors Sitting Fees		
- Mr. Lokanathan Venkatachalam	**0.00**	0.10
- Mrs. Aparna Sahay	**0.00**	0.80
- Mrs. Kirti Mishra	**0.90**	-
- Mr. Mahesh Gupta	**0.00**	0.80
Service Charges Expenses		
- Triton Trading Company Limited	**0.00**	12.96
- Nirbhay Management Services Private Limited	**0.00**	11.25
Loans & Advances Received		
- Binani Industries Ltd	**213.31**	178.64
Loans & Advances Paid / Repaid		
- R B G Minerals Industries Ltd	**7.10**	2.48

NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS

(All amounts in INR lakhs, unless otherwise stated)

C) BALANCES AS ON 31.03.2019

(₹ in Lakhs)

PARTICULARS	31st March, 2019	31st March, 2018
Assets:		
Investment in Equity		
- R B G Minerals Industries Ltd	505.39	505.39
Loans		
Inter Corporate Deposit		
- Binani Industries Limited	3,346.59	3,346.59
Other Financial Asset		
Accrued Interest on ICD		
- Binani Industries Limited	949.63	949.63
Short Term Loans & Advances Given		
- R B G Minerals Industries Ltd	18.16	11.06
Liabilities:		
Current Borrowings (Unsecured)		
- Binani Industries Limited	765.56	552.25
Trade Payable		
- Triton Trading Company Limited	12.96	12.96
- Nirbhay Management Services Pvt Ltd	0.00	0.35
Other Financial Liabilities		
Directors Sitting Fees		
- Mr. Lokanathan Venkatachalam	0.09	0.09
- Mrs. Aparna Sahay	0.50	0.50
- Mr. Mahesh Gupta	0.72	0.72
- Mrs. Kirti Mishra	0.90	0.00
Corporate Guarantees given to *		
- Binani Industries Ltd	0.00	61,990.00
- 3B Binani Glassfibre Sarl	0.00	1,63,061.48
Corporate Guarantees taken from*		
- Binani Industries Ltd	24,440.75	24,440.75

Note:

* Jointly and Severally with the Holding Company and Fellow subsidiaries

1) As per NCLAT order dated 14th November 2018 issued in respect of Binani Cement Ltd (now known as Ultratech Nathdwara Cement Ltd.) IBC proceedings, the loan availed by Binani Industries Ltd. and 3B Binani Glassfibre Sarl was paid by Binani Cement Ltd (now known as Ultratech Nathdwara Cement Ltd.) in its capacity as Corporate Gaurantor .

   Based on legal opinion received by the Company on NCLAT order where no assignment aubrogation of debt/ Guarantees is permitted, debts paid by Binani Cement Ltd (now known as Ultratech Nathdwara Cement Ltd.) pursuant to the order, all the guarantees of the Company given to Binani Industries Limited, 3B Binani Glassfibre Sarl stands discharged.

2) The company had entered into a trademark licensing agreement with the Holding Company, Binani Industries Limited, which is effective from 01.04.2011. As per the terms of the agreement, Binani Industries Limited will undertake and incur expenditure on advertisement and corporate brand building and development exercise for the company and its products for achieving sustained growth. The company has been licensed to use the trademark/logo registered by Binani Industries Limited on payment of royalty at a specified percentage based on the turnover of the company. Pursuant to the conditions imposed by lenders, the Holding company has not been charging royalty from 01.04.2014.

3) Binani Industries Limited has lost control on Binani Cement Limited wef 24th July 2017, the date of admission under the CIRP of IBC.

NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS

(All amounts in INR lakhs, unless otherwise stated)

NOTE NO. 35 - FAIR VALUE MEASUREMENTS

Financial instruments by category

(₹ in Lakhs)

Particulars	31 March 2019			31 March 2018		
	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
Financial assets						
Investments						
- Equity instruments	-	-	**522.89**	-	-	522.89
Loans	-	-	**3,364.75**	-	-	3,357.64
Cash and cash equivalents	-	-	**4.42**	-	-	4.35
Other bank balances	-	-	**-**	-	-	63.50
Other financial assets	-	-	**2,301.67**	-	-	2,302.25
Total Financial Assets	-	-	**6,193.73**	-	-	6,250.63
Financial Liabilities						
Borrowings	-	-	**24,908.00**	-	-	24,837.83
Trade payables	-	-	**161.07**	-	-	148.37
Other financial liabilities	-	-	**4,290.21**	-	-	4,297.24
Total Financial Liabilities	**-**	**-**	**29,359.28**	-	-	29,283.44

NOTE NO. 36 - 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.

The Company's risk management is carried out by Finance department under policies approved by the board of directors. The Company finance department identifies, evaluates and hedges financial risks in close co-operation with the Company's operating units. The board provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

(A) CREDIT RISK

The company is exposed to credit risk, which is the risk that counter party 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.

NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS

(All amounts in INR lakhs, unless otherwise stated)

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 counter party,
iii) Financial or economic conditions that are expected to cause a significant change to the counter party's ability to meet its obligations,
iv) Significant increase in credit risk on other financial instruments of the same counter party,
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 assests 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

Particulars	**As at 31st March 2019**	As at 31st March 2018
Not due		
0-180 Days	**-**	-
181-360 Days	**-**	-
1 years to 2 years	**-**	-
More than 2 years	**-**	-
Total	**-**	-

Financial Assets are considered to be of good quality and there is no significant increase in credit risk.

(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 company'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 Corporate in accordance with practice and limits set by the Holding Company Management. 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) Financing arrangements

The group does not have access to any undrawn borrowing bank facilities at the end of the reporting period:

Particulars	**31 March 2019**	31 March 2018
Floating rate		
Expiring within one year (bank overdraft and other facilities)	**0.00**	0.00
Expiring beyond one year (bank loans)	**-**	-
Total	**0.00**	0.00

The Bank Account has already become NPA in the year 2014-15 and Banks have cancelled the working capital facilities and taken symbolic possession of the assets charged.

NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS

(All amounts in INR lakhs, unless otherwise stated)

(i) Maturities of financial liabilities

The tables below analyse the Company'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.

I) Maturity patterns of Borrowings

(₹ in Lakhs)

As at 31st March, 2019	0-180 Days	181-360 Days	1 years to 5 years	More than 5 years	Total
Short term borrowings	24,908.00	-	-	-	24,908.00
Total	**24,908.00**	**-**	**-**	**-**	**24,908.00**

As at 31st March, 2018	0-180 Days	181-360 Days	1 years to 5 years	More than 5 years	Total
Short term borrowings	24,837.83	-	-	-	24,837.83
Total	**24,837.83**	**-**	**-**	**-**	**24,837.83**

II) Maturity patterns of other Financial Liabilities

As at 31st March, 2019	0-180 Days	181-360 Days	1 years to 5 years	More than 5 years	Total
Trade Payable	161.07	-	-	-	161.07
Other Financial liability (Current andNon Current)	4,290.21	-	-	-	4,290.21
Payable related to Capital goods	-	-	-	-	-
Total	**4,451.28**	**-**	**-**	**-**	**4,451.28**

As at 31st March, 2018	0-180 Days	181-360 Days	1 years to 5 years	More than 5 years	Total
Trade Payable	148.37	-	-	-	148.37
Other Financial liability (Current and Non Current)	4,297.24	-	-	-	4,297.24
Payable related to Capital goods	-	-	-	-	-
Total	**4,445.61**	**-**	**-**	**-**	**4,445.61**

(C) MARKET RISK

(i) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company holds monetary assets and liabilities which are in currency other than its functional currency.

(a) Foreign currency risk exposure:

The Company has following unhedged foreign currency risk (all in Foreign Currency Lakhs) at the end of the reporting period expressed in INR, are as follows

Particulars	31 March 2019	31 March 2018
Financial assets		
Receivables (USD)	-	-
Net exposure to foreign currency risk (assets)	-	-
Financial liabilities		
Trade Payable (USD)	-	-
Net exposure to foreign currency risk (liabilities)	-	-

NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS

(All amounts in INR lakhs, unless otherwise stated)

(b) Sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

Particulars	2018-19		2017-18	
	1% Increase	1% Decrease	1%Increase	1%Decrease
USD	-	-	-	-
Total	-	-	-	-

NOTE NO. 37 - CAPITAL MANAGEMENT

(a) Risk management

The Company aim to manages 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 changes 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 or sell the assets to reduce the debt.

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.

NOTE NO. 38 - CONTINGENT LIABILITIES AND COMMITMENTS:

(a) Contingent Liabilities

(₹ in Lakhs)

Particulars	31st March, 2019	31st March, 2018
Contingent Liabilities:		
Claims against the company not acknowledged as debt (Disputed Tax/duty and other demands)	**8,838.63**	8,532.78
Guarantees given to Financial Institutions and Banks (Refer Note 38.1)	**155.50**	2,25,206.98
Commitments:		
Other commitments	**195.16**	195.16
Total	**9,189.29**	2,33,934.92

(₹ in Lakhs)

Particulars	31st March, 2019	31st March, 2018
Corporate Guarantees given to Financial Institutions and Banks in respect of loans availed by the Holding Company Binani Industries Limited and by other subsidiaries/step down subsidiaries of the Holding Company. (* includes ₹ 1,63,061.48 lakhs [P.Y ₹ 1,63,061.48 lakhs] jointly and severally by Binani Industries Limited, Binani Cement Limited & Goa Glass Fibre Limited for 105% of the outstanding amount.) Pursuant to the NCLAT order dated 14th November 2018, IDBI and EXIM bank of India's term loans have been paid by Ultratech Nathdwara Cement Limited. Based on an opinion received, as no assignment rights are available, the guarantee stands extinguished	**0.00**	2,25,051.48
Other Bank Guarantees	**155.50**	155.50
Total	**155.50**	2,25,206.98

NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS

(All amounts in INR lakhs, unless otherwise stated)

NOTE NO. 39 : INCOME TAXES

The major components of income tax expense for the years ended 31 March 2019 and 31 March 2018 are:

(a) Statement of profit and loss:

(₹ in Lakhs)

Particulars	31st March, 2019	31st March, 2018
(a) Income tax expense		
Current tax		
Current tax on profits for the year	-	-
Adjustments for current tax of prior periods	-	-
Total current tax expense	**-**	**-**
Deferred tax		
Decrease (increase) in deferred tax assets	-	-
(Decrease) increase in deferred tax liabilities	-	-
Total deferred tax expense/(benefit)	-	-
Income tax expense	**-**	**-**

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

Particulars	31st March, 2019	31st March, 2018
Profit before income tax expense	**(494.32)**	(3,475.85)
Enacted income tax rate in India	**26.00%**	25.75%
Income tax expense as per enacted rate	**(128.52)**	(895.03)
Tax effect of amounts which are not deductible(taxable) in calculating taxable income:		
Expenses disallowed since business not commenced		
Depreciation	**-**	-
Other items	**-**	-
DTA not recognised	**128.52**	895.03
Adjustments for current tax of prior periods	**-**	-
Tax losses for which no deferred income tax was recognised	**-**	-
Income tax expense	**-**	-

Note: Deferred Income Tax Asset is not recognised in the books.

40.1 In the year 2004 KSEB had imposed penalty of ₹ 20 lakhs per month for unauthorized additional load. The Single Bench of the Hon'ble High Court of Kerala, had in December 2009, disposed the Company's Petition against the Order of the Appellate Authority (Dy. Chief Engineer KSEB) and quashed the order levying penalty for unauthorised additional load. Matter was remanded with a direction to take a decision afresh in accordance with Law considering the bonafide conduct of the Company. The Single Judge held that the Company had obtained all the necessary approvals & energization order from Electrical Inspectorate as stipulated in the conditions of supply of KSEB and since there was no violation, the penal charges are not payable. However matter was remanded. Company filed appeal against remand before the Division Bench. Division Bench held in Company's favour completely. Hence no provision is considered necessary at this stage.

40.2 In respect of electricity charges payable for certain years in the prior period, KSEB had withdrawn the concessional tariff eligible for the Company. Though initially the tariff concession was extended, it was subsequently withdrawn by KSEB, on the specific plea that the capacity expansion (which was the criteria for eligibility) was not achieved before due date. KSEB raised claim for ₹ 816.88 Lakhs for those years, which was provided for. The Company had taken up the matter before the Hon'ble High Court of Kerala, which was admitted. KSEB withdrew its earlier order and sought permission for de novo determination, which was accepted by the Single Judge. Company went before Division Bench to issue necessary orders for accepting Company's eligibility. Hearings have been completed and reserved for judgement. Since the matter is pending for nearly three decades and based on the legal advice obtained, the said amount of ₹ 816.88 lakhs provided for, was considered no longer payable and written back in the accounts of the Company in the year 2003-04. The Company, as legally advised, is hopeful of a favourable decision on final settlement of the issues involved in the matter and hence no provision is made for the said amount, which is included under contingent liabilities.

NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS

(All amounts in INR lakhs, unless otherwise stated)

NOTE NO. 41 SEGMENT REPORTING

The Company operates in a single segment i.e. 'Production and Sales of Zinc and allied products in India'. The company's entire Zinc sales are in India. Hence no additional disclosures under Ind AS "Operating Segments" are required in these financial statements.

NOTE NO. 42 RISK MANAGEMENT TRANSACTIONS

42.1 The Company undertakes hedging against the risk in commodity prices (zinc prices) through derivative instruments in London Metal Exchange. The gain / losses are recognized in the Statement of Profit and Loss on settlement of the transaction. However, during the year 2018-19, the Company has not undertaken any fresh hedging activities.

42.2 In pursuance of the announcement dated 29/03/2008 of the Institute of Chartered Accountants of India on accounting for derivatives, mark to market gains (net) on outstanding derivative instruments as at 31st Match 2019 stood at Nil (Previous Year Nil).

NOTE NO. 43

Punjab National Bank (PNB) in its capacity as lead bank had initiated action under section 13(4) of SARFAESI Act, 2002. The Company had filed a writ petition before Bombay High Court challenging the action initiated by its Bankers under section 13(4) of the SARFAESI Act, 2002. Bombay High Court vide order dated 23rd June, 2016 disposed off the writ petition filed by Company. The Court whilst ruling in favour of lenders has granted six weeks period from the date of the order for seeking appropriate legal remedy from DRT and directed lenders to seek only symbolic possession of immovable properties during such period granted to the Company.

EXIM bank filed their appearance on 20th April 2017. In the opinion of the management, the assets of the Company are sufficient to discharge the liabilities at this stage. Accordingly the financial statements for the current year are drawn up on going concern basis. DRT proceedings are undergoing. Also refer note 38.1.

NOTE NO. 44

The management is of the opinion, taking due consideration of the factors stated in Notes above and also that the realisable value of the assets is more than the carrying value in accordance with the provisions of Indian Accounting Standard -IND AS 36 (Impairment of Assets). The assets are not tested for impairment.

NOTE NO. 45 - ADVANCE FOR SALE OF LAND

The agreement with M/s Rhea Realty Private Limited for sale of land is pending before the Honourable High Court of Kerala. This is pursuant to the order of the Paravoor Civil Court in the subject matter. While discussions are underway, in the matter of dispute on the sale agreement, Rs. 100 lakhs was received from M/s Megalith Builders Private Limited (a related party of M/s Rhea Realty Private Limited) as further advance for land sale as a goodwill gesture.

NOTE NO. 46 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 Sheel Rajendra Shukla
Partner
Membership No: 046775

Place : Mumbai
Date : 29th May, 2019

For and on behalf of the Board of Directors

Visalakshi Sridhar
Managing Director,
CFO & Company Secretary
DIN: 07325198
Membership No. ICSI-A13849
AICWA-M21132

Kirti Mishra
Director
DIN - 07824918

Pradeep Sharma
Director
DIN 06881915

Place : Mumbai
Date : 29th May, 2019

INDEPENDENT AUDITORS' REPORT

To
The Members of Edayar Zinc Limited

Opinion

We have audited the accompanying consolidated Ind AS financial statements of Edayar Zinc Limited ("the Company"), which comprise the balance sheet as at March 31, 2019, and the Statement of Profit and Loss (Including Other Comprehensive Income), the statement of cash flows & the statement of changes in equity 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 consolidated Ind AS 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 Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India of the state of affairs of the Company as at March 31, 2019, the profit and total comprehensive income, 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 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 consolidated Ind AS 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 consolidated Ind AS 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

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements of the current period. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Reporting of Key Audit Matters as per SA 701, Key Audit Matters are not applicable to the company as it is an unlisted company.

Emphasis of Matters

We draw attention to the following matters in the Notes to the Financial Statements:

a) Note No. 47 of the financial statements stating that the financial statements have been prepared on the going concern basis as per the opinion of the Management, however the flow of events and current status of the proceedings initiated by Banks under Section 13(4) of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (SARFAESI Act),where in bankers have taken symbolic possession of the assets mortgaged with them and have issued a notice for auction of the Property "Land and Building and Plant and Machinery situated at Edayar Zinc Ltd in an extent of 95.34 acres in Binanipuram, kadungaloor, Village Parur Taluka, Ernakulam District admeasuring area 117483 sq. Meters mortgaged to consortium as collateral security and in the absence of any evident plan to pay back, we are of the opinion that the going concern assumption of the company is not true.

b) Note No.48 of the financial statements stating that in the opinion of the management, there is no impairment in the value of the fixed assets to be recognized in the accounts at this stage, within the meaning of Indian Accounting Standard (Ind AS) 36– Impairment of Assets, notified by the Companies Accounting Standards Rules 2006, which is however dependent on various uncertainties over its ability to continue as a going concern, as stated therein.

c) Non-Provision for interest: Note No. 18(i)(a) of the Financial Statements stating that interest of ₹ 43.20 Crores (P.Y. ₹ 40.23 Crores) for the financial year 2018-19 has not been provided in the financial statements as the Company's accounts have been declared as NPA by it's bankers.

d) Electricity charges of ₹ 5056.36 lakhs (P.Y. ₹ 5056.36 lakhs) till 31/03/2019 has not been provided as a liability in the financial statements.

e) As per information and explanation provided to us, the bankers have filed the case with High Court of Bombay to declare the directors of the Company as willful defaulter, as informed to us the matter is sub-judice.

f) Non-Provision for Interest: Note No. 26(a) of the Financial Statements stating that the settlement with the workers vide Agreement dated 06/02/2018 for a consolidated amount of ₹ 2724.04 lakhs is to be paid on or before 120 days & delay in payment shall attract 12% p.a. till the date of payment. While the payment has not been made in terms of agreement, the company has not provided for the interest liability.

g) Non- Provision for Contractual Liability: Note No. 26(b) of the Financial Statements stating that the company is in receipt of a settlement agreement with Contract Laborers dated 11/04/2018 for an amount of ₹ 2 Crores is to be paid within 120 days & delay in payment shall attract 7% p.a. till the date of payment. No Liability & interest has been recognized in the books for this as the authorized officials of the company have not participated or agreed with the settlement.

h) We draw attention to the fact that the net worth of the company has been fully eroded and this indicates the existence of a material uncertainty that cast significant doubt about the Company's ability to continue as a going concern.

Our report is 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.

Our opinion on the consolidated Ind AS 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 consolidated Ind AS 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 consolidated 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 consolidated Ind AS financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. 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 consolidated Ind AS 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 consolidated financial statements

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

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

- Identify and assess the risks of material misstatement of the consolidated 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 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 consolidated Ind AS financial statements, including the disclosures, and whether the consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated Ind AS 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 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 of the aforesaid consolidated financial statements;

(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 Consolidated Balance sheet, the Consolidated Statement of Profit and Loss, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

(d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Ind AS specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014;

(e) In our opinion, the matters described in sub paragraphs (a) to (e), under the Key Audit Matters paragraph above regarding the ability of the Company to continue as a going concern and regarding the impairment in the value of the fixed assets, regarding the proceedings initiated by Banks under SARFAESI Act and pendency of the closure petition, may have an adverse effect on the functioning of the Company.

(e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the board of directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act;

(f) We have been informed that the company has discontinued its operations since 2014 and in absence of any activity and manpower; no internal financial control policies have been separately framed. In absence of any such defined policies we cannot comment on the effectiveness of the internal financial control.

(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;

(i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 44.1, 44.2, 47 and 49 in the consolidated Ind AS Financial Statements.

(ii) The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts.

(iii) 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 and therefore the question of delay in transferring such sums does not arise.

For **Udeshi Shukla & Associates**
Chartered Accountants
FRN: 114886W

CA. Sheel Rajendra Shukla
Partner
MRN: 046775

Place: Mumbai
Date : 29th May, 2019

Consolidated Balance Sheet as at March 31st, 2019

(₹ in Lakhs)

PARTICULARS	Note No.	As at March 31st, 2019	As at 31st March 2018
I ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	4	**5,574.54**	5,949.20
Capital Work-in-Progress	4	**3,228.66**	3,224.96
Goodwill	5	**5.39**	5.39
Other intangible assets	5	**-**	0.17
Financial Assets			
i. Investments	6	**17.50**	17.50
Trade Receivables		**-**	**-**
Loans			
ii. Other Financial Assets	7	**3.45**	4.05
Tax assets (net)	9	**17.78**	17.40
Deferred Tax Assets (Net)	-	**-**	-
Other non-current assets	8	**249.52**	249.52
Total Non Current Assets		**9,096.84**	9,468.19
CURRENT ASSETS			
Inventories	10	**2,636.06**	2,636.06
Financial Assets			
i. Investments		**-**	-
ii. Trade receivables	11	**-**	-
iii. Cash and cash equivalents	12	**4.49**	4.47
iv. Bank balances other than cash and cash equivalents	12.1	**-**	63.50
v. Loans	13	**3,346.58**	3,346.58
vi. Other financial Assets	14	**2,301.75**	2,302.33
Other current assets	15	**2,258.90**	2,245.95
Total Current Assets		**10,547.78**	10,598.90
Total Assets		**19,644.63**	20,067.10
II EQUITY AND LIABILITIES			
Equity Shareholders' funds			
Equity Share Capital	16	**6,761.81**	6,761.81
Other Equity	17	**(19,019.11)**	(18,524.83)
Total Equity		**(12,257.30)**	(11,763.02)
LIABILITIES			
Non-current liabilities			
Deferred Tax Liabilities (Net)		**27.32**	27.64
Total Non Current Liabilities		**27.32**	27.64
Current Liabilities			
Financial Liabilities			
i Borrowings	18	**24,142.45**	24,285.59
ii. Trade payable	19	**161.53**	149.34
iii. Other Financial liabilities	20	**5,055.75**	4,852.68
Other current liabilities	21	**475.25**	475.25
Provisions	22	**2,039.63**	2,039.63
Total Current Liabilities		**31,874.62**	31,802.49
Total Liabilities		**31,901.94**	31,830.13
Total		**19,644.63**	20,067.10
Summary of Significant Accounting Policies	**2 & 3**		
The accompanying notes are an integral part of the financial statements.			

As per our report of even date attached

For and on behalf of the Board of Directors

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

CA Sheel Rajendra Shukla
Partner
Membership No: 046775

Place: Mumbai
Date : 29th May, 2019

Visalakshi Sridhar
Managing Director,
CFO & Company Secretary
DIN:07325198
Membership No. ICSI-A13849
AICWA-M21132

Kirti Mishra
Director
DIN - 07824918

Pradeep Sharma
Director
DIN 06881915

Place : Mumbai
Date : 29th May, 2019

Consolidated Statement of Profit and Loss for the year ended March 31st, 2019

(₹ in Lakhs)

PARTICULARS		Note No.	As at March 31st, 2019	As at March 31st, 2018
I	**INCOME**			
	Revenue from operations	23	-	9.67
	Other Income	24	**3.54**	18.17
	TOTAL INCOME		**3.54**	27.84
II	**EXPENSES**			
	Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	25	-	9.67
	Employee benefits expenses	26	-	22.05
	Depreciation and amortization expense	27	**374.84**	380.65
	Finance cost	28	**0.01**	0.25
	Other expenses	29	**115.42**	233.87
	TOTAL EXPENSES		**490.27**	646.49
III	**Loss before exceptional items & Tax**		**(486.73)**	(618.65)
IV	Exceptional items (Net)	30	**7.81**	2,857.35
V	**Loss before tax**		**(494.54)**	(3,476.00)
VI	**Tax expense:**			
	- Current Tax		**0.06**	0.08
	- Tax of earlier periods		-	-
	- Deferred Tax charge (net)		**(0.32)**	(0.06)
	- MAT Credit Entitlement		-	-
	Total Tax Expenses		**(0.26)**	0.02
VII	**Loss for the Year**		**(494.28)**	(3,476.02)
	Other Comprehensive income			
VIII	**Items that will not be reclassified to profit or loss**			
	i) Re-measurement to Post employment benefit Obligation (Gain)/ Loss		-	-
	ii) Income tax relating on this Items		-	-
	Other Comprehensive income for the year (net of tax)		-	-
	Total Comprehensive Income/(Loss) for the Year		**(494.28)**	(3,476.02)
IX	**Loss Attributable to:**			
	Owners		**(494.28)**	(3,476.02)
	Non controlling interests			
	Total	A	**(494.28)**	(3,476.02)
X	**Other Comprehensive Income Attributable to:**			
	Re-measurement of Post Employment Benefit Obligation		-	-
	Tax Expense			
	Total	**B**	-	-
	Total	**A+B**	**(494.28)**	(3,476.02)
XI	**Earning per equity share of ₹10 each:**			
	Basic & Diluted	31	**(0.73)**	(5.14)
	Nominal Value per equity shares (in ₹)		**10.00**	10.00
	Summary of Significant Accounting Policies			
	The accompanying notes are integral part of the financial statements.	1		

As per our report of even date attached

For and on behalf of the Board of Directors

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

CA Sheel Rajendra Shukla
Partner
Membership No: 046775

Place : Mumbai
Date : 29th May, 2019

Visalakshi Sridhar
Managing Director,
CFO & Company Secretary
DIN:07325198
Membership No. ICSI-A13849
AICWA-M21132

Place : Mumbai
Date : 29th May, 2019

Kirti Mishra
Director
DIN - 07824918

Pradeep Sharma
Director
DIN 06881915

CONSOLIDATED STATEMENTS OF CHANGE IN EQUITY

A. Equity Share Capital (Refer note 16)

(₹ in Lakhs)

Balance as at 1 April 2017	**6,761.81**
Changes in equity share capital	-
Balance as at 31 March 2018	**6,761.81**
Changes in equity share capital	-
Balance as at 31 March 2019	**6,761.81**

B. Other Equity

(₹ in Lakhs)

Particulars	Attributable to the equity holders of the parent						
	Reserves and Surplus		Reserves representing unrealised gains/losses		Total	Non-controlling interests	Total equity
	General Reserve	Retained Earnings	Equity instruments through Other Comprehensive Income	Remeasurements of the net defined benefit Plans			
Balance as at 31 March 2017	**-**	**(15,048.81)**	**-**	**-**	**(15,048.81)**	**-**	**(15,048.81)**
Profit for the year	-	(3,476.02)	-	-	(3,476.02)	-	(3,476.02)
Other Comprehensive Income for the year	-	-	-	-	-	-	-
Total Comprehensive Income for the year	-	(3,476.02)	-	-	(3,476.02)	-	(3,476.02)
Transfer to general reserve	-	-	-	-	-	-	-
Dividend paid on equity shares	-	-	-	-	-	-	-
Dividend distribution tax paid	-	-	-	-	-	-	-
Balance as at 31 March 2019	**-**	**(18,524.83)**	**-**	**-**	**(18,524.83)**	**-**	**(18,524.83)**
Profit for the year	-	(494.28)	-	-	(494.28)	-	(494.28)
Other Comprehensive Income for the year	-	-	-	-	-	-	-
Total Comprehensive Income for the year	-	(494.28)	-	-	(494.28)	-	(494.28)
Transfer to general reserve	-	-	-	-	-	-	-
Dividend paid on equity shares	-	-	-	-	-	-	-
Dividend distribution tax paid	-	-	-	-	-	-	-
Balance as at 31 March 2019	**-**	**(19,019.11)**	**-**	**-**	**(19,019.11)**	**-**	**(19,019.11)**

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 Sheel Rajendra Shukla
Partner
Membership No: 046775

Place : Mumbai
Date : 29th May, 2019

For and on behalf of the Board of Directors

Visalakshi Sridhar
Managing Director,
CFO & Company Secretary
DIN:07325198
Membership No. ICSI-A13849
AICWA-M21132

Kirti Mishra
Director
DIN - 07824918

Pradeep Sharma
Director
DIN - 06881915

Place : Mumbai
Date : 29th May, 2019

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in Lakhs)

	Particulars	31st March, 2019	31st March, 2018
A	**Cash Flow From Operating Activities**		
	Earnings before exceptional and extraordinary items and tax	**(486.73)**	(618.65)
	Adjustments for:		
	Depreciation / Amortization /Impairment	**374.84**	380.65
	Interest and Finance Charges	**0.01**	0.26
	Sundry Balances written off / Liabilities no longer required written back & other income	**-**	-
	Unrealised (Gain) / Loss on Exchange Rate Fluctuation (Net)	**-**	-
	Gain on Acturial Valuation	**-**	-
	Interest and Dividend Income	**(3.54)**	(4.52)
	Exceptional Items	**(7.81)**	(2857.35)
	Operating Profit Before Working Capital Changes	**(123.23)**	(3099.61)
	Change in operating assets and liabilities		
	(Inventories)/Decrease in Inventories	**-**	-
	(Inventories)/Decrease in trade receivables and other assets	**(13.34)**	(13.16)
	(Inventories)/Decrease in other financial assets	**0.59**	259.10
	(Inventories)/Decrease in trade Payables and other payables	**5.18**	2755.69
	Cash Generated from Operations	**(130.80)**	(97.98)
	Extra-ordinary Item	**-**	-
	Direct Taxes Paid (including TDS)	**(0.06)**	(0.08)
	Net Cash from/(used in) Operating Activities	**(130.86)**	(98.06)
B	**Cash Flow from Investing Activities**		
	Purchase of Fixed Assets (including capital work - in progress)	**(3.72)**	(5.55)
	Sale of Fixed Assets / Refund from CWIP Suppliers	**-**	-
	Loans and advances to subsidiaries	**(3.20)**	3.20
	Interest and Dividend Income Received	**4.13**	3.72
	Net Cash from/(used in) Investing Activities	**(2.79)**	1.37
C	**Cash Flow from Financing Activities**		
	Interest & Finance Charges paid	**(0.01)**	(0.26)
	Proceeds / Repayment from Short Terms Borrowings (Net)	**70.18**	87.41
	Net Cash from / (used in)Financing Activities	**70.17**	87.15
D	**Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)**	**(63.48)**	(9.54)
E	**Opening Cash & Cash Equivalents**	**67.97**	77.51
F	**Closing Cash & Cash Equivalents (D+E)**	**4.49**	67.97

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in Lakhs)

Reconciliation of Cash Flow statements as per the cash flow statement	31st March, 2019	31st March, 2018
Cash Flow statement as per above comprises of the following		
Cash and cash equivalents	**4.49**	67.97
Bank overdrafts	**-**	-
Balances as per statement of cash flows	**4.49**	67.97

Note : Cash and Cash Equivalents at the end of the period includes ₹ 63.50 Lakhs (P Y ₹59.70 Lakhs) under lien which is not available for use.

As per our separate report of even date attached

For and on behalf of the Board of Directors

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

CA Sheel Rajendra Shukla
Partner
Membership No: 046775

Place : Mumbai
Date : 29th May, 2019

Visalakshi Sridhar
Managing Director,
CFO & Company Secretary
DIN:07325198
Membership No. ICSI-A13849
AICWA-M21132

Kirti Mishra
Director
DIN - 07824918

Pradeep Sharma
Director
DIN - 06881915

Place : Mumbai
Date : 29th May, 2019

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2019

1. **Company information**

The Consolidated financial statements of **Edayar Zinc Limited** ("the Company") and its subsidiary R. B. G. Minerals Industries Limited, collectively referred to as the 'Group' have been prepared in accordance with Ind AS 101, "Consolidated Financial Statements" notified under the Companies (Accounting Standard) Rules, 2006.

The financial statements are approved for issue by the Company's board of directors on May 29, 2019.

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 2019 are 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
- Land included in PPE are measured at Carrying Value

The financial statements are presented in INR, which is also the Company's functional currency and all amounts are rounded to the nearest Lakhs, 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

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
- 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 from sales of goods

Effective 1 April 2018, the Company has adopted Ind AS 115 'Revenue from Contracts with Customers' using the cumulative effect method. Accordingly, the standard is applied only to the contracts that were not completed as at 1 April 2018 and the comparative information in the statement of profit and loss is not restated. The impact of adoption of the standard on the financial statements of the Company is insignificant.

Ind AS 115 Revenue from contracts with customers outlines a single comprehensive model of accounting for revenue arising from contracts with customers and supersedes current revenue recognition guidance under Ind AS 18.

The Company recognises revenue from contracts with customers based on a five step model as set out in Ind AS 115:

Step 1: Identify contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2: Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

Step 3: Determine the transaction price: The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4: Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Company allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.

Step 5: Recognise revenue when (or as) the Company satisfies a performance obligation.

For the year ended March 31, 2018, based on the Educational Material on Ind AS 18 issued by the ICAI, the company has assumed that recovery of excise duty flows to the Company on its own account. This is for the reason that it is a liability of the manufacturer which forms part of the cost of production, irrespective of whether the goods are sold or not. Since the recovery of excise duty flows to the Company on its own account, revenue includes excise duty for the period from 1 April 2017 to 30 June 2017.

However, sales tax/ value added tax (VAT) / Goods and Service Tax (GST) is not received by the Company on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue with effect from 1 July 2017; hence sale of products of current year is not strictly comparable with 1 July 2017 of previous year.

The specific recognition criteria described below must also be met before revenue is recognized.

Sale of goods

Revenue from the sale of goods is recognised when the control of the goods is transferred i.e. when the significant risks and rewards of ownership of the goods have passed to the buyer. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable. Revenue from the sale of goods is measured at amount of transaction price (net of variable consideration) allocated to that performance obligation. Revenue (net of variable consideration) is recognized only to the extent that it is highly probable that the amount will not be subject to significant reversal when uncertainty relating to its recognition is resolved. Revenue is measured after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government which are levied on sales such as goods and services tax, etc.

Revenue from sale of products is recognized when the control on the goods have been transferred to the customer. The performance obligation in case of sale of product is satisfied at a point in time i.e., when the material is shipped to the customer or on delivery to the customer, as may be specified in the contract.

Sale of services

Revenue from rendering of services is recognized over time by measuring the progress towards complete satisfaction of performance obligations at the reporting period.

Interest Income

Interest Income is recognized on a basis of effective interest method as set out in Ind AS 109, Financial Instruments, and where no significant uncertainty as to measurability or collectability exists.

Dividend Income

Dividend income from investments is recognized when the Company's right to receive dividend is established.

3.5 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are included in the cost of that asset. Qualifying asset are asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective assets. All other borrowing costs are expensed in the statement of profit & loss in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing costs is reduced to the extent of income arising from temporary parking of funds in fixed deposits and mutual funds.

The capitalisation of borrowing costs is suspended if there are prolonged periods when active development is interrupted. Interest expense for such period has been charged to statement of profit & loss account.

3.6 Property, Plant and equipment (PPE)

Recognition and initial measurement

Freehold land is carried at cost. 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 Office equipment & Transport Equipment) is provided on the straight line method, and others are provided on written down value 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.

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

Lease hold land is amortised over the lease period from the date of receipt of advance possession or execution of lease deed, whichever is earlier.

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.

3.7 Intangible assets

Recognition and initial measurement

Intangible assets are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price.

The useful lives of intangible assets are assessed to be finite. Intangible assets are amortised over their useful life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each financial year end. The intangibles are depreciated on a straight line basis over a period of 5 Years.

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

Depreciation and Amortisation of the assets commences when the assets are ready for their intended use. Depreciation and amortisation ceases when the net book value of the asset is zero or the asset is no longer in use.

Gains or losses arising from derecognizing of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss at the moment that the asset is derecognised.

3.8 Impairment of non-financial assets

Property, plant and equipment and intangible assets 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 assets 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.

3.9 Inventories

Raw Materials, Stores and Spares and work in process is valued at lower of weighted average cost (net of ITC) and Net Realizable Value (NRV)

Finished Goods have been valued at lower of cost and net realisable value. Cost for this purpose includes direct cost, attributable overheads.

By-products are valued at estimated selling price.

NRV is the estimated selling price in the ordinary course of business less the estimated cost of completion and estimated cost necessary to make the sale.

3.10 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 measured at amortised 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.

3.11 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.

3.12 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 amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost is recognised 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.

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 recognised 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 amortised 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 recognised 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 on equity investments 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.

Investment in subsidiaries

Investment in subsidiaries is carried at cost less impairment (if any).

iii. De-recognition

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.

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 recognised 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 amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised 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 recognised 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 capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

Preference shares, which are mandatorily redeemable on a specific date, are classified as liabilities. The dividends on these preference shares are recognized in profit or loss as finance costs.

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.

3) Financial Guarantee Contracts:

Financial Guarantee Contracts are recognized as a financial liability at the time the guarantee is issued. The liability is initially is measured at fair value and subsequently at the higher of the amount determined in accordance with IND AS 37 and the amount initially recognized less cumulative amortization, where appropriate.

The fair value of financial guarantee is determined as the present value of the differences in net cash flows between the contractual payments under the debt instruments and the payments that would be required without the guarantee, for the estimated that would be payable to third party for assuming the obligation.

There is a restriction in the agreements executed with the financial instruments for charging of guarantee commission for guarantees given.

iv. De-recognition

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.

3.13 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.

3.14 Employee Benefits

a) Short-term / long term obligations

All employee benefits payable wholly within twelve months of rendering the service including performance incentives and compensated absences are classified as short term employee benefits. The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are charged off to the Statement of Profit and Loss/ Capital Work-in-Progress, as applicable. The employee benefits which are not expected to occur within twelve months are classified as long term benefits and are recognised as liability at the net present value.

b) Defined contribution plan

Contributions to defined contribution schemes such as provident fund, Employees State Insurance and Pension Plans are charged off to the Statement of Profit and Loss/ Capital Work-in-Progress, as applicable, during the year in which the employee renders the related service.

c) Defined benefit plan

i) Gratuity :

The liability or asset recognized in the balance sheet in respect of defined benefit gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets.

The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of government bond and that have terms to maturity approximating to the terms of the related gratuity.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through Other Comprehensive Income (OCI) in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.

ii) Other Long term employee benefits:

The company has a policy on compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary at each balance sheet date using projected unit credit method on the additional amount expected to be paid/availed as a result of the unused entitlement that has accumulated at the balance sheet date. Expense on non-accumulating compensated absences is recognized in the statement of profit or loss in the period in which the absences occur.

The Company has a scheme for payment of Loyalty on retirement to eligible employees. The scheme is unfunded. The expected cost of loyalty obligation is determined by actuarial valuation performed by an independent actuary at each balance sheet date using projected unit credit method. Expense on loyalty obligation is recognized in the statement of profit or loss in the period in which they occur.

3.15 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 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.

3.16 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.

3.17 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.

3.18 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 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) Defined benefit obligations

The present value of the defined benefit obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) for post employments plans include the discount rate. Any changes in these assumptions will impact the carrying amount of such obligations.

The Company determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the defined benefit obligations. In determining the appropriate discount rate, the Company considers the interest rates of government bonds of maturity approximating the terms of the related plan liability.

(d) 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 rate.

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.

3.19 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.

These amendments shall come into force on the 1st day of April, 2017 and Company shall apply the amendments in its financial statements for annual periods beginning on or after 1 April 2017.

During initial application of the amendment in Ind AS 7, Company will have to give reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities.

These amendments are mandatory for the reporting period beginning on or after April 01, 2017.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE PERIOD ENDED 31ST MARCH, 2019

Note 4. PROPERTY, PLANT AND EQUIPMENT

(₹ in Lakhs)

Particulars	Leasehold Land	Freehold Land	Buildings	Maps & Periodicals	Survey Instrument	Plant and Machinery	Furniture & Office Equipments, Other Equipments	Motor Vehicle	Total PPE	CWIP	Total
Year ended 31 March 2017											
Opening Gross Block as on April 01, 2016	306.59	133.61	1,625.32	2.76	0.68	22,950.69	204.32	146.37	25,370.34	3,219.41	28,589.75
Additions	-	-	-	-	-	-	-	-	-	5.55	5.55
Decuctions and adjustments	-	-	-	-	-	-	-	-	-	-	-
Closing Gross Carrying amount- As at March 31, 2017	306.59	133.61	1,625.32	2.76	0.68	22,950.69	204.32	146.37	25,370.34	3,224.96	28,595.30
Depreciation and impairment											
Accumulated Depreciation as on April 01, 2017	-	-	1,182.98	2.62	0.64	17,515.96	196.51	142.19	19,040.90	-	19,040.90
Depreciation Charge for the year 2017-18	-	-	35.42	-	-	341.95	1.42	1.45	380.24	-	380.24
Depreciation Charge on Disposals/ transfers for the year 2017-18	-	-	-	-	-	-	-	-	-	-	-
As at March 31, 2018	-	-	1,218.40	2.62	0.64	17,857.91	197.93	143.64	19,421.14	-	19,421.14
Net carrying amount as on 31st March 2018	306.59	133.61	406.92	0.14	0.03	5,092.78	6.39	2.73	5,949.20	3,224.96	9,174.16
Year ended 31 March 2018											
Gross carrying amount											
Opening Gross Block as on April 01, 2017	306.59	133.61	1,625.32	2.76	0.68	22,950.69	204.32	146.37	25,370.34	3,224.94	28,595.30
Additions	-	-	-	-	-	-	-	-	-	3.72	3.72
Decuctions and adjustments	-	-	-	-	-	-	-	-	-	-	-
Closing Gross Carrying amount- As at March 31, 2018	**306.59**	**133.61**	**1,625.32**	**2.76**	**0.68**	**22,950.69**	**204.32**	**146.37**	**25,370.34**	**3,228.66**	**28,599.02**
Depreciation and impairment											
Accumulated Depreciation as on April 01, 2017	-	-	1,218.40	2.62	0.64	17,857.91	197.93	143.64	19,421.14	-	19,421.14
Depreciation Charge for the year 2017-18	-	-	30.90	-	-	341.95	1.04	0.77	374.66	-	374.66
Depreciation Charge on Disposals/ transfers for the year 2017-18	-	-	-	-	-	-	-	-	-	-	-
As at March 31, 2018	**-**	**-**	**1,249.30**	**2.62**	**0.64**	**18,199.86**	**198.97**	**144.41**	**19,795.80**	**-**	**19,795.80**
Net carrying amount as on 31st March 2018	**306.59**	**133.61**	**376.02**	**0.14**	**0.04**	**4,750.83**	**5.35**	**1.96**	**5,574.54**	**3,228.66**	**8,803.22**

*The projects in progress is net of some equipemnts taken away by the suppliers o account of non payment of their dues

NOTES:

4.1 (i) (a) Furniture and fixtures include office equipments, the amount which is not material.

CONSOLIDATED NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS

NOTE NO. 5 - INTANGIBLE ASSETS

(₹ in Lakhs)

PARTICULARS	Goodwill	Computer Software	Total
Net Carrying Amount as at March 31, 2018			
Gross carrying amount			
As at April 01, 2017	5.39	8.41	13.80
Additions	-	-	-
Adjustments- Binani Cement Loss of control	-	-	-
As at March 31, 2018	**5.39**	**8.41**	**13.80**
Accumulated amortisation and impairment			
As at April 01, 2017	-	7.82	7.82
Depreciation charged During the year	-	0.42	0.42
Foreign currency translation reserve	-	-	-
Impairment charge	-	-	-
Adjustments- Binani Cement Loss of control	-	-	-
As at March 31, 2018	**-**	**8.24**	**8.24**
Net Carrying Amount as at March 31, 2018	**5.39**	**0.17**	**5.56**
Gross carrying amount			
As at April 01, 2018	5.39	8.41	13.80
Additions	-	-	-
Foreign currency translation reserve	-	-	-
Sales/Transfers/Adjustments during the period	-	-	-
As at March 31, 2019	**5.39**	**8.41**	**13.80**
Accumulated amortisation and impairment			
As at April 01, 2018	-	8.24	8.24
Depreciation charged During the year	-	0.17	0.17
Foreign currency translation reserve	-	-	-
Impairment charge	-	-	-
Adjustments- Binani Cement Loss of control	-	-	-
As at March 31, 2019	**-**	**8.41**	**8.41**
Net Carrying Amount as at March 31, 2019	**5.39**	**-**	**5.39**

NOTE NO. 6 - NON CURRENT INVESTMENT

PARTICULARS	Face value	As at 31st March 2019		As at 31st March 2018	
		No. of shares/Units	Amount	No. of shares/Units	Amount
NON CURRENT INVESTMENTS					
Investments in Equity Instruments (Fully paid up)					
Unquoted					
Other Investment					
Investment in Equity Instrument of Other Companies, Fully paid up					
175000 (previous year 175000 shares of ₹ 10 each)					
Kerala Enviro Infrastructure Limited	10	1,75,000	17.50	1,75,000	17.50
Total			**17.50**		**17.50**
The value is taken at cost, not on market value					

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE PERIOD ENDED 31ST MARCH, 2019

NOTE NO. 7 OTHER FINANCIAL ASSETS

(₹ in Lakhs)

	Non Current		Current	
PARTICULARS	**As at March 31,2019**	As at March 31,2018	**As at March 31,2019**	As at March 31,2018
Security Deposit				
-Term Deposits				
Advance Recoverable in Cash				
Interest Receivable				
Insurance and Other Claims Receivable				
Others (including Unbilled Revenue)	**3.45**	4.05	**-**	-
Total	**3.45**	**4.05**	**-**	**-**

NOTE NO. 8 OTHER NON CURRENT ASSETS

(₹ in Lakhs)

	Non Current		Current	
PARTICULARS	**As at March 31,2019**	As at March 31,2018	**As at March 31,2019**	As at March 31,2018
Capital advances	**244.42**	244.42	**-**	-
Other Advances and Prepaids	**-**	-	**-**	-
Balances with statutory authorities	**5.10**	5.10	**-**	-
Total Other Assets	**249.52**	**249.52**	**-**	**-**

NOTE NO. 9 TAX ASSETS (NET)

(₹ in Lakhs)

	Non Current		Current	
PARTICULARS	**As at March 31,2019**	As at March 31,2018	**As at March 31,2019**	As at March 31,2018
Advance Payment of Income Tax (Net)	**17.78**	17.40	**-**	-
Total	**17.78**	**17.40**	**-**	**-**

NOTE NO. 10 INVENTORIES

(₹ in Lakhs)

PARTICULARS	**As at March 31,2019**	As at March 31,2018
Raw Material and Packing Material	**1,421.18**	1,421.18
Stock - In - Process	**304.09**	304.09
Finished Goods	**6.96**	6.96
Stores and Spares parts and Fuel	**903.83**	903.83
Stores and Spares- in transit	**-**	-
Loose Tools	**-**	-
Total inventories	**2,636.06**	2,636.06

10.1 Method of valuation of Inventories - Refer Note 10.4 & 10.5

10.2 BREAK - UP OF INVENTORIES OF FINISHED GOODS

(₹ in Lakhs)

PARTICULARS	**As at March 31,2019**	As at March 31,2018
Zinc Ingots	**0.00**	0.00
Sulphuric Acid	**3.97**	3.97
Zinc Alloy	**2.99**	2.99
Total	**6.96**	6.96

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE PERIOD ENDED 31ST MARCH, 2019

10.3 BREAK - UP OF INVENTORIES OF WORK IN PROGRESS

(₹ in Lakhs)

PARTICULARS	As at March 31,2019	As at March 31,2018
Calcine	**299.99**	299.99
Zinc Dust	**4.10**	4.10
Total	**304.09**	304.09

10.4 The Raw Materials and WIP valuation- Symbolic Possession of the assets has been taken by the banks and the banks have been conducting e-auction. For sale of mortgaged properties are on as is where is basis carried. Hence the inventories are valued as per 31-3-2018 have been continued. The valuation of Raw Material and WIP has not been done by the management.

10.5 Finished Goods valuation-Symbolic Possession of the assets has been taken by the banks and the banks have been conducting e-auction. For sale of mortgaged properties are on as is where is basis carried. Hence the inventories are valued as per 31-3-2018 have been continued. The valuation of Raw Material and WIP has not been done by the management. the valuation of Finished Goods has not been done by the Management.

NOTE NO. 11 TRADE RECEIVABLES

(₹ in Lakhs)

PARTICULARS	As at March 31,2019	As at March 31,2018
Unsecured Considered, Considered Good		
Other Debts	-	-
Total	**-**	-

NOTE NO. 12 CASH AND CASH EQUIVALENTS

(₹ in Lakhs)

PARTICULARS	As at March 31,2019	As at March 31,2018
Balances with banks		
- in current accounts	**4.43**	4.40
- in deposits account with original maturity of less than three months	**-**	-
- Cheques, Drafts on hand	**-**	-
Cash on hand	**0.06**	0.06
Total cash and cash equivalents	**4.49**	4.46

NOTE NO. 12.1 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

(₹ in Lakhs)

PARTICULARS	As at March 31,2019	As at 31st March 2018
Deposits with original maturity of more than three months but less than twelve months	**-**	-
Unclaimed dividend	**-**	-
Restricted Bank Balances	**-**	-
Bank Deposits Held as Margin Money	**-**	63.50
Total cash and cash equivalents other than (iii) above	**-**	63.50

The Bankers have adjusted the amount against their dues on 15th February 2019.

NOTE NO. 13 LOANS

(₹ in Lakhs)

	Non Current		Current	
PARTICULARS	As at March 31,2019	As at March 31,2018	As at March 31,2019	As at March 31,2019
Unsecured, Considered Good				
Loans and advances to related parties				
(unsecured Considered good)				
Due from Holding Company				
- Inter Corporate Deposit with Binani Industries Ltd			**3,346.58**	3,346.58
Total	**-**	-	**3,346.58**	3,346.58

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE PERIOD ENDED 31ST MARCH, 2019

NOTE NO. 14 OTHER FINANCIAL ASSETS

(₹ in Lakhs)

	Non Current		Current	
PARTICULARS	**As at March 31,2019**	As at March 31,2018	**As at March 31,2019**	As at March 31,2018
Security Deposit	**-**	-	**120.93**	120.97
-Term Deposits	**-**	-	**-**	-
Advance Recoverable in Cash	**-**	-	**1,231.10**	1,231.65
Interest Receivable	**-**	-	**949.72**	949.72
Insurance and Other Claims Receivable	**-**	-	**-**	-
Others (including Unbilled Revenue)	**-**	-	**-**	-
Total	**-**	-	**2,301.75**	2,302.34

NOTE NO. 15 OTHER CURRENT ASSETS

(₹ in Lakhs)

	Non Current		Current	
PARTICULARS	**As at March 31,2019**	As at March 31,2018	**As at March 31,2019**	As at March 31,2018
Capital advances			-	-
Other Advances and Prepaids			-	-
Balances with statutory authorities	-	-	2,258.91	2,245.96
Total Other Assets	**-**	**-**	**2,258.90**	**2,245.96**

NOTE NO. 16 EQUITY SHARE CAPITAL

(₹ in Lakhs)

Particulars	**Year Ended 31st March, 2019**	Year Ended 31st March, 2018
Authorised		
7,50,00,000 (Previous Year 7,50,00,000) Equity Shares par value of ₹ 10 each	**7,500.00**	7,500.00
Total	**7,500.00**	7,500.00
Issued Subscribed and Fully paid up :		
6,76,18,082 (Previous year 6,76,18,082) equity shares par value of ₹10 each	**6,761.81**	6,761.81
Total	**6,761.81**	6,761.81

NOTE NO. 16 (i) - RECONCILIATION OF NUMBER OF SHARES

(₹ in Lakhs)

PARTICULARS	**Year Ended 31st March, 2019**		Year Ended 31st March, 2018	
No of shares Outstanding at the beginning of the year	**6,76,18,082**	**6,761.81**	6,76,18,082	6,761.81
No of shares Outstanding at the end of the year	**6,76,18,082**	**6,761.81**	6,76,18,082	6,761.81

16(ii) - Terms/Rights attached to Equity Shares

The company has only one class of equity shares having a par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

During the year ended 31st March, 2019 the amount of dividend proposed for distribution to equity shareholders is ₹ Nil per share (previous year - ₹ Nil per share)

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE PERIOD ENDED 31ST MARCH, 2019

16(iii) - Number of shares held by Holding Company, Binani Industries Limited are given in Note 16 (iv) below:

16(iv) - Details of Shareholders holding more than 5% shares in the Company as at the end of the period:

NAME OF SHAREHOLDER	31st March, 2019		31st March, 2018	
	% of Holding	No of Shares	% of Holding	No of Shares
Binani Industries Limited	**89.90%**	**6,07,88,138**	89.90%	6,07,88,138

NOTE NO. 17 - OTHER EQUITY

(₹ in Lakhs)

	Reserves and Surplus Profit and Loss Accounts	
PARTICULARS	**31st March, 2019**	31st March, 2018
Balance at the beginning of the reporting period	**(18,524.83)**	(15,048.81)
Changes in accounting policy or prior period errors	**-**	-
Restated balance at the beginning of the reporting period	**-**	-
Total Comprehensive Income for the year	**-**	-
Transfer to retained earnings	**(494.28)**	(3,476.02)
Balance at the end of the reporting period	**(19,019.11)**	(18,524.83)

NOTE NO. 18 - CURRENT BORROWINGS

(₹ in Lakhs)

PARTICULAR	31st March 2019	31st March 2018
Secured		
Cash Credit from Bank	**24,142.45**	24,285.59
Unsecured		
Other Loan	**-**	-
Total current borrowings	**24,142.45**	24,285.59

18 (i) (a) Punjab National Bank & Oriental Bank of Commerce has declared the account as NPA w.e.f. 30/06/2014 & in case of Punjab & Sind Bank, It was w.e.f. 30/09/2014. Interest on bank loan has not been charged in books from 01/04/2016. Total Interest amount of ₹ 4320.89 lakhs for F.Y. 2018-19 aggregating ₹ 12,436.23 lakh (₹ 4023.16 lakh in F.Y. 2017-18) has not been recognised in the books of account. These interest amounts have been calculated on the basis of available information with the Company and are subject to changes as per records of the respective banks.

18 (i) (b) As per DRT Order dated 12.08.2016, the company has paid ₹100 lakhs upfront and is also paying ₹ 25,000/- per day towards outstanding dues to banks from 19th August, 2016. Till 31st March, 2019, the company has paid ₹ 323.25 lakhs (₹ 247.25 lakhs till 31st March 2018). Refer note 10.1.

18 (i) (c) Total repayment in case of Bank borrowings is adjusted against principal (requested by the Company). Total amount paid towards principal is ₹ 540.24 (Previous Year - ₹ 397.62 lakhs). Out of the same, ₹ 323.25 lakhs was paid as per DRT order and the balance amount of ₹ 216.99 lakhs was repaid from Fixed deposit held as lien on 15th February 2019.

18 (i) (d) Cash Credit/Temporary Overdraft are secured by paripassu first charge by way of hypothecation of the whole of the Current Assets of the Company viz. stocks of raw materials, packing materials, stock in process, semi finished and finished goods, consumable stores and spares, export/local bills receivable, book debts, movable plant and machinery, stores and spares relating to the machinery and other movables belonging to the Company, both present and future, paripassu second charge on the fixed assets of the Company located at Binanipuram, Kerala and by way of Corporate Guarantee of Binani Industries Limited, the Holding Company.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE PERIOD ENDED 31ST MARCH, 2019

18 (i) (e) Period and amount of default as on the balance sheet date in respect of loans devolved letter of credit and bank guarantee

PARTICULARS	31st March, 2019 (₹ in Lakhs)	Period (In months)
L/C Devolved during 2013-14 *	**4,141.12**	61
	4,881.83	61
L/C Devolved during 2014-15 *	**4,581.98**	58
	5,401.33	56
	4,645.19	52
B/G Invoked during 2015-16	**115.82**	42
	16.10	42
	13.63	42
	157.13	42
	20.30	37
	30.30	37

Cash Credit includes oustanding as on 31st March 2019 against the L/C's Devolved of ₹ 16587.21 Lakhs (P.Y ₹ 16587.21 lacs) and ₹ 353.28 lacs against Bank Guarantee Invoked (PY ₹ 358.28).

* The amount represents full amount of L/C opened. The portion of amount was paid through Margin Money available.

NOTE NO. 19 TRADE PAYABLES (₹ in Lakhs)

PARTICULARS	Current	
	31st March 2019	31st March 2018
Trade payables for goods	**161.53**	149.34
Trade payables for Services	**-**	-
Total trade payables	**161.53**	149.34

19 (a) Amount Due to Micro and Small Enterprises

(i) The Company has 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 31st March 2017, 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.

(ii) (a) Chemical Process Ltd filed petition before Micro small and medium Enterprises Facilitation Council, Konkan Division under section 18 (1) of Micro, Small and Medium Enterprises Development Act 2006 claiming outstanding amount of ₹ 281.72 lacs against the supply of product as per the contract dated 21st June 2013 for "Design, engineering, fabrication, testing, supply, supervision, commissioning assistance of FRP reactor for Tamzinco Project. BZL filed reply before the Facilitation Council on the ground that BZL is a sick company and its case is registered with the BIFR. BZL further stated that protection under section 22 (1) of SICA is available immediately after registration of reference with BIFR. Since BZL proceedings are still pending with BIFR, proceedings under Micro, Small and medium Enterprises Development Act 2006 can only be initiated with prior consent from BIFR or the appellate authority. This was turned down.

(ii) (b) M/s Chemical Process Equipments Pvt Limited an MSE had approached Micro and Small Enterprises Facilitation Council, Mumbai Region, Directorate of Industries, Government of Maharashtra for their claims and later vide their order dated January 10, 2018 ordered the Company that "Respondent is required to pay to the Petitioner ₹ 281.72 lakhs alongwith interest on each and every due amount of the invoice when become payable after deduction of 30 days till the realization of the amount to the Petitioner." As banks have taken action under SARFESI and is under symbolic possession of the Banks w.e.f 21st July 2016, no interest has been charged or considered in the Profit and Loss Accounts statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE PERIOD ENDED 31ST MARCH, 2019

(iii) LADCO Galvanizers Pvt Limited has filed case with MSME counsel having registered office at SIPCOT. The amount outstanding is ₹ 5.58 lakhs as per our books of accounts.

NOTE NO. 20 OTHER FINANCIAL LIABILITIES

(₹ in Lakhs)

PARTICULARS	31st March, 2019		31st March, 2018	
	Non-Current	Current	Non-Current	Current
Security and other deposits	-	61.48	-	61.48
Advance from Holding Company	-	765.56	-	552.24
Current maturities of long-term debt	-	-	-	-
Creditors for capital expenditure	-	297.23	-	300.05
Advance from Custmer	-	80.89	-	80.89
Retention Money Payable	-	265.10	-	265.10
Employees dues payable	-	2,915.16	-	2,915.16
Deposit by Promoters	-	-	-	-
Others	-	670.33	-	677.76
Total other financial liabilities	-	**5,055.75**	-	4,852.68

NOTE NO. 21 OTHER CURRENT LIABILITIES

(₹ in Lakhs)

PARTICULARS	31st March 2019	31st March 2018
Government Grants	-	-
Advance from Customers	-	-
Other Liabilities (including Statutory dues and payable for Capital expenditure)	475.25	475.25
Total other current liabilities	**475.25**	475.25

NOTE NO. 22 PROVISIONS

(₹ in Lakhs)

PARTICULARS	31st March, 2019		31st March, 2018	
	Non-Current	Current	Non-Current	Current
Other Provisions				
Provision for regulatory matters	-	-	-	-
Provision for Site Restoration Obligations	-	-	-	-
For Current Tax	-	-	-	-
Others Provision	-	-	-	-
Employee Benefit Obligations				
For Gratuity (Refer Note -36)	-	255.00	-	255.00
For leave encashment	-	29.64	-	29.64
For other Retirement benefits	-	1,754.88	-	1,754.88
For Bonus	-	0.12	-	0.12
Total employee benefit obligations	-	**2,039.63**	-	2,039.63

NOTE NO. 22 (a)

The Company had not operated the plant from November 27, 2014 . An application for closure of the plant was made to the Government of Kerala on June 12, 2015 and the same was rejected without granting us an opportunity to be heard. On October 16, 2015, the Labour Secretary rejected the review petition filed under Section 25(O)(5) of the Industrial Disputes Act, 1947. Consequently, the Company filed a writ Mandamus in High Court of Kerala seeking directive to refer the matter for adjudication. Under the circumstance the entire provisions for employee benefits has been classified as Short-Term liability. Some of the Employees have filed a case for payment of their full and final dues.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE PERIOD ENDED 31ST MARCH, 2019

NOTE NO. 23 REVENUE FROM OPERATIONS

(₹ in Lakhs)

PARTICULARS	Year Ended 31st March, 2019	Year Ended 31st March, 2018
Revenue From Sale of Products		
Unwrought Zinc	-	-
Aluminum & Zinc Alloys	-	-
Sulphuric Acid	-	9.67
Other operating revenues	-	-
Total Revenue from Operations	-	9.67

NOTE NO. 23(a)

In the matter of Kerala State Pollution Control Board, High Court of Kerala, Ernakulam vide its order dated 27th March, 2019 constituted a committee with District Collector at the helm of affairs and removal of all the hazardous materials is being done in a phased manner. A detailed report shall be filed as to steps taken in this regard, the stage of proceedings giving the particulars of the materials sought to be removed and the time to complete the aforesaid work will be shared. During the year there has been no sale of hazardous chemicals / materials.

NOTE NO. 23(b)

For the year 2017-18 - Sale of Sulphuric Acid and Waste Oils was effected pursuant to Kerala State Pollution Control Board Order No. PCB/ESC/CO-11/07 dated 25th February 2017 directing the sale / disposal of certain materials including sulphuric acid, diesel oils, etc. In terms of the said order, we have sold sulphuric acid and waste oils and the proceeds have been recognized as income.

NOTE NO. 23(C)

Pursuant to the order dated 6th December 2018 of Hon'ble High Court of Kerala at Ernakulum in respect of WP (C) No. 22772 of 2018, the Kerala State Pollution Control Board (KSPCB) has sold 1171.39 MT of Zinc Sulphate Solution (strong), and 250 Kg of Copper sulphate amounting to Rs. 70.32 lacs plus GST of ₹ 12.66 lacs (Total sales of ₹ 82.98 lacs). Bill has been issued by KSPCB and separate GST No. in the name of KSPCB has been obtained. The sale proceeds have been deposited by KSPCB a separate account opened by them in their name. Pending receipt of necessary documents / complete informations from them, we have not recognized sales of goods in FY 2018-19.

Note 24 :- OTHER INCOME

(₹ in Lakhs)

PARTICULARS	Year Ended 31st March, 2019	Year Ended 31st March, 2018
Dividend Income	-	-
Interest Income	**3.54**	4.52
Liabilities No longer required Written Back	**11.74**	11.74
Gain on Acturial Valuation		
Interest on Income Tax refund	**0.20**	0.20
Other Miscellaneous Income	**(11.94)**	1.71
Total Other Income	**3.54**	18.17

NOTE NO. 25 - CHANGES IN INVENTORIES OF RAW MATERIALS, WORK-IN PROCESS, FINISHED GOODS & STORE & SPARE PARTS (Refer Note No 10)

(₹ in Lakhs)

PARTICULARS	Year Ended 31st March, 2019	Year Ended 31st March, 2018
Inventories as at the beginning of the year		
Raw Materials	**1,421.18**	1,421.18
Work -In Process	**304.09**	304.09
Finished Goods	**6.96**	7.92
Store & Spare Parts	**903.83**	912.54
Total	**2,636.06**	2,645.73

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE PERIOD ENDED 31ST MARCH, 2019

(₹ in Lakhs)

PARTICULARS		Year Ended 31st March, 2019	Year Ended 31st March, 2018
Inventories as at the end of the year			
Raw Materials		**1,421.18**	1421.18
Work -In Process		**304.09**	304.09
Finished Goods		**6.96**	6.96
Store & Spare Parts		**903.83**	903.83
	Total	**2,636.06**	2,636.06
Changes in Inventories			
Raw Materials		**-**	-
Work -In Process		**-**	0.00
Finished Goods		**-**	0.96
Store & Spare Parts		**-**	8.71
	Total	**-**	9.67

NOTE NO. 26:- EMPLOYEE BENEFIT EXPENSE

(₹ in Lakhs)

PARTICULARS	Year Ended 31st March, 2019	Year Ended 31st March, 2018
Salaries and Wages	**-**	22.04
Contribution to Provident and other Funds	**-**	-
Workmen and Staff welfare expenses	**-**	-
Total Employee Benefit Expense	**-**	22.05

NOTE NO. 26(a)

The Company has entered into settlement with the workers vide Agreement dated 06/02/2018 for a consolidated amount of ₹ 2724.04 lakhs. The payment under the settlement shall be on or before 120 days from the date of the Agreement and delay in payment shall attract 12% p.a. till the date of payment. While the payment has not been made in terms of the agreement, the Company has not provided for the interest liability.

NOTE NO. 26(b)

The Company is in receipt of a settlement agreement with Contract Labourers of the Company duly signed by the "District Labour Officer and District Conciliatory Officer" dated 11/04/2018 for an amount of ₹ 2 crore; the payment for which falls due within 120 days from the date of the settlement agreement and delay in payment shall attract 7% p.a. till the date of payment. As the authorised officials of the Company have not participated or agreed to for the settlement, no liability is being recognised in the books of accounts.

NOTE NO. 26(c)

Managerial staff has been retrenched as on 31st July, 2015, Retrenchment compensation has been provided.

NOTE NO. 27 :- DEPRECIATION AND AMORTISATION EXPENSES

(₹ in Lakhs)

PARTICULARS	Year Ended 31st March, 2019	Year Ended 31st March, 2018
Depreciation on Tengible Assets	**374.42**	380.23
Depreciation on intengible Assets	**0.42**	0.42
Total Depreciation and Amortisation	**374.84**	380.65

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE PERIOD ENDED 31ST MARCH, 2019

NOTE NO. 28 :- FINANCE COST

(₹ in Lakhs)

PARTICULARS	Year Ended 31st March, 2019	Year Ended 31st March, 2018
Interest expenses	-	-
Other borrowing costs	0.01	0.26
Total Finance Cost	**0.01**	0.25

NOTE NO. 29 :- GENERAL ADMINISTRATION AND OTHER EXPENSE

(₹ in Lakhs)

PARTICULARS	31st March, 2019	31st March, 2018
Power & Fuel	1.98	17.16
Freight & Forwarding	-	-
Freight And Loading Expenses On Clinker Transfer	-	-
Consumption Of Stores And Spares	-	-
Repairs And Maintenance		
Buildings	-	-
Plant And Machinery	-	0.41
Others	3.60	5.47
Other Operating Expenses	-	-
Rates And Taxes	14.60	0.25
Insurance	1.00	4.32
Advertisement And Sales Promotion	0.39	0.35
Commission To Selling Agents	-	-
Travelling & Conveyance	7.20	4.05
Communication Cost	-	0.07
Legal And Professional Fees	56.88	69.53
Directors Fee	0.90	1.70
Payment To Auditors (Refer Note - 30 (i))	1.15	1.15
Foreign Exchange Fluctuation (Gain) / Loss (Net)	-	-
Loss On Sale / Discard Of Fixed Assets	-	-
Miscellaneous Expenses	27.72	129.41
Total Other Expenses	**115.42**	233.87

NOTE NO. 29 (i):- AUDITORS REMUNERATION

(₹ in Lakhs)

PARTICULARS	31 March 2019	31 March 2018
Payment to auditors		
Statutory auditors		
a) For Audit fees	1.15	1.15
b) For Taxation Matters	0.00	-
c) For Other Services	0.00	-
d) Out of pocket expenses	0.00	-
Total	**1.15**	1.15

NOTE NO. 29(ii)

In the financial year 2017-18, KSEB has raised a demand vide letter dated 19/02/2018 for payment of ₹ 4935 lakhs being arrears of electricity charges w.e.f. April 2014. The Company was also eligible for a refund of ₹ 22.92 lakhs based on Government of Kerala refund of Electricity Duty Order No. GO(Ms.) No.10/2016/PD dated 22/04/2016.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE PERIOD ENDED 31ST MARCH, 2019

KSEB was to correct the bills and accounts consequent upon High Court Order dated 25th March 2013 (WA No. 336 of 2010).

The Company has requested for reduction in the contract demand in February 2015 for reduction to 1500 KVA and thereafter requested for further reduction to 300 KVA pursuant to the spot inspection done by KSEB in October 2015.

The Kerala Electricity Supply code, 2014 contains provisions for disposal of application for reduction of contract demand in a time bound manner i.e. 45 days in case of EHT connection. Regulation 60 of the said code also states that if the applicant fails to avail supply due to reasons beyond its control, the applicant shall not be liable to pay any compensation or charges for such failure.

KSEB's letter dated 05/04/2016 stated "As per Regulation in Supply Code 2014, the licensor is bound to reduce the Contract Demand as requested by the consumer. The KSEB has already directed the agreement authority to reduce the Contract Demand and the compliance from the agreement authority in this regard is not received till date. Thereafter the bills already issued will be revised and the excess payment made if any, will be adjusted in the arrears."

Due to reasons beyond the control, the Company could not operate the plant and therefore could not utilize the contract demand. Therefore the Company should not be held liable for fixed component of the contract demand. The charges on the contract demand are penalty in nature. The Company has requested KSEB to withdraw the same from the month of February 2015.

Kerala State Electricity Board have been raising electricity bills based on minimum payable contract demand (75% of 18mva) even though the plant has been shut since November 2014. The Company has made written representations before the Board to reduce the contract demand to 1.5mva from February 2015 and has been paying based on minimum payable of this contract demand from July 2015 onwards. KSEB has appointed a committee to study the matter which has recommended refixation of CD as 300kva. Company therefore submitted fresh application in December 2015. The Company has been effecting payments based on 300kva CD. KSEB has given a written confirmation that bills will be reworked as soon as they complete their internal procedures.

KSEB has raised a demand vide letter dated 19th February 2018 for payment of ₹ 49,35,29,508/- being arrears of electricity charges w.e.f April 2014. The notice states that in case the amount is not paid on or before March 24, 2018, supply shall be dismantled without any further notice. There is a cash deposit of ₹ 7.08 crore in October 2017 bill apart from Cash deposit in bund pump bill of ₹1.17 lakhs It is however, not clear as to whether or not KSEB has adjusted the amount especially when we have shifted to LT from EHT. Refund of Electricity Duty was approved as per Government of Kerala GO (Ms.) No.10/2016/PD dated April 22, 2016 of ₹ 22.92 lakhs. High Court vide Order dated 25th March 2013 (WA No.336 of 2010) stated that installation of additional rectifier and consequent no increase in the contract demand as rectifier is only a power transmitting equipment. Accordingly, KSEB was to revise the Bills for the period June 2004 till March 2013. Pending reconciliation / clarification / refund from KSEB, the income / demand has not been recognized in the books of accounts.

The Company is in the process of writing a suitable letter to KSEB covering all the above.

NOTE NO. 29(iii)

In the matter of writ filed by Mr. P. E. Shamsudheen in which the Kerala High Court on 4th January, 2016 passed interim order against shifting of plants, machineries and equipment from factory till disposal of writ petition. The matter is subjudice.

Kerala Water Authority has demanded payment of the following:-

PARTICULARS	AMOUNT (₹)
Deposit for supplying of water to existing residences (516 in number) in ward No. 15 of Kadungallor Panchayat as per agreement dated 9th March 2005. (Net of deposit of ₹ 16,02,635 vide cheque dated 8/8/2006 of South Indian Bank)	35,98,645
Incremental deposit as per revision of water charges for 10KL for 516 connections for the period October 2010 till march 2018*	9,28,800
Dues for water connection upto February 15, 2018	8,31,139
Additional demand of kadungaloor Panchayat as discussed in meeting dated 28th December 2017 where the beneficiaries are increasing the number of beneficiaries to 550 from 516 (calculation to be understood)	6,85,440
Additional deposit for future tariff increases	52,01,280
Pending water dues of 516 families after deduction of payment by EZL till November 2017	21,44,523
Total	**1,33,89,827**

* Delay in deposit of this amount would entail payment of ₹10,320 per month.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE PERIOD ENDED 31ST MARCH, 2019

NOTE NO. 30 - EXCEPTIONAL ITEMS

(₹ in Lakhs)

PARTICULARS	31st March, 2019	31st March, 2018
Salary & Wages payable as per Agreement	-	2,724.04
Unutilised Tax credit	-	133.31
Prior Period Items	7.81	-
Total	7.81	2,857.35

NOTE NO. 31 - EARNINGS PER SHARE (BASIC/DILUTED)

Earnings Per Share (Basic/Diluted) - Before Excluding Extraordinary Items

(₹ in Lakhs)

PARTICULARS	31st March, 2019	31st March, 2018
Loss for the year as per Statement of Profit and Loss (₹Lakhs)	(494.28)	(3,476.02)
Weighted Average number of Equity Shares of ₹10/- each (fully paid) (In Numbers)	6,76,18,082	6,76,18,082
Earnings Per Share (Basic/Diluted) (₹)	(0.73)	(5.14)

NOTE NO. 32 - PRINCIPLES OF CONSOLIDATION

Subsidiaries / step down subsidiaries and Joint Venture considered for consolidation :

The financial statements of all Indian Subsidiaries including Indian Step down subsidiaries and Joint venture are consolidated on the basis of their stand alone / consolidated accounts available for the year ended 31st March, 2019.

i The Consolidated Financial Statements include the financial statements of the following overseas / Indian subsidiaries and overseas step down subsidiaries:

Name of company	Relation with Holding Company	Country of Incorporation	% of Share Holding	Accounting Year / Period considered for consolidation
R.B.G. Minerals Industries Limited	Subsidiary of Edayar Zinc Limited	India	100%	April'18 - March'19

ii Additional information as required by Paragraph 2 of the General Instructions for preparation of Consolidated financial statementsto Schedule III to the Companies Act, 2013

	31 March 2019				31 March 2018			
Name of the Entity	Net Assets i.e. total assets minus total liabilities		Share in Profit or Loss		Net Assets i.e. total assets minus total liabilities		Share in Profit or Loss	
	As % of consolidated net assets	Amount (₹in Lakhs)	As % of consolidated net assets	Amount (₹in Lakhs)	As % of consolidated net assets	Amount (₹in Lakhs)	As % of consolidated net assets	Amount (₹in Lakhs)
1	2	3	4	5	2	3	4	5
Binani Zinc Limited	105.15%	(12362.54)	100.02%	(494.39)	100.89%	(11868.15)	100.00%	(3475.85)
R.B.G. Minerals Industries Ltd	-5.15%	605.21	-0.02%	0.11	-0.89%	105.10	0.00%	(0.17)
TOTAL	**100.00%**	**(11757.33)**	**100.00%**	**(494.28)**	100.00%	(11763.05)	100.00%	(3476.02)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE PERIOD ENDED 31ST MARCH, 2019

NOTE NO. 33 - CONSOLIDATED STATEMENT OF NET ASSETS AND PROFIT OR LOSS FOR THE YEAR ENDED 31st March, 2019 (₹ in Lakhs)

Name of the Entity	Net Assets i.e. total assets minus total liabilities		Share in Profit or Loss	
	As % of consolidated net assets	Amount (₹in Lakhs)	As % of consolidated profit or loss	Amount (₹in Lakhs)
1	2	3	2	3
Parent				
Edayar Zinc Limited	105.15%	(12,362.54)	100.02%	(494.39)
Subsidiaries				
Indian				
1 R.B,G, Minerals Industries Limited	-5.15%	605.21	(0.02%)	0.11
	100.00%	**(11,757.33)**	**100.02%**	**(494.28)**
Elimination/ Consolidation Adjustments	-	(500.00)	-	-
Non-controlling interest in subsidiary	-	-	-	-
TOTAL	**-**	**(12,257.33)**	**-**	**(494.28)**

NOTE NO. 34 - ASSETS PLEDGED AS SECURITY

The carrying amounts of assets Pledged as security for current and non-current borrowings are: (₹ in Lakhs)

PARTICULARS	31st March, 2019	31st March, 2018
Current (First charge/ Second charge/ Exclusive Charge)		
First Charges		
Trade receivables	-	-
Cash and cash equivalents	**4.35**	4.35
Other Bank balances	-	63.50
Loans	**3,346.58**	3,346.58
Other financial assets	**2,302.25**	2,302.25
Other current assets	**2,245.80**	2,245.80
Non Financial Assets		
Inventories	**2,636.06**	2,636.06
Total current assets pledged as security	**10,535.03**	10,598.54
Non-Current (First charge/ Second charge/ Exclusive Charge)		
First Charges		
Factory Land (108.59 Acres)	**29.70**	29.70
Buildings, Plant & Equipments & Furnitures *	**5,506.1**	5,506.11
Total non-current assets pledged as security	**5,535.81**	**5,535.81**
Total assets pledged as security	**16,070.84**	**16,134.35**

* The Company had given third party first charge on Fixed Assets in favour of EXIM Bank of India who is lender to Binani Industries Limited (Holding company) for the loan of ₹ 31670.17 lakhs (outstanding as on March 31, 2018). Binani Cement Limited another subsidiary of Binani Industries Limited has also given corporate guarantee for the said facility. Exim Bank invoked the guarantee of Binani Cement Limited and as per the NCLAT order dated 14th November 2018, Exim Bank of India was paid off by Ultratech Nathdwara Cement Limited (Formerly known as Binani Cement Limited). The Guarantees stand discharged (please refer Note No. 35(1)) .

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE PERIOD ENDED 31ST MARCH, 2019

CONSOLIDATED STATEMENT SHOWING RELATED PARTY DISCLOSURE AS PER AS 18 ISSUED UNDER ACCOUNTING STANDARD RULES 2006 (AS AMENDED)

NOTE NO. 35 - RELATED PARTY TRANSACTIONS FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in Lakhs)

Particulars	Basis/ Details	Subsidiaries / Fellow Subsidiaries	Holding Company	Key Management Personel / Enterprises where KMPs have got significant influence	Total
A. TRANSACTIONS					
Directors Sitting Fees					
- Mrs Aparna Sahay				(0.80)	-0.80
- Mr Mahesh Gupta				-	-
				(0.80)	-0.80
Service Charges Expenses					
- Triton Trading Company Limited	Service Charges for Guest house expenses			-	-
- Nirbhay Management Services Pvt Ltd				(12.96)	(12.96)
	As per terms of Contract for providing legal, secretarial, accounting, direct and indirect taxes, HR and Administration services as per Board Resolution dtd 24.02.2014	**0.35**		**0.35**	
		(11.25)			(11.25)
Loans & Advances Received					
- Binani Industries Ltd	Advances received towards recurring expenses		**213.31**		**213.31**
			(181.84)		(181.84)
Loans & Advances Repaid					
- Binani Industries Ltd	Advances returned		**3.20**		**3.20**
			-		-
B. BALANCES AS ON 31.03.2017					
Assets:					
Short Term Loans & Advances (Including ICD'S) **					
Binani Industries Limited					
- Inter Corporate Deposit		**3,346.59**			**3,346.59**
		(3,346.59)			(3,346.59)
- Accrued Interest on ICD		**949.63**			**949.63**
		(949.63)			(949.63)
Liabilities:					
Current Borrowing (Unsecured)					
- Binani Industries Ltd			**765.56**		**765.56**
			(555.45)		(555.45)
Trade Payables		-			
- Triton Trading Company Pvt. Ltd.		**12.96**			
		(12.96)			
- Nirbhay Management Services Pvt Ltd		**0.35**			**0.35**
		0.00			-

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE PERIOD ENDED 31ST MARCH, 2019

NOTE NO. 35 - RELATED PARTY TRANSACTIONS FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in Lakhs)

Particulars	Basis/ Details	Subsidiaries / Fellow Subsidiaries	Holding Company	Key Management Personel / Enterprises where KMPs have got significant influence	Total
Other Financial Liabilities					
Directors Seeting Fees					
- Mr Lokanathan Venkatachalam				**0.09**	**0.09**
				(0.09)	-0.09
- Mrs Aparna Sahay				**0.50**	**0.50**
				(0.50)	-0.50
- Mr Mahesh Gupta				**0.72**	**0.72**
				(0.72)	-0.72
Corporate Guarantees Given					
- Binani Industries Ltd			-		-
			(61,990.00)		(61,990.00)
- Other Fellow Subsidaries (*)		-			-
		(1,63,061.48)			(1,63,061.48)
Corporate Guarantees Received					
- Binani Industries Ltd			**24,142.44**		**24,142.44**
			(24,440.75)		(24,440.75)

Note : (Figures in brackets pertain to previous year)

The recurring expenses to maintain Edayar Zinc Limited is being funded by Binani Industries Limited.

* Jointly and Severally with the Holding Company and Fellow subsidiaries

*** Pursuant to Amalgamation of Binani Metals Limited with Binani Industries Limited w.e.f. 01.04.2015 [Appointed Date] vide H'onble Calcutta High Court order dated 21.01.2016, Nirbhay Management Services Private Limited became fellow subsidiaries of the Company.

1 As per NCLAT order dated 14th November 2018 issued in respect of Binani Cement Ltd (now known as Ultratech Nathdwara Cement Ltd.) IBC proceedings, the loan availed by Binani Industries Ltd. and 3B Binani Glassfibre Sarl was paid by Binani Cement Ltd (now known as Ultratech Nathdwara Cement Ltd.) in its capacity as Corporate Guarantor.

Based on legal opinion received by the Company on NCLAT order where no assignment aubrogation of debt/ Guarantees is permitted, debts paid by Binani Cement Ltd (now known as Ultratech Nathdwara Cement Ltd.) pursuant to the order, all the guarantees of the Company given to Binani Industries Limited, 3B Binani Glassfibre Sarl stands discharged.

2 The company had entered into a trademark licensing agreement with the Holding Company, Binani Industries Limited, which is effective from 01.04.2011. As per the terms of the agreement, Binani Industries Limited will undertake and incur expenditure on advertisement and corporate brand building and development exercise for the company and its products for achieving sustained growth. The company has been licensed to use the trademark/logo registered by Binani Industries Limited on payment of royalty at a specified percentage based on the turnover of the company. As per decision taken by the Holding Company, in the Board Meeting dated 7th August 2014 Royalty has not been charged from 01.04.2014.

3 Binani Industries Limited has lost control on Binani Cement Limited wef 24th July 2017, the date of admission under the CIRP of IBC.

Names of related parties and description of relationship:

a Holding Company: Binani Industries Limited

b Fellow Subsidiary (including step down subsidiaries): Goa Glass Fibre Limited, Global Composite Holdings Inc (formerly Known as CPI Binani Inc) (USA), BIL Infratech Limited, 3B Binani Glassfibre Sarl, Project Bird Holding II Sarl, 3B Fibreglass Sprl, 3B Fibreglass Norway AS, TunFib Sarl (Tunisia), Nirbhay Management Services Private Limited.

c Subsidiaries: R.B.G. Minerals Industries Limited.

d Key Management Personnel & Enterprises where Promoters have got significant influence:

(excluding holding company, subsidiaries and fellow subsidiaries) Mrs. Visalakshi Sridhar- Managing Director, CFO & Company Secretary wef 8th April 2019

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE PERIOD ENDED 31ST MARCH, 2019

NOTE NO. 36

Financial risk management

The Company's business activities expose it to a variety of financial risks, namely liquidity risk, market risks and credit risk. The Company's senior management has overall responsibility for the establishment and oversight of the Company's risk management framework. In order to minimise any adverse effects on the financial performance of the group, derivative contracts are entered to hedge certain foreign currency exposures and variable interest rate exposures. Derivatives are used exclusively for hedging purposes and not as trading or speculative instruments.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk :

Risk	Exposure arising from	Measurement	Management
Credit Risk	Cash and cash equivalents, trade receivables, derivative financial instruments, financial assets measured at amortised cost.	Aging analysis Credit rating	Diversification of bank deposits, credit limits and letters of credit
Liquidity Risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market risk – foreign exchange	Future commercial transactions Recognised financial assets and liabilities not denominated in Indian rupee (INR)	Cash flow forecasting Sensitivity analysis	Forward foreign exchange contracts, Cross Currency Swap, Call Spread
Market risk – interest rate	Long-term borrowings at variable rates	Sensitivity analysis	Interest rate swaps
Market risk – security prices	Investments in equity securities	Sensitivity analysis	Portfolio diversification

The group's risk management is carried out by a central treasury department (group treasury) under policies approved by the board of directors. Group treasury identifies, evaluates and hedges financial risks in close cooperation with the group's operating units. The board provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

The Group's use of leverage and borrowings can increase the Group's exposure to these risks, which in turn can also increase the potential returns the Group can achieve. The finance team manages these exposures on an individual securities level.

(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 is managed at subsidiary entity level and parent entity/group level depending on the policy surrounding credit risk management. For banks and financial institutions, only high rated banks/institutions are accepted. Generally all policies surrounding credit risk have been managed at parent entity or group level except for those surrounding accounts receivable balances.

The Group's policy to manage this risk is to invest in debt securities that have a minimum credit rating of BBB as designated by well-known rating agencies. Within the above limits, the Group may also invest in unrated assets where a rating is assigned by a valuation expert using an approach that is consistent with the approach used by that rating agency. The analysis below summarises the credit quality of the Group's debt portfolio at 31 March.

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 throughout each reporting period. To assess whether there is a significant increase in credit risk the company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition.

Macro economic information (such as market interest rates or growth rates) is incorporated as part of the internal rating model. Regardless of the analysis above, a significant increase in credit risk is presumed if a debtor is more than 30 days past due in making a contractual payment. A default on a financial asset is when the counterparty fails to make contractual payments within 60 days of when they fall due. Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the group. The group categorises a receivable for write off when a debtor fails to make contractual payments greater than 120 days past due. Where 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 recognised in profit or loss.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE PERIOD ENDED 31ST MARCH, 2019

(ii) Provision for expected credit losses (ECL)

Internal rating	Description	Category	Basis of recognition of ECL provision		
			Investments	Loans and deposits	Trade receivables
1	Assets where the counter party has strong capacity to meet the obligation and where the risk of default is negligible or nil	High quality assets	12 months ECL	12 months ECL	Life time ECL (simplified approach)
2	Assets where there has been a significant increase in credit risk since initial recognition.	Sub-standard assets	Life time ECL	Life time ECL	
3	Assets are written off when there is no reasonable expectation of recovery. The group categorises a loan	Doubtful assets, credit impaired	Asset is written off		

NOTE NO. 37 - FAIR VALUE MEASUREMENTS

Financial instruments by category

Particulars	31 March 2019			31 March 2018		
	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
Financial assets						
Investments						
- Equity instruments	-	**17.50**		-	17.50	
Loans	-	**3,346.58**		-	3,357.64	
Cash and cash equivalents	-	**3.45**		-	4.47	
Other bank balances	-	-		-	67.55	
Other financial assets	-	**2,301.75**		-	2,291.27	
Total financial assets	-	-	**5,669.29**	-	-	5,738.43
Financial liabilities						
Borrowings	-	-	**24,142.45**	-	-	24,285.59
Trade payables	-	-	**161.53**	-	-	149.34
Other financial liabilities	-	-	**5,055.75**	-	-	4,852.68
Total financial liabilities	-	-	**29,359.73**	-	-	29,287.61

NOTE NO. 38 - FINANCIAL RISK MANAGEMENT

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.

The Company's risk management is carried out by Finance department under policies approved by the board of directors. The Company finance department identifies, evaluates and hedges financial risks in close cooperation with the Company's operating units. The board provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE PERIOD ENDED 31ST MARCH, 2019

(A) Credit risk

The company is exposed to credit risk, which is the risk that counter party 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

Particulars	As at 31st March 2019	As at 31st March 2018
Not due		
0-180 Days	-	-
181-360 Days	-	-
1 years to 2 years	-	-
More than 2 years	-	-
Total	-	-

Financial Assets are considered to be of good quality and there is no significant increase in credit risk.

NOTE NO. 39

(A) 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 company'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 Corporate in accordance with practice and limits set by the Holding Company Management . 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.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE PERIOD ENDED 31ST MARCH, 2019

(i) **Financing arrangements**

The group had access to the following undrawn borrowing facilities at the end of the reporting period:

	31 March 2019	31 March 2018
Floating rate		
Expiring within one year (bank overdraft and other facilities)	-	24,285.59
Expiring beyond one year (bank loans)	-	-
	-	24,285.59

The Bank Account has already become NPA in the year 2014-15 and Banks have cancelled the working capital facilities and taken symbolic possession of the assets charged.

(ii) **Maturities of financial liabilities**

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

- all non-derivative financial liabilities, and
- net and gross settled derivative financial instruments for which the contractual maturities are essential for an understanding of the timing of the cash flows.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Contractual maturities of financial liabilities **31 March 2019**	**Less than 3 months**	**3 months to 6 months**	**6 months to 1 year**	**Between 1 and 2 years**	**Between 2 years and 5 years**
Non-derivatives					(₹ In Lakhs)
Borrowings	24,142.45				
Trade payables	161.53				
Advance from Holding Company	765.56				
Security and other deposits	61.48				
Retention money payable	265.10				
Creditors for capital expenditure	297.23				
Advance from Customers	80.89				
Creditors for supplies and services					
Employees dues payable	2,039.63				
Others	1,145.58				
Total non-derivative liabilities	**28,959.46**				

Contractual maturities of financial liabilities **31 March 2018**	**Less than 3 months**	**3 months to 6 months**	**6 months to 1 year**	**Between 1 and 2 years**	**Between 2 years and 5 years**
Non-derivatives					(₹ In Lakhs)
Borrowings	24,286				
Trade payables	149				
Advance from Holding Company	552				
Security and other deposits	61				
Retention money payable	265				
Creditors for capital expenditure	300				
Advance from Customers	81				
Creditors for supplies and services					
Employees dues payable	2,040				
Others	1,153				
Total non-derivative liabilities	**28,887.33**				

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE PERIOD ENDED 31ST MARCH, 2019

(B) Market risk

(i) Foreign currency risk

The group does not have material revenue from overseas operations. However, the entity makes imports of coal, EPC contract materials and capital goods. Further the group holds monetary assets in the form of investments in currency other than its functional currency i.e. Indian Rupee. The group has long term monetary liabilities which are in currency other than its functional currency. Currency exposure arising from the net assets of the Company's foreign operations is managed primarily through borrowings denominated in the relevant foreign currencies. Foreign currency risk, as defined in Ind AS 107, arises as the value of future transactions, recognised monetary assets and monetary liabilities denominated in other currencies fluctuate due to changes in foreign exchange rates.

While the company has direct exposure to foreign exchange rate changes on the price of non-Indian Rupee-denominated securities and borrowings, it may also be indirectly affected by the impact of foreign exchange rate changes on the earnings of companies in which the Group invests. For that reason, the below sensitivity analysis may not necessarily indicate the total effect on the Group's net assets attributable to holders of equity shares of future movements in foreign exchange rates.

The above risks may affect the Company's income and expenses, or the value of its financial instruments. The objective of the Company's management of market risk is to maintain this risk within acceptable parameters, while optimising returns. The Company's exposure to, and management of, these risks is explained below:

It is the policy of the Group to enter into forward foreign exchange contracts to cover specific foreign currency payments and receipts within 10 days of exposure generated.

NOTE NO. 40

A. Equity Share Capital (Refer note 16)

(₹ in Lakhs)

Balance as at 1st April 2016	6,761.81
Changes in equity share capital	-
Balance as at 31st March 2017	6,761.81
Changes in equity share capital	-
Balance as at 31st March 2018	**6,761.81**

B. Other Equity

(₹ in Lakhs)

Particulars	Attributable to the equity holders of the parent						
	Reserves and Surplus		Reserves representing unrealised gains/losses		Total	Non-controlling interests	Total equity
	General Reserve	Retained Earnings	Equity instruments through Other Comprehensive Income	Remeasurements of the net defined benefit Plans			
Balance as at 31 March 2017	-	(15,048.81)	-	-	(15,048.81)	-	(15,048.81)
Profit for the year	-	(3,476.02)	-	-	(3,476.02)	-	(3,476.02)
Other Comprehensive Income for the year	-	-	-	-	-	-	-
Total Comprehensive Income for the year	-	(3,476.02)	-	-	(3,476.02)	-	(3,476.02)
Transfer to general reserve	-	-	-	-	-	-	-
Dividend paid on equity shares	-	-	-	-	-	-	-
Dividend distribution tax paid	-	-	-	-	-	-	-
Balance as at 31 March 2018	**-**	**(18,524.83)**	**-**	**-**	**(18,524.83)**	**-**	**(18,524.83)**
Profit for the year	-	(494.28)	-	-	(494.28)	-	(494.28)
Other Comprehensive Income for the year	-	-	-	-	-	-	-
Total Comprehensive Income for the year	**-**	**(494.28)**	**-**	**-**	**(494.28)**	**-**	**(494.28)**
Transfer to general reserve	-	-	-	-	-	-	-
Dividend paid on equity shares	-	-	-	-	-	-	-
Dividend distribution tax paid	-	-	-	-	-	-	-
Balance as at 31 March 2019	**-**	**(19,019.11)**	**-**	**-**	**(19,019.11)**	**-**	**(19,019.11)**

The accompanying notes are an integral part of these financial statements

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE PERIOD ENDED 31ST MARCH, 2019

NOTE NO. 41 - CAPITAL MANAGEMENT

(a) Risk management

The company's objectives when managing capital are to safeguard the company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the company monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including 'current and non-current borrowings' as shown in the consolidated balance sheet) less cash and cash equivalents. Total capital is calculated as 'equity' as shown in the consolidated balance sheet plus net debt.

(₹ in Lakhs)

Particulars	31 March 2019	31 March 2018
Borrowings	**24,142.45**	24,285.59
Provisions	**2,039.63**	2,039.63
Trade Payables	**161.53**	149.34
Other Payables	**5,055.75**	4,852.68
Other financial liabilities	**475.25**	475.25
Less Cash and Cash Equivalents	**(4.49)**	(67.97)
Trade receivables	**-**	-
Other Financial Assets	**(3.45)**	(4.05)
Other Non-Current Assets	**(244.42)**	(244.42)
Net Debt	**31,622.26**	**31,486.04**
Equity Share Capital	**6,761.81**	6,761.81
Other Equity	**(19,019.11)**	(18,524.83)
Total Equity	**(12,257.30)**	**(11,763.02)**
Net debt to equity ratio	**(2.58)**	**(2.68)**

NOTE NO. 42 - CONTINGENT LIABILITIES AND COMMITMENTS:

(₹ in Lakhs)

Particulars	31st March, 2019	31st March, 2018
Contingent Liabilities:		
Claims against the company not acknowledged as debt (Disputed Tax/duty and other demands)	**8,838.63**	8,532.78
Guarantees given to Financial Institutions and Banks (Refer Note 42.1)	**155.50**	2,25,206.98
Commitments:		
*Estimated amount of Contracts remaining to be executed on capital account and not provided for	**-**	-
Other commitments	**195.16**	195.16
Total	**9,189.29**	2,33,934.92
* The project is on hold and hence unable to estimate.		

42.1 Details of Guarantees :

(₹ in Lakhs)

Particulars	31st March, 2019	31st March, 2018
Corporate Guarantees given to Financial Institutions and Banks in respect of loans availed by the Holding Company Binani Industries Limited and by other subsidiaries/step down subsidiaries of the Holding Company. (* includes ₹ NIL lakhs [P.Y ₹ 1,63,061.48 lakhs] jointly and severally by Binani Industries Limited, Binani Cement Limited & Goa Glass Fibre Limited for 105% of the outstanding amount.)	**-**	2,25,051.48
Other Bank Guarantees	**155.50**	155.50
Total	**155.50**	2,25,206.98

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE PERIOD ENDED 31ST MARCH, 2019

* As per NCLAT order dated 14th November 2018 issued in respect of Binani Cement Ltd (now known as Ultratech Nathdwara Cement Ltd.) IBC proceedings, the loan availed by Binani Industries Ltd. and 3B Binani Glassfibre Sarl was paid by Binani Cement Ltd (now known as Ultratech Nathdwara Cement Ltd.) in its capacity as Corporate Guarantor.

Based on legal opinion received by the Company on NCLAT order where no assignment aubrogation of debt/ Guarantees is permitted, debts paid by Binani Cement Ltd (now known as Ultratech Nathdwara Cement Ltd.) pursuant to the order, all the guarantees of the Company given to Binani Industries Limited, 3B Binani Glassfibre Sarl stands discharged.

NOTE NO. 43 : INCOME TAXES

The major components of income tax expense for the years ended 31 March 2019 and 31 March 2018 are:

(a) Statement of profit and loss:

(₹ in Lakhs)

Particulars	31st March, 2019	31st March, 2018
(a) Income tax expense		
Current tax		
Current tax on profits for the year	-	-
Adjustments for current tax of prior periods	-	-
Total current tax expense	**-**	**-**
Deferred tax		
Decrease (increase) in deferred tax assets	-	-
(Decrease) increase in deferred tax liabilities	-	-
Total deferred tax expense/(benefit)	-	-
Income tax expense	-	-

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

(₹ in Lakhs)

Particulars	31 March 2019	31 March 2018
Profit before income tax expense	**(494.28)**	(3,476.02)
Enacted income tax rate in India	**25.75%**	25.75%
Income tax expense as per enacted rate	**(127.28)**	(895.08)
Tax effect of amounts which are not deductible(taxable) in calculating taxable income:		
Expenses disallowed since business not commenced		
Depreciation	**-**	-
Other items	**-**	-
DTA not recognised	**-**	895.03
Adjustments for current tax of prior periods	**-**	-
Tax losses for which no deferred income tax was recognised	**-**	-
Income tax expense	**-**	**-**

Note: Deferred Income Tax Asset is not recognised in the books.

44.1 In the year 2004 KSEB had imposed penalty of ₹20 lakhs per month for unauthorized additional load. The Single Bench of the Hon'ble High Court of Kerala, had in December 2009, disposed the Company's Petition against the Order of the Appellate Authority (Dy. Chief Engineer KSEB) and quashed the order levying penalty for unauthorised additional load. Matter was remanded with a direction to take a decision afresh in accordance with Law considering the bonafide conduct of the Company. The Single Judge held that the Company had obtained all the necessary approvals & energization order from Electrical Inspectorate as stipulated in the conditions of supply of KSEB and since there was no violation, the penal charges are not payable. However matter was remanded. Company filed appeal against remand before the Division Bench. Division Bench held in Company's favor completely. Hence no provision is considered necessary at this stage.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE PERIOD ENDED 31ST MARCH, 2019

44.2 In respect of electricity charges payable for certain years in the prior period, KSEB had withdrawn the concessional tariff eligible for the Company. Though initially the tariff concession was extended, it was subsequently withdrawn by KSEB, on the specific plea that the capacity expansion (which was the criteria for eligibility) was not achieved before due date. KSEB raised claim for ₹ 816.88 Lakhs for those years, which was provided for. The Company had taken up the matter before the Hon'ble High Court of Kerala, which was admitted. KSEB withdrew its earlier order and sought permission for de novo determination, which was accepted by the Single Judge. Company went before Division Bench to issue necessary orders for accepting Company's eligibility. Hearings have been completed and reserved for judgement. Since the matter is pending for nearly three decades and based on the legal advice obtained, the said amount of ₹ 816.88 lakhs provided for, was considered no longer payable and written back in the accounts of the Company in the year 2003-04. The Company, as legally advised, is hopeful of a favourable decision on final settlement of the issues involved in the matter and hence no provision is made for the said amount, which is included under contingent liabilities.

NOTE NO. 45 - SEGMENT REPORTING

The Company operates in a single segment i.e. 'Production and Sales of Zinc and allied products in India'. The company's entire Zinc sales are in India. Hence no additional disclosures under Ind AS "Operating Segments" are required in these financial statements.

NOTE NO. 46 - RISK MANAGEMENT TRANSACTIONS

46.1 The Company undertakes hedging against the risk in commodity prices (zinc prices) through derivative instruments in London Metal Exchange. The gain/losses are recognized in the Statement of Profit and Loss on settlement of the transaction. However, during the year 2017-18, the Company has not undertaken any fresh hedging activities.

46.2 In pursuance of the announcement dated 29/03/2008 of the Institute of Chartered Accountants of India on accounting for derivatives, mark to market gains (net) on outstanding derivative instruments as at 31/03/2019 stood at Nil (Previous Year Nil).

NOTE NO. 47

Punjab National Bank (PNB) in its capacity as lead bank had initiated action under section 13(4) of SARFAESI Act, 2002. The Company had filed a writ petition before Bombay High Court challenging the action initiated by its Bankers under section 13(4) of the SARFAESI Act, 2002. Bombay High Court vide order dated 23rd June, 2016 disposed off the writ petition filed by Company. The Court whilst ruling in favor of lenders has granted six weeks period from the date of the order for seeking appropriate legal remedy from DRT and directed lenders to seek only symbolic possession of immovable properties during such period granted to the Company.

EXIM bank filed their appearance on 20th April 2017. In the opinion of the management, the assets of the Company are sufficient to discharge the liabilities at this stage. Accordingly the financial statements for the current year are drawn up on going concern basis. DRT proceedings are undergoing.

NOTE NO. 48

The management is of the opinion, taking due consideration of the factors stated in Notes above and also that the realisable value of the assets is more than the carrying value in accordance with the provisions of Indian Accounting Standard – IND AS 36 (Impairment of Assets). The assets are not tested for impairment.

NOTE NO. 49 - ADVANCE FOR SALE OF LAND

The agreement with M/s Rhea Realty Private Limited for sale of land is pending before the Honourable High Court of Kerala. This is pursuant to the order of the Paravoor Civil Court in the subject matter. While discussions are underway, in the matter of dispute on the sale agreement, ₹100 lakhs was received from M/s Megalith Builders Private Limited (a related party of M/s Rhea Realty Private Limited) as further advance for land sale as a goodwill gesture.

NOTE NO. 50

Bankers led by Punjab National Bank who had taken symbolic possession of the following mortgaged assets (on 21/07/2016) have issued a notice for auction of the property "Land and Building and Plant and Machinery situated at Edayar Zinc Limited in an extent of 95.34 acres in Binanipuram, Kadungaloor, Village Parur Taluka, Ernakulam District admeasuring area of Land: 95.34 acres Industrial Building admeasuring area 117483 sq. meters mortgaged to Consortium as collateral security."

NOTE NO. 51

EZL filed Insurance Claim before the consumer dispute Kerala State Commission against Oriental Insurance Co. Ltd. seeking order directing Oriental Insurance to pay an amount of ₹ 71.12 lakhs.

Oriental insurance company rejected EZL's claim citing non-disclosure of material facts by EZL ie. Non-disclosure that DG set was old. EZL's contention is that EZL have asked Oriental Insurance Co. Ltd to cover the existing DG set & not a new one.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE PERIOD ENDED 31ST MARCH, 2019

NOTE NO. 52

In respect of capital goods imported at concessional rate of duty under the EPCG Scheme, the Company received notice no. DRI/BZL/CHN/SCN-08/2016 from DRI dated 29/11/2016 for an export obligation of ₹ 965.02 lakhs which is required to be met at different dates before November 2019. In the event of non-fulfilment of the export obligation, the Company will be liable to refund the availment of concessional customs duties and penalties as applicable. The DRI authorities had come to the plant and seized the imported capital goods which was in carton, which is included in CWIP.

DRI vide order dated 01/02/2018 have ordered payment due of ₹ 1.95 crore as follows which would be made good by enforcing the Bond executed at the time of clearance of the consignment. The value of bonds issued at the time of Import is ₹ 1.32 crore (see break-up below). This apart, the goods imported of value ₹ 3.65 crores have been confiscated.

CALCULATION OF PENALTY UNDER DRI ORDER
Order dated February 01, 2018

(₹ in Lakhs)

Particulars	**Rupees**	Rupees
Rejection of Cocenssional duty		86,63,267
Interest from date of clearance of consignment		
Date of Licence (considered as date of BoE)	08-11-2013	
Balance Sheet date	31-03-2018	
Interest from date of clearance of consignment	18%	
Interest Amount		84,12,151
Fine		30,00,000
Penalty		10,00,000
Total payable under the DRI order (EPCG)		2,10,75,418
Bonds Issue in favour of President of India		
Bond dated		
25th February, 2014	65,12,000	
17th April, 2014	58,16,000	
28th November, 2013	8,86,000	
		1,32,14,000

NOTE NO. 53

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 Sheel Rajendra Shukla
Partner
Membership No: 046775

Place : Mumbai
Date : 29th May, 2019

For and on behalf of the Board of Directors

Visalakshi Sridhar
Managing Director,
CFO & Company Secretary
DIN:07325198
Membership No. ICSI-A13849
AICWA-M21132

Kirti Mishra
Director
DIN - 07824918

Pradeep Sharma
Director
DIN - 06881915

Place : Mumbai
Date : 29th May, 2019

Form AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures.

Part "A": Subsidiaries

(₹ in lakhs)

Sl. No	Name of the subsidiary	Reporting period	Reporting currency	Share capital	Reserves & surplus	Total assets	Total Liabilities	Investments	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend	% of shareholding
1	R.B.G.MINERALS INDUSTRIES LIMITED	April to March	INR	500.00	105.21	651.31	46.11	NIL	NIL	(0.15)	0.02	(0.26)	NIL	100

Part B: The Company does not have any associate company or joint venture.

As per our report of even date attached

For and on behalf of the Board of Directors

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

CA Sheel Rajendra Shukla
Partner
Membership No: 046775

Place : Mumbai
Date : 29th May, 2019

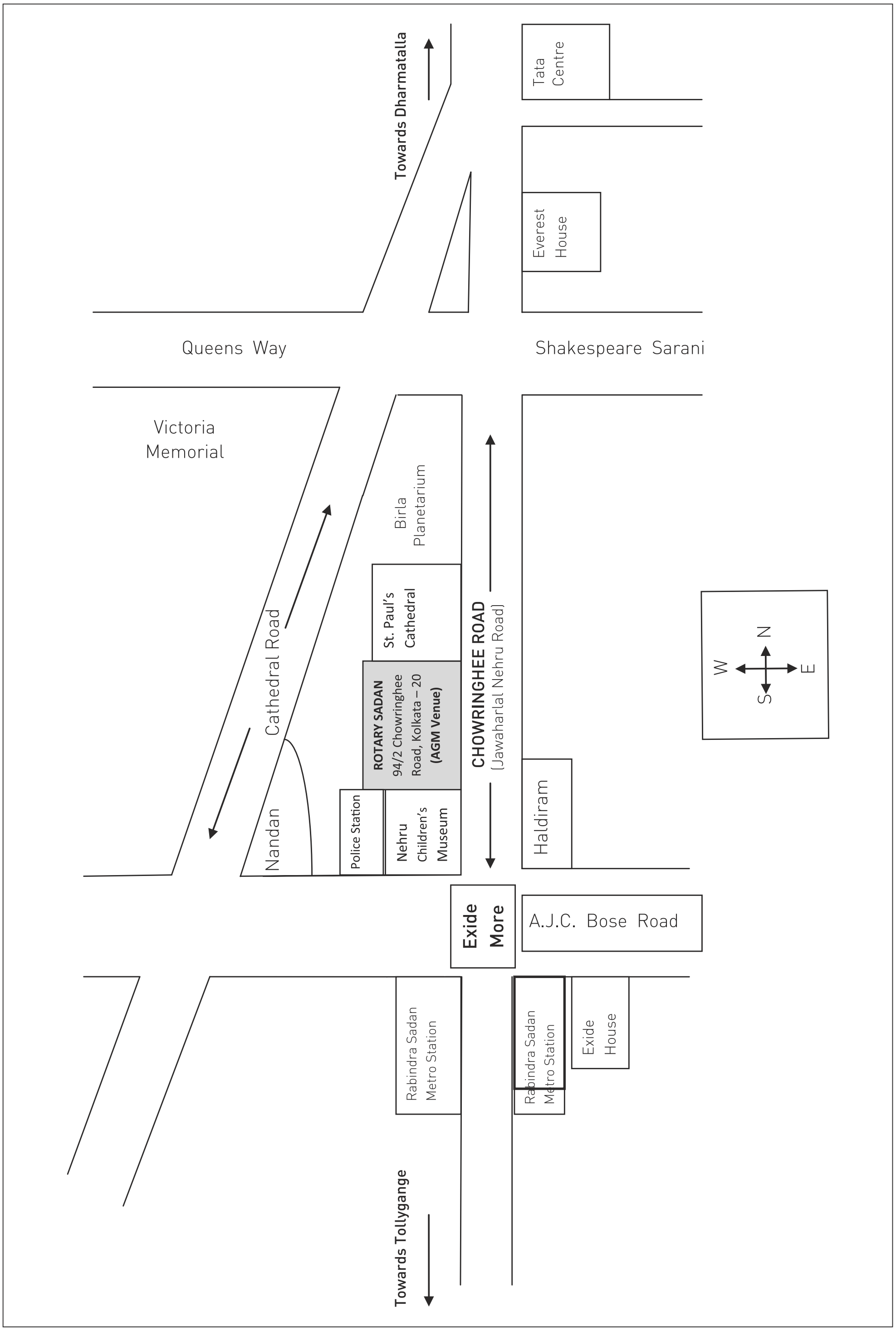
Visalakshi Sridhar
Managing Director,
CFO & Company Secretary
DIN:07325198
Membership No. ICSI-A13849
AICWA-M21132

Kirti Mishra
Director
DIN - 07824918

Pradeep Sharma
Director
DIN - 06881915

Place : Mumbai
Date : 29th May, 2019

AGM ROUTE MAP



EDAYAR ZINC LIMITED (A Subsidiary of Binani Industries Limited)
[CIN : U27204WB2000PLC091214]
Registered Office: 37/2, Chinar Park, New Town Rajarhat Main Road, P.O. : Hatiara, Kolkata – 700157
Website: www.binaniindustries.com, E-mail: Mumbai@binani.net, Tel: 8100326795, Fax: 033-4008 8802

Binani
BRAJ BINANI GROUP

ATTENDANCE SLIP

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL

DP Id*			Folio No.	
Client Id*			No. of Shares	

Name of the Member / Proxy ____________________

I hereby record my presence at the **19th Annual General Meeting** of the Company to be held on **Friday, 27th December, 2019 at 11:30 AM** IST at Rotary Sadan, 94/2, Chowringhee Road, Kolkata – 700 020.

*Applicable for investors holding shares in electronic form.

Signature of Shareholder / Proxy

EDAYAR ZINC LIMITED (A Subsidiary of Binani Industries Limited)
[CIN : U27204WB2000PLC091214]
Registered Office: 37/2, Chinar Park, New Town Rajarhat Main Road, P.O. : Hatiara, Kolkata – 700157
Website: www.binaniindustries.com, E-mail: Mumbai@binani.net, Tel: 8100326795, Fax: 033-4008 8802

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PROXY FORM

(Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies [Management and Administration] Rules, 2014)

Name of the Member(s):____________________

Registered Address: ____________________

E-mail ID: ____________________

Folio No./Client ID_:____________________

DPID____________________ : ____________________

I/We, being the member(s) of Edayar Zinc Limited holding ____________________Share(s) of the Company, hereby appoint:

1. Name:____________________Address :____________________

   E-mail ID : ____________________Signature : ____________________or failing him / her,

2. Name:____________________Address :____________________

   E-mail ID : ____________________Signature : ____________________or failing him / her,

3. Name:____________________ Address: ____________________

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **19th Annual General Meeting** of the Company, to be held on **Friday, December 27, 2019 at 11:30 AM IST** at Rotary Sadan, 94/2, Chowringhee Road, Kolkata – 700 020 and at any adjournment thereof in respect of such resolutions as are indicated below:
**I wish my above Proxy to vote in the manner as indicated in the box below:

Item No.	Resolution	For	Against
1	Adoption of the Audited Financial Statements including Audited Consolidated Financial Statements for the Finacial Year ended 31st March 2019, together with Reports of the Board of Directors and the Auditors thereon,		
2	Appointment of Mrs. Visalakshi Sridhar as Director of the Company liable to retire by rotation		
3	Appointment of Mrs Visalakshi Sridhar as a Managing Director of the Company.		
4	Appointment of Mr. Pradeep Sharma as an Independent Director of the Company		
5	Appointment of Mr. Gour Chandra Das as Independent Director of the Company.		
6	Approval to sell, lease or otherwise dispose off the assets of the Company.		

Signed this ________________________ day of __________________ 2019.

Affix Revenue Stamp

Signature of Proxyholder(s)______________________________ Signature of Shareholder ______________________________________

NOTES:

1. This Form of Proxy in order to be effective should be duly completed, stamped, signed an deposited at the Registered Office of the Company at 37/2, Chinar Park, New Town Rajarhat Main Road, P.O. Hatiara, Kolkata – 700157, not less than 48 hours before the commencement of the Meeting.

**2 This is optional. Please put a "√ " in the appropriate column against the resolution indicated in the Box. If you leave the "For" or "Against" column blank against any or all the resolutions, your proxy will be entitled to vote in the manner he/she thinks appropriate.

3. Appointing proxy does not prevent a member from attending in person if he / she so wishes.

4. The Proxy Form should be signed by the Member or his attorney authorized in writing or in case of a Corporate Member, should be under its seal or should be signed by an officer or attorney authorized by such Member. In case of joint holders, the signature of any one holder will be sufficient but the names of all the joint holders should be stated.

Binani

BRAJ BINANI GROUP

EDAYAR ZINC LIMITED

Mercantile Chambers, 12, J. N. Heredia Marg, Ballard Estate, Mumbai - 400 001.